ANNUAL REPORT 2021
From 56-1 One Report

*Annual registration statement / Annual report

Hydrotek Public Company Limited

MESSAGE FROM THE CHAIRMAN OF THE BOARD

ใน In 2021, the overall economy of the country continued to contract which is affected by the epidemic of the coronavirus (COVID-19) announcement of lockdown measures to control the epidemic affecting economic activities in many industries to halt. However, the company has highly adjusted in adjusting business strategies in such situations. focusing heavily on the construction of basic utilities with state-owned enterprises in the country because it is an organization that still has purchasing power and have stability and have a continuous budget

For entering the year 2022, the company expects that the trend of the construction industry of government organizations, state enterprises, and the private sector will be more because the government has the policy to stimulate the economy. By increasing public investment in infrastructure, whether it is a project related to the Eastern Special Development Zone (EEC), airport projects high-speed rail project to create jobs and distribute income in the country thoroughly, the company is an experienced government contractor. and qualifications for receiving government jobs and many state enterprises, allowing the company to choose good jobs which makes the company have a backlog and good operating results This will enable the company to be upgraded to be a leader in the construction of public utilities and able to make an overall profit for the company which will be the basis for the company to grow steadily in other missions of the company

On behalf of the Board of Directors Thank you to our shareholders, partners, partners, and all customers. who have always supported and trusted the company and strongly believe that the Board of Directors, the management team, and all employees are committed and ready to dedicate ourselves to our full potential to achieve the highest benefits for all stakeholders sustainably.

Mr. Somprasong Panjalak
Chairman of the Board

Vision

To be a leading company in basic utilities and environmental engineering in Thailand and the ASEAN region sustainably

Mission

1. One-stop service from the design, procurement, construction, installation, and commissioning of systems that focus on international quality and efficiency in use at a reasonable price including on-time delivery of work
2. Effective management and control of construction costs
3. Personnel development Study and develop technology regularly and continuously
4. Building a good relationship with customers through good after-sales service and impressive
5. Business expansion for stable and sustainable growth under the framework of organizational building and development to be a highly efficient organization in the business
6. Business expansion to cover all forms of service to customers according to the company's policy

Index

Message from the Chairman of the Board

Vision and Mission

I
Board of Directors

Part 1 : Business Operations and Performance

06
Business Operations

III
Management Team

01
Significant changes and developments in the past 3 years

04
General Information

24
Group Shareholding Structure

27
Risk Management

35
Driving Business For Sustainability

40
Management Analysis and Explanation (MD&A)

Part 2 : Corporate Governance

58
Corporate Governance

67
Management Structure

71
Structure of the Board of Directors and Executives

50
Other Important Information

86
History of the Board of Directors and Executives

95
Directors and Executives Remuneration

98
Auditor's Remuneration

99
Nomination and Remuneration Committee Report

Part 3 : Internal Control and Related Party Transactions gross

101
Internal Control and Risk Management

103
Related Party Transactions gross

108
Risk Management Committee Report

109
Audit Committee Report

Part 4 : Financial Statements

112
Report of the Board of Directors' Responsibilities to Financial Statements

113
Independent Auditor's Report

118
Financial Statements

125
Notes to Financial Statements

Board of Directors

1 2 3

1. Mr. Somprasong Panjalak

- Chairman of the Board

2. Mr. Banjerd Thongcharoen

- Chief Executive Officer
- Nomination and Remuneration Committee
- Risk Management Committee
- Director

3. Mr. Somchan Panjalak

- Nomination and Remuneration Committee
- Risk Management Committee
- Director

4 5 6 7

4. Mr. Slib Soongsawang

- Risk Management Committee
- Director

5. Air Chief Marshal Surasak Meemanee

- Chairman of the Audit Committee
- Nomination and Remuneration Committee
- Chairman of the Risk Management Committee
- Independent Director

6. Prof. Dr. Kamphol Panyagomes

- Audit Committee
- Chairman of the Nomination and Remuneration Committee
- Independent Director

7. ดร.ศิริเดช คำสุพรหม

- Audit Committee
- Nomination and Remuneration Committee
- Independent Director

Management Team

Mr. Banjerd Thongcharoen

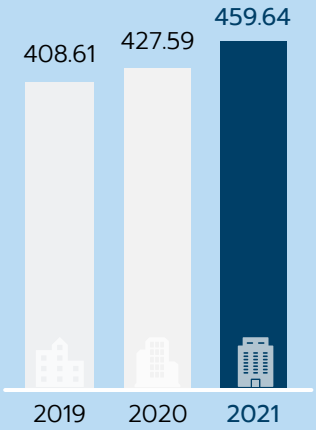
Chief Executive Officer

Ms. Jarumas Anuchhalakom

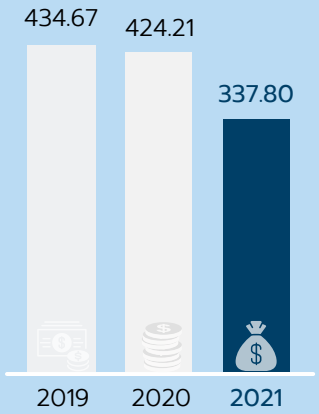
Deputy Chief Executive Officer
Accounting and Finance

IMPORTANT FINANCIAL INFORMATION

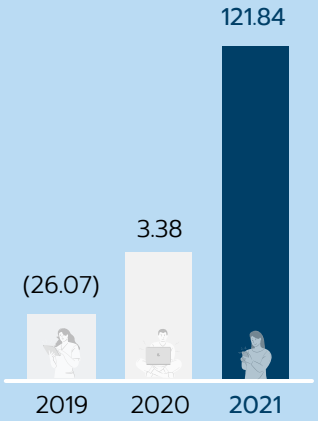
Total Assets
(Million Baht)



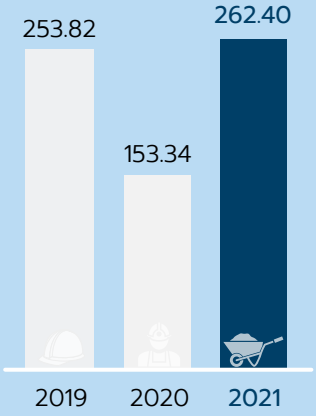
Total Liabilities
(Million Baht)



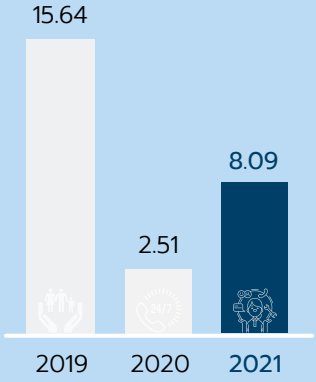
Total shareholders' Equity
(Million Baht)



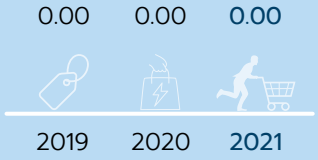
Construction Income
(Million Baht)



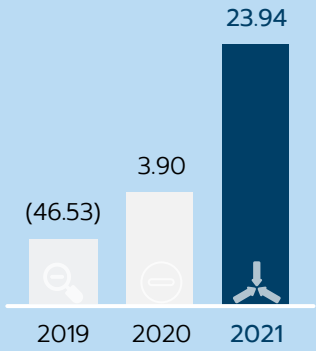
Service Income
(Million Baht)



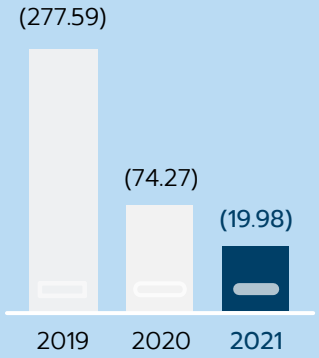
Revenue from Sale
(Million Baht)



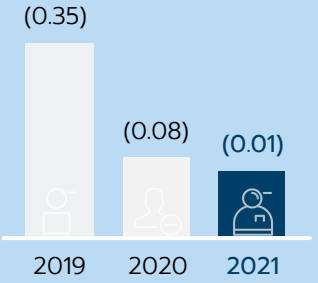
Gross Profit (Loss)
(Million Baht)



Net Profit (Loss)
(Million Baht)



Earnings (Loss) per share
(Million Baht)



SIGNIFICANT CHANGES AND DEVELOPMENTS IN THE PAST 3 YEARS

The Year 2019

There are important things as follows:

1. Actions related to the increase of registered capital

- The Board of Directors Meeting No. 3/2019 held on March 19, 2019, approved the following resolutions:
- Increase the registered capital of the Company for 412,108,599 baht from the original registered capital of 970,283,450 baht to the registered capital of 412,108,599 baht. 1,382,392,049 baht by issuing 412,108,599 newly issued ordinary shares with a par value of 1 baht per share, which is a general mandate increase of registered capital of 313,987,504 baht by issuing 313,987,504 newly issued ordinary shares at a par value of 1 baht divided into

  - Increasing capital for 235,049,628 baht under a general mandate form by issuing new ordinary shares in the amount of not more than 235,490,628 shares with a par value of 1 baht per share for offering to the existing shareholders of the company. according to shareholding proportion (Right Offering: RO)

  - Increasing the capital for 78,496,876 baht using a general mandate (General Mandate) by issuing new ordinary shares in the amount of not more than 78,496,876 shares with a par value of 1 baht per share to be offered to a private placement (Private Placement: PP).

  Issuance of newly issued ordinary shares of the company under a general mandate, in both cases, the issuance and offer will not exceed 30% of the registered capital of the company or the total amount of 235,490,628 baht and the issuance of newly issued ordinary shares in the amount of not more than 235,490,628 Shares at a par value of 1 baht per share to support the exercise of the warrants to purchase the company's ordinary shares No. 1 (HYDRO-W1), which is newly allocated to the existing shareholders (Warrant RO) without charge Value 98,121,095 shares with a par value of 1 baht per share.

  The aforementioned transaction was approved by the 2019 Annual General Meeting of Shareholders held on April 30, 2019.
- The company has changed the registered capital from the amount of 970,283,450 baht to the amount of 1,382,392,049 baht to the Department of Business Development. Ministry of Commerce on May 17, 2019
- The company has changed the registered and paid-up capital from the amount 1,382,392,049 baht, amounting to 1,197,077,359 baht per Department of Business Development Ministry of Commerce on November 6, 2019

2. Appointment

- The Board of Directors Meeting No. 4/2019, held on April 24, 2019, resolved to approve the appointment of Dr. Siridej Kamsubrom to be an additional audit committee member.
- The Board of Directors Meeting No. 5/2019, held on May 13, 2019, resolved to approve the appointment of Air Chief Marshal Surasak Meemanee as the Chairman of the Audit Committee.
- The Board of Directors Meeting No. 7/2019 held on July 30, 2019, resolved to approve the appointment of Mr. Saran Yansophananan. to be a new director of the Company and the Chief Executive Officer
- The Board of Directors Meeting No. 11/2019, held on November 12, 2019, resolved to approve the appointment of Mr. Somchan Panjalak to be a new director of the company.

3. Resolutions presented to the Extraordinary General Meeting of Shareholders No. 1/2019 on September 23, 2019

- Approved the sale of investment in SUT Global Company Limited ("SUTG") to Mr. Suparerk Na Songkhla, Mr. Inthidet Pol-In, and Ms. Nittaya Na Songkhla, including entering into a share purchase agreement, agreement, contract, and other documents related to the disposal of investment in ("SUTG")
- Approved the reduction of the company's registered capital for 185,314,690 baht from the original registered capital of 1,382,392,049 baht as registered capital of 1,197,077,359 baht by cutting off 185,314,690 ordinary shares at a par value of 1 baht per share.
- Approved the amendment of Clause 4 of the company's Memorandum of Association to be in line with the company's registered capital increase.

The year 2020

There are important things as follows:

1. Operations on registered capital

- The Board of Directors Meeting No. 2/2020 held on January 31, 2020, resolved to approve the Company Allotment of newly issued shares through a general mandate, with details as follows:
  - Allocation of 156,993,752 newly issued ordinary shares with a par value of 1.00 baht per share for offering to the existing shareholders of the company in proportion to their shareholding (Right Offering) in the ratio of 5 existing ordinary shares to 1 new ordinary share.
  - Allocation of 78,496,876 newly-issued ordinary shares with a par value of 1.00 baht per share to be offered to Mrs. Poruethai Shinawatra, which is a private placement offering.
  - Determine the selling price of shares to the existing shareholders of the company according to the shareholding proportion (Right Offering) and Private Placement at the price of 0.29 baht per share
- On March 13, 2020, the company has been denied the right to subscribe for shares by a general mandate of a private placement.
- The Board of Directors Meeting No. 4/2020 held on April 10, 2020, resolved to approve the cancellation of the general mandate share allotment which was allocated to the existing shareholders (Rights Offering: RO) issued on 9-13 March 2020, amounting to 2,325 shares.
- The Board of Directors Meeting No. 4/2020 held on April 10, 2020, resolved to propose to the shareholders' meeting for approval on the following important agendas:
  - Approved the reduction of the registered capital of the Company from the original registered capital of 1,197,077,359.00 baht as registered capital 883,089,855.00 baht by canceling the registered shares but has not allocated the amount 78,496,876.00 baht and the amount that cannot be sold 235,490,628.00 baht with a par value of 1.00 baht per share.
  - Approved the amendment of Clause 4 of the company's Memorandum of Association to be in line with the reduction of the company's registered capital.
  - Approval of increasing the registered capital 784,968,760.00 baht from the original registered capital 883,089,855.00 baht as registered capital 1,668,058,615.00 baht by issuing 784,968,760 new ordinary shares at a par value of 1.00 baht per share.
  - Approved the allocation of 784,968,760 ordinary shares from the company's registered capital increase with a par value of 1.00 baht per share for one-time offering in full or partially. which will be issued and offered for sale at the same time in the whole amount or from time to time to the existing shareholders of the Company in proportion to their shareholding (Rights Offering) in the ratio of 1 existing share to 1 new share. Shareholders are entitled to subscribe for shares over their rights. at the offering price of 0.14 baht per share.
  - Approved the amendment of Clause 4 of the company's Memorandum of Association to be in line with the company's registered capital increase.
  - Approve the amendment of the company's Articles of Association. to be consistent with the meeting arrangements through electronic media.

  The aforementioned agenda was approved by the Extraordinary General Meeting of Shareholders No. 1/2020 on 20 May 2020.
- The company has changed the registered capital to the Department of Business Development Ministry of Commerce on May 28, 2020, for the reduction of registered capital and on May 29, 2020, for the increase of registered capital
- On 15 – 19 June 2020, the Company sold 495,416,810 ordinary shares in the amount of 495,416,810 shares to the existing shareholders of the company. Such ordinary shares have a par value of 1.00 baht per share, offered for sale for 0.14 baht per share, totaling the total amount 69,358,353.40 baht The Company recorded expenses related to the distribution of shares net of income tax of 360,000.00 baht as a deduction in the discount account.
- The company has changed the registered and paid-up capital of the Company from 784,968,760.00 baht, equal to 1,280,385,570.00 baht, equivalent to ordinary shares 1,280,385,570 Shares at a par value of 1.00 baht per share with the Ministry of Commerce on June 29, 2020.

2. Appointment

- The Board of Directors Meeting No. 6/2020, held on July 8, 2020, resolved to approve the appointment of Mr. Banjerd Thongcharoen to be a new director of the Company.
- The Board of Directors Meeting No. 7/2020, held on August 5, 2020, resolved to approve the appointment of Mr. Banjerd Thongcharoen to be the new Chief Executive Officer.
- The 2020 Annual General Meeting of Shareholders held on August 11, 2020, resolved to approve the appointment of Mr. Somprasong Panjalak to be a director of the Company instead of the vacant director position
- The Board of Directors Meeting No. 9/2020, held on September 8, 2020, resolved to approve the appointment of Mr. Somprasong Panjalak to be the new Chairman of the Board.

The Year 2021

There are important things as follows:

- The Board of Directors Meeting No. 1/21, dated January 19, 2021, resolved to approve the appointment of Ms. Jarumas Anuchchalakom to be the company secretary.
- The Board of Directors Meeting No. 12/21, held on November 12, 2021, passed important resolutions as follows:
  - Approve the amendment of the company's objectives.
  - Approval to amend the registered capital of the company. to be in line with the company's registered capital increase
  - Approval to amend the registered capital of the company to comply with the reduction of the registered capital of the company
- The Extraordinary General Meeting of Shareholders No. 1/21, held on November 15, 2021, resolved to propose to the shareholders' meeting for consideration and approval on the following important agenda items:
  - Approved the reduction of registered capital. And amending the Memorandum of Association Clause 4. of the company to be in line with the reduction of registered capital which reduced the registered capital in the amount of 33,487,136.00 baht from the original registered capital 1,668,058,615.00 baht as registered capital 1,634,571,479.00 baht by eliminating 33,487,136 unissued ordinary shares with a par value of 1 baht per share, which are shares supporting the issuance of shares to the existing shareholders of the Company in proportion to their maturity (Rights Offering). allocated period
  - Approved the increase of registered capital and amendments to Clause 4 of the company's Memorandum of Association to be in line with the increase of registered capital This is a capital increase at the rate of 2 existing shares per 1 new share, amounting to 768,227,679.00 baht from the original registered capital of 1,634,571,479.00 baht as registered capital 2,402,799,158.00 baht by issuing 768,227,679 new ordinary shares with a par value of 1 baht per share to be used as funds for the project. and used as the working capital of the company.
  - Approved the allotment of newly issued ordinary shares of the Company in the amount of not more than 768,227,679 shares with a par value of 1 baht per share for offering to the existing shareholders of the company. in proportion to the number of shares held by each (Rights Offering) in the allotment ratio of 2 existing ordinary shares to 1 newly issued ordinary share with an offering price of 0.18 baht per share, with fractions of shares being discarded.
  - Approved the reduction of registered capital. And the company's paid-up capital to clear accumulated losses by reducing the number of shares 1,728,512,277 shares, with a par value of 1 baht per share, according to the shareholding proportion of each shareholder in the same share ratio before the capital reduction of 1,728,512,277 shares per share remaining after the capital reduction of 1 share (4:1) and the amendment of Clause 4 of the Company's Memorandum of Association to be consistent with the reduction of registered capital.
  - Approve the amendment of the company' objectives. and the amendment of the Memorandum of Association Clause 3. (Objectives) to be consistent with the amendment of the objectives.

General Information

Thai company name :
บริษัท ไฮโดรเท็ค จำกัด (มหาชน)

English company name :
Hydrotek Public Company Limited

Company registration number :
0107554000097

Office Address : No. 1, TP&T Building, 14th Floor, Soi Vibhavadi Rangsit 19, Chatuchak, Chatuchak, Bangkok 10900, Thailand.

Telephone : (66) 2-936-1661-2

Fax : (66) 2-936-1669

Website : www.hydrotek.co.th

Business Type : Construction, management, and investment in environmental engineering as follows:

1) Construction of infrastructure projects with the public and private sectors
2) Providing water system management services Both the water system and the wastewater
3) Investment in water production and wastewater treatment projects

Registered capital : 2,402,799,158 baht, consisting of ordinary shares 2,402,799,158 shares

Paid-up capital : 2,304,603,037 baht, consisting of ordinary shares 2,304,603,037 shares As of December 31, 2021

Par value per share : 1 baht per share

Other references : securities registrar

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400

Telephone (66) 2-009-9000
Fax (66) 2-009-9991

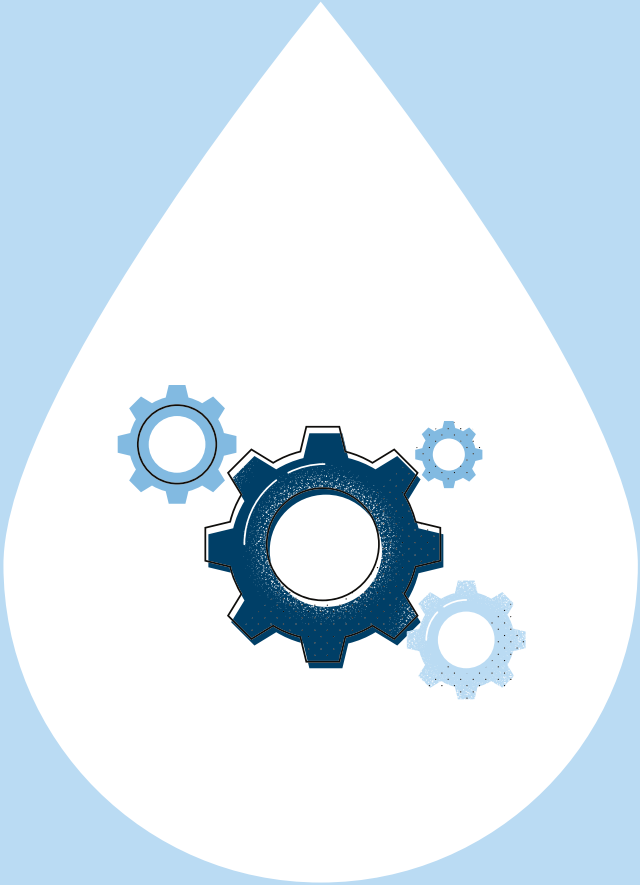
Auditor
Mr. Amphol Chamnongwat, Certified Public Accountant No. 4663
AMC Office Company Limited, 19th Floor, Unit 4, Silom Complex Building, 191 Silom Road, Silom, Bangrak, Bangkok 10500

Telephone : 66 (0) 2231-3980-7
Fax : 66 (0) 2231-3988

Note: Investors can study additional information of the company from the company's annual registration statement (Form 56-1) shown in www.sec.or.th or company website www.hydrotek.co.th

The company's services can be divided into 4 products:

1) Water Treatment Plant: production of tap water, production of freshwater from seawater. And the production of purified or demineralized water for industrial use.
2) Wastewater Treatment Plant and wastewater treatment system for reuse or recycling (Wastewater Recycle Plant)
3) Solid Waste Treatment Plant is to bring waste to landfills to decompose to get methane gas. And then used to produce energy as fuel.
4) Processing of waste materials into renewable energy (Waste to Energy) is the use of wastewater with high COD (Chemical Oxygen Demand) from industrial plants. Come through the production process to obtain biogas and methane and then used them as fuel energy.



Part 1 :

Business Operations and Performance

Business Operations

HYDROTEK is a leading company in the construction business as its core business. By accepting construction work from both government agencies State enterprises and the private sector who accept work in the form of a direct contractor (Main Contractor) or Sub-Contractor, including cooperating with other contractors in the form of a joint venture (Joint Venture) which is a joint venture in a construction project that does not separate the work or the amount of work of each investor is responsible for the profit or loss in proportion to the mutually agreed upon or in the form of a consortium, which is an investment in a construction project that can divide the work and the amount of work of each individual and each investor is responsible for profit or loss independently of each other. Having more stable and sustainable growth with the business of management, sales, and investment in other utilities, HYDROTEK aims to create shared value for all stakeholders in a balanced and sustainable manner, focusing on service development. To deliver a good quality of work to all stakeholders as well as improve the quality of life of communities in all areas where HYDROTEK operates The overview of HYDROTEK's business is as follows:

1) Construction Business
2) Operation and Maintenance Management Business
3) Sales Business
4) Investment Business

Construction Business

HYDROTEK operates a construction business. by focusing on infrastructure projects both with the public and private sectors (Engineering, Procurement and Construction: EPC) HYDROTEK design, procurement, construction, and equipment installation as well as a trial run of either system or providing a full range of services The integrated service allows customers to receive complete services, convenience and reduce the burden of procurement of equipment. recruiting designers and experienced contractors to carry out the construction for structural construction such as the construction of water tanks, buildings, pumping stations, and other civil works The company will hire subcontractors with reliable quality. and had worked with the company to carry out such construction

Operation and Maintenance Management Business

HYDROTEK is a leader in operation and maintenance (Operation & Maintenance, O&M) water management services for both water and wastewater systems. To obtain quality water according to the standards outlined in the contract and meets the criteria of the Provincial Waterworks Authority or the Metropolitan Waterworks Authority, this ensures that the water supply is of the required quality or in the RO water part or Demin meets the criteria set by the customer or water users for wastewater Supervise the quality to meet the industrial estate criteria or the Ministry of Natural Resources and Environment set by HYDROTEK has tested the water quality at every stage of production. Thanks to efficient production and expertise, HYDROTEK water output has always met the required criteria.

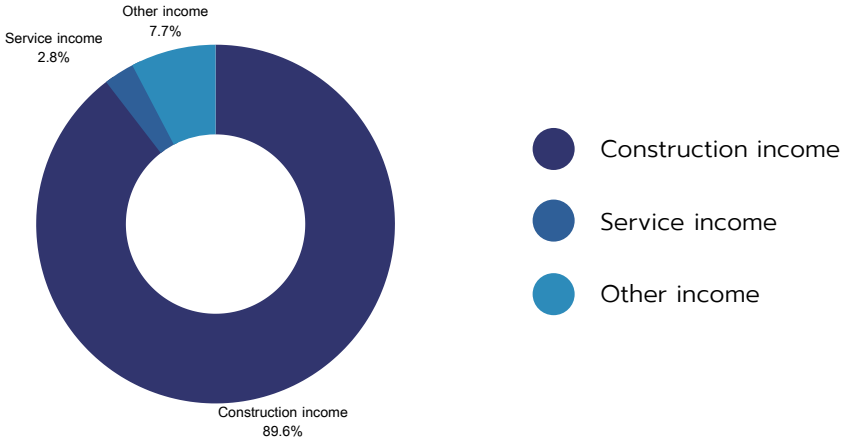
Sales Business

To expand the customer base, HYDROTEK has expanded the scope of business development in the field of sales. By bringing the strengths in water management for a long time Let's develop and develop products for water purifiers for households. To meet the applications in the public utility, HYDROTEK is meticulous in selecting materials, specialists, as well as bringing technology along with product making. to meet the needs and good quality of water in daily life.

Investment Business

with vision and the policy of the management team that recognizes the need to expand opportunities to expand the scope of business highlighting and creating stable growth HYDROTEK will prepare a plan for entering the role of an investor to operate a comprehensive infrastructure project development business.

PROPORTION OF INCOME CLASSIFIED BY TYPE OF SERVICE



Income type	Year 2020	Year 2021	Change (Million baht)	Change (%)
Construction income	154.34	262.40	108.06	70.01
Service income	2.51	8.09	5.58	222.31
Sales income	-	-	-	-
Total income	156.85	270.49	113.64	72.45
Other income	4.02	22.52	18.50	460.20
Gross Operating Profit Margin (%)	8.85	2.49	-	-
Profit margin from recurring items before depreciation Distribution fee Interest and Tax (%)	0.44	(36.87)	-	-

PRODUCT OR SERVICE CHARACTERISTICS

WATER PRODUCTION SYSTEM

1) Water supply system
2) Freshwater production system from seawater
3) Pure water production system or demineralized water production system

WASTEWATER TREATMENT SYSTEM

1) Wastewater treatment system for reuse
2) Wastewater treatment system to meet standards

PROCESSING WASTE MATERIALS INTO RENEWABLE ENERGY

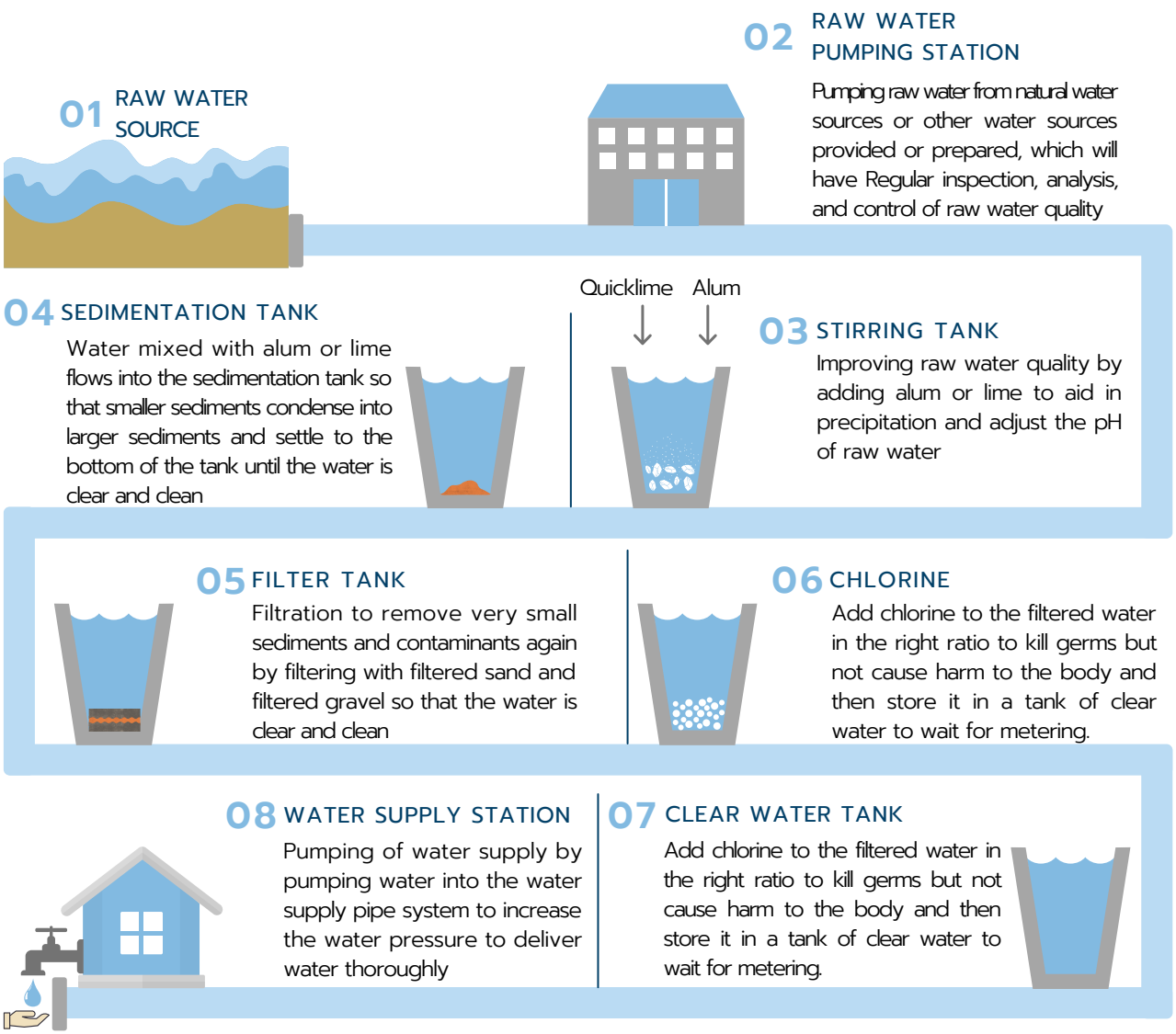
1) Air process
2) Anaerobic / Anaerobic Process

1.WATER TREATMENT PLANT

A water production system refers to the conduction of surface water or raw water from various natural water sources such as rivers, canals, lakes, reservoirs, and seas, into the production process to obtain water of the quality and quantity according to the needs of customers such as tap water, freshwater, and pure water. For use in consumer, agriculture, and the industry or used in industrial factories located in areas near the sea or areas where water prices are high Each type of water produced will use production technology with different complexity. If considering the services of the company's water production system, it can be classified by type of water production as follows.

1.1 PORTABLE WATER PLANT

It is the introduction of surface water or raw water into the production process to obtain tap water. The resulting water is used for consumption, agriculture, and certain industries that do not require high-quality water. The tap water produced must have a solution concentration of fewer than 500 milligrams per liter and must meet the standards set by the Provincial Waterworks Authority and the Metropolitan Waterworks Authority, such as physical characteristics such as color, taste, odor, and turbidity; chemical characteristics such as the amount of solution and hardness Characteristics of toxic substances (heavy metals) such as mercury, lead, and arsenic, which customers who use the water supply system service include communities and industrial plants. can be described as in the picture



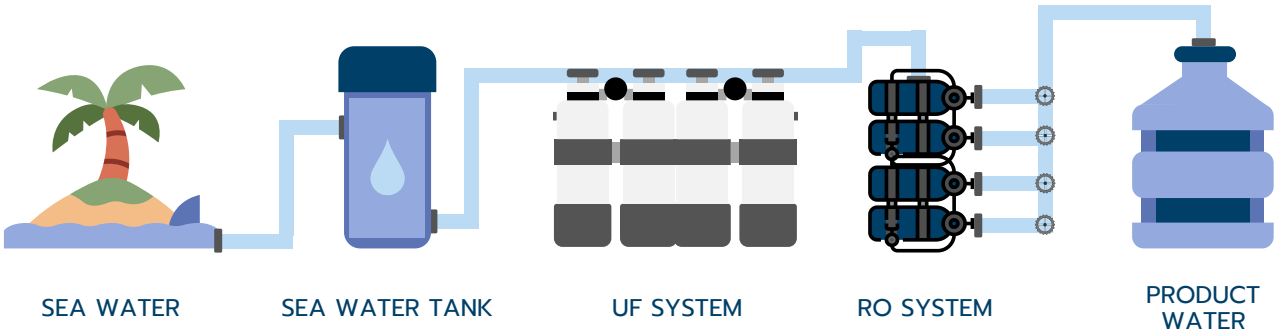
TAP WATER PRODUCTION PROCESS

1) Pumping surface water or raw water from natural water sources. or other water sources provided or provided which such water will have turbidity and various solutions including heavy metal impurities
2) Improve raw water quality by adding alum or lime to the water. To help precipitation and adjust the pH of raw water
3) The sedimentation by water mixed with alum or lime will flow into the sedimentation tank to allow the smaller sediments to gather into larger sediments and fall to the bottom of the tank until the water is clear
4) Filter to remove very small sediment or contaminants again. By filtering with sand filtered gravel to get the truly clean water.
5) Disinfect by adding chlorine in the right ratio. and does not cause any harm to the body Then put it in a tank of clear water to wait for metering.
6) Check and control the quality of tap water produced.
7) Discharge water from the high tank tower or pump water into the water supply pipe system to increase the water pressure.

In tap water production, there will be residual waste from products such as sludge of suspended solids mixed with raw water. Most of it is soil, which does not affect the environment because it is a substance that exists in nature. And in the production process, no chemicals are added. Dangerous In addition, the chemicals used in the production process are chemicals that help in sedimentation and are used in small quantities. The company has a method to dispose of those sludge by landfill.

1.2 DESALINATION PLANT

It is the introduction of seawater into the production process to obtain fresh water. Customers who need such services include communities and industrial plants located near or next to the sea or in areas where freshwater prices are high or lack of freshwater by the seawater used in production, the solution must be filtered to remove the solution and turbidity because seawater will have turbidity and concentration of solution up to 35,000 – 45,000 milligrams per liter. The production process is similar to that of tap water but requires more sophisticated technology by using a filtration system that uses pressure through a high-resolution filter, including the use of MF or UF and RO filtration systems known as Sea Water Reverse Osmosis (SWRO).



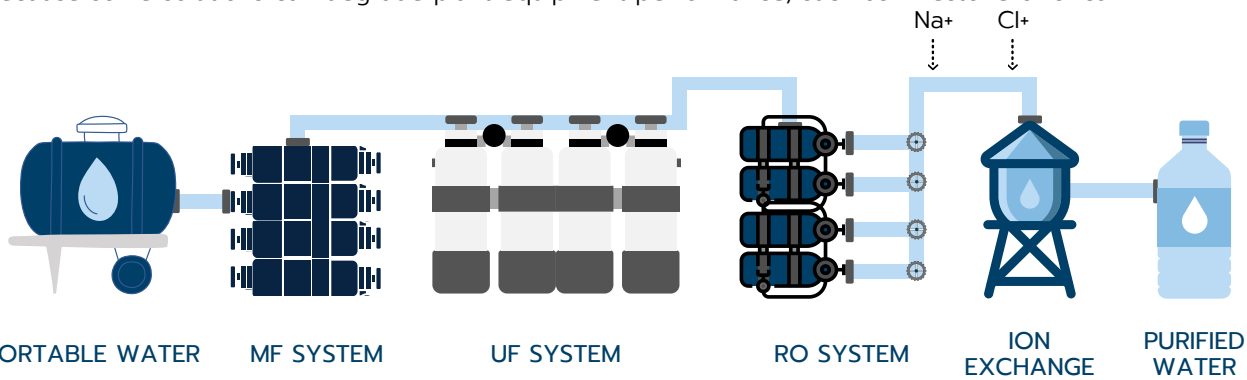
PROCESS OF PRODUCING FRESHWATER FROM SEAWATER

1) Pumping water from the sea
2) It is passed through an MF or UF membrane filtration process to filter out suspended solids.
3) It is passed through an SWRO membrane filtration process to filter out the salt solution to get fresh water.
4) Store it in a bucket of clear water to wait for use.

In the production of freshwater from seawater, there will be residual waste from production such as high-concentration brine. Because in the process of producing freshwater from seawater, it is the separation of salt solution in seawater. This results in the production of two parts: fresh water and high-concentration salt water, which does not affect the environment. The water obtained from the aforementioned products can be further processed into purified water through the purified water production process that will be discussed below.

1.3 DEMINERALIZATION PLANT

It is the introduction of tap water into the production process to filter out the remaining solutions, such as various mineral salts. The process of producing pure water requires more complicated production technology than tap water production is to uses the ion exchange method to obtain water of the required purity level the customers in the pure water production system are power plants, industrial plants in the oil refining business. Electronic circuit board manufacturing business and drinking water business If the water is of improper quality, it may cause production problems for the industry. This is because some solutions can degrade plant equipment performance, such as limestone or silica.



PROCESS OF PRODUCING PURE OR DEMINERALIZED WATER

1) Bring tap water from the production process to the process of filtering small mineral salts that remain in tap water through a membrane filtration system. Starting from the MF filtration system or UF filtration system before going through the RO filtration system until the remaining water is sodium ions (Na^+) and chloride ions (Cl^-).
2) Bring the water that has passed through the above filtration process into the ion exchange process to filter such small particles. The cation from Na^+ and the anion from Cl^- are captured by resin (an insoluble polymer with cation exchange properties), resulting in pure water.
3) Check the quality of the water obtained.
4) Store it in a bucket of clear water to wait for use.

In the production of purified water, there will be residual waste from the production such as chemicals used in washing resin, which has no impact on the environment because it is a salt solution but has a high concentration. It must be diluted to a concentration permitted by law. Because it has gone through the process of filtering out all the minerals, therefore, entrepreneurs in the drinking water business add mineral salts that are beneficial to the body during production. This makes it more valuable and beneficial to the body such as mineral water, which helps to add value to the water produced.

2. WASTEWATER TREATMENT PLANT

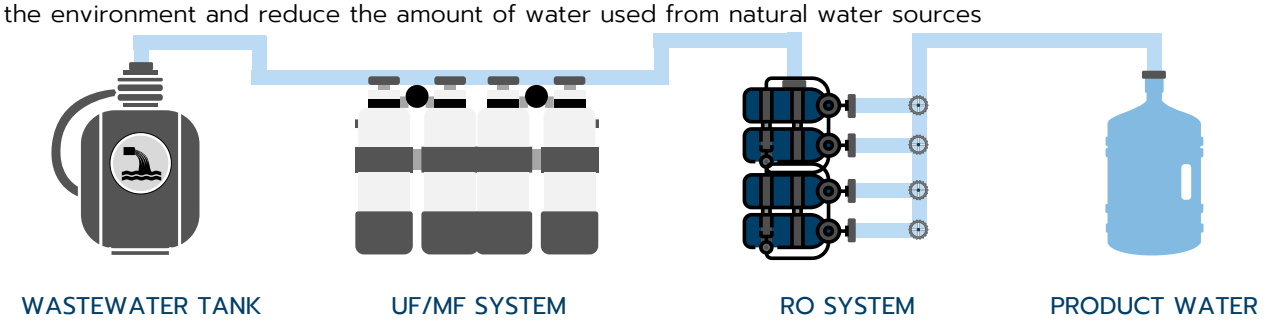
Refers to the removal of contaminants in the water from the production process of industrial plants, or caused by the daily routine of people living in communities or various habitats, or the amount of contaminants in the water has decreased until the quality meets the effluent standards according to the notification of the Ministry of Natural Resources and Environment No. 3 (1996) regarding the setting of control standards Drainage from various sources such as industrial plants and industrial estates. Various residential buildings and agricultural areas, etc., where wastewater occurs from various sources There will be different amounts of chemicals or concentrated solutions mixed in. The wastewater can be categorized according to the main substance that gives the outstanding characteristics of wastewater into 5 types as follows:

1) Wastewater that contains organic matter which is caused by drinking water is determined from the BOD (Biochemical Oxygen Demand) value. BOD is a measure of wastewater from consumer water that is dumped into public water bodies or from leaf litter. Required to use in the decomposition of organic matter, that is, if wastewater has a low BOD when it is dumped into a water source, it will not affect the said water source. Because bacteria need less oxygen to decompose. But if the wastewater has a high BOD value, when it is dumped into the water source, the oxygen content in the water source will be reduced so much that it will cause fish or other living things. In that water source cannot exist.
2) Wastewater that contains chemicals, will consider the COD (Chemical Oxygen Demand), which means the spoilage measurement of Chemical wastewater, where COD indicates the amount of oxygen used to oxidize to carbon dioxide and water.
3) Wastewater in suspension form It will consider the TDS (Total Dissolved Solid) value to be treated, i.e. the amount of solid dissolved in water and able to flow through glass fiber filter paper. When the suspended solids are filtered out, the clear water that passes through the glass fiber filter paper is evaporated will be able to find the amount of solution.
4) Wastewater containing heavy metals
5) Wastewater from other chemicals

Therefore, the service related to the wastewater treatment system depends on the nature of the wastewater and the level of wastewater treatment that the customer needs. This means treating wastewater for recycling or general wastewater treatment. (Treatment wastewater to achieve quality according to the effluent standards set by the Pollution Control Department The Ministry of Natural Resources and Environment determines) by customers that the company provides services to both government agencies and private sectors, which are industrial plants. The types of wastewater treatment systems that the company provides services are divided into 2 types as follows:

2.1 WASTEWATER RECYCLE PLANT

Refers to wastewater treatment systems for industrial plants and industrial estates to obtain quality water and suitable properties for use in the production process. The wastewater treatment for reuse helps industrial plants to reduce water costs to a lower rate. This is because most of the industrial factories in industrial estates have to purchase raw water from the industrial estates through the water production process. which causes the cost in terms of raw water but the wastewater treatment process for reuse uses wastewater obtained from the factory through the treatment process. As a result, there is no cost for raw water, resulting in lower water rates. In addition, wastewater treatment and reuse also help to conserve the environment and reduce the amount of water used from natural water sources



THE PRODUCTION PROCESS OF THE WASTEWATER TREATMENT SYSTEM FOR REUSE

1) Take the wastewater through the MF or UF membrane filtration process to filter out suspended solids.
2) Taken through the RO membrane filtration process to filter the contaminated solution in the water, keep the water in the water tank to wait for use.

2.2 WASTEWATER TREATMENT PLANT

Refers to wastewater treatment systems for industrial plants and community sources to obtain water that is qualified enough to be released into natural water sources. The wastewater treatment process that the company provides to its customers can be classified into 3 types according to the difference in water waste level. (Wastewater characteristics) as follows:

1) Physical therapy It is a basic wastewater treatment process used in primary treatment for wastewater generated by large industrial plants and communities, such as large waste trapping processes. Fat and oil removal process, chemical sedimentation process. and the removal of heavy metal toxins.
2. Biological therapy It is a wastewater treatment process that uses biological principles. The company will design and build a treatment system for culturing microorganisms to decompose pollutants in wastewater. This process is suitable for treating wastewater from communities or general municipalities industrial plant and industrial estates.
3. Sludge removal It is a treatment process for sludge arising from wastewater treatment both from physical treatment processes. And biological treatment processes by using the method of dehydrating the sludge to dry the sludge and reduce the volume of the sludge making it convenient for transportation to dispose of Machines used to remove water from sludge are sludge compactors. Sludge Dewatering Machine or a sludge centrifuge, etc., which will be used in the sludge removal process of the wastewater treatment system from communities, municipalities, and industrial plants. including sediment from the water production system.

2.2.1 Wastewater treatment from community sources

The amount of wastewater from community sources in Thailand is mostly the amount of organic matter mixed in the water sources, which can measure BOD about 100 mg per liter. For the treatment of wastewater, biological methods are used, which is the use of bacteria in wastewater treatment, which can be divided into 2 types:

1) Aerobic to remove organic matter

It is a wastewater treatment by uses bacteria to digest organic matter in wastewater. By adding oxygen to the water so bacteria can expand and digest organic matter more quickly. The bacteria will coagulate. And when there is a lot of it, it will precipitate. resulting in better quality water.

2) Anaerobic/anaerobic to remove organic matter

It is a popular wastewater treatment in the community. because it is an easy and hassle-free method and the cost is not very high This method is a method of treatment by using bacteria present in the wastewater to be eliminated. But the operation takes quite a long time. And the result of the bacterial digestion process is the gas, which creates odor pollution for the community because the wastewater treatment system from the community source is simple. As a result, the company has many competitors, therefore, it prevents and avoids such competition. The company, therefore, focuses on providing services related to wastewater treatment systems for industrial plants that require experience, expertise, and chemical methods that are more complicated than wastewater treatment systems from community sources.

2.2.2 Industrial wastewater treatment

Industrial wastewater is wastewater that contains more impurities and contaminants than municipal wastewater. Biological therapy alone is not enough. Since chemicals and solvents cannot be eliminated by this method, industrial wastewater treatment systems require more and more complex chemical methods. This requires physical treatment and sludge removal.

WASTEWATER TREATMENT PROCESS

1. Preparatory wastewater treatment (Pre-treatment)

It removes large solids from wastewater before it is released into the wastewater treatment system. This prevents blockage of the water pipe and does not cause damage to the pump. The levels of treatment procedures are as follows:

- Sieve traps. This is to remove large solids by using a sieve. There are generally two types of sieves, which are coarse sieves and fine sieves.
- Crushing is the reduction of the size or volume of solids to a smaller size. The large waste will pass through the cutting machine for fine grinding before separation into the sedimentation tank to wait for separation by sedimentation.
- Sand Cone Trap is the removal of sand gravel causing sedimentation in the gravel trap by reducing the velocity of the water.
- Fat and oil removal. It is the removal of grease and oil in wastewater from households, canteens, toilets, gas stations, and some industrial plants. This will hold the wastewater in the grease trap for a period to allow the oil and grease to float to the surface. Then use a scoop or sweep out of the pond.

2. Secondary Treatment

This is the removal of wastewater that contains organic matter in the form of a solution or colloidal particles, commonly referred to as a secondary treatment. "Wastewater treatment by biological processes" because it is a process that requires bacteria to decompose or destroy impurities in wastewater. Currently, wastewater treatment is required to have a second stage of treatment to ensure the quality of the treated wastewater meets the effluent standards set by the government. The treatment of wastewater by biological processes can be divided into 2 types as follows:

- Aerobic
  adding oxygen to the wastewater and there must be a sufficient amount of oxygen to make the wastewater not rotten. to allow bacteria to expand and serve to decompose organic matter faster. The bacteria will clump together until they come together in large numbers. and precipitation

- Anaerobic / Anaerobic
  It is a wastewater disposal process that relies on anaerobic bacteria to decompose organic matter contaminated in wastewater. This wastewater treatment takes a long time to decompose. After the decomposition is complete, the water source will have a foul smell.

3. Advanced Treatment

It is a wastewater treatment that has been treated in the second stage to remove some residual impurities such as heavy metals or some pathogens, for example, before being discharged to public water sources. The wastewater treatment at this stage is not popular in practice. Because the process is complicated and expensive. Most of the advanced wastewater treatment people are reuse treatments.

3. PROCESSING OF WASTE MATERIALS INTO RENEWABLE ENERGY (WASTE TO ENERGY)

It is a process of treating wastewater or waste that exists in industrial plants. Agricultural and community industries such as industrial wastewater, sugar factories, cassava starch factories Palm oil mills, pig excrement, municipal solid waste, etc., will bring these wastes or waste materials into a biological treatment process. By using bacteria to treat wastewater which can be divided into 2 processes as follows:

1) Air process

Organic matter is decomposed into carbon dioxide. And a large number of microorganisms are created, about 50 percent of the organic matter in the wastewater is converted to microorganisms by this treatment process. The system is highly efficient. and use a short treatment time but there is a disadvantage The cost of treatment is high. When from having to spray air to the system.

2) Anaerobic / Anaerobic Process

In this process, about 80-90% of the organic matter in wastewater is decomposed into methane gas. and Carbon Dioxide Collectively known as biogas, the bacteria involved in the decomposition grow relatively slowly. Makes the system start slow in addition, the efficiency of the system in the treatment is large. In addition, the system is not very adaptable to changes in the environment. And during disposal sometimes hydrogen sulfide gas may be generated.

Aeration technology often requires a machine to aerate wastewater, causing waste of energy and cost. The result of the treatment will come out as carbon dioxide and water. The technology that does not use air, is also known as technology. Anaerobic treatment of wastewater or waste By-products are produced as biogas, which is the product of bacteria in the system. The amount of biogas obtained from the treatment process depends on the quantity and quality of waste used as raw materials. If using manure, biogas will be approximately 20 - 22 cubic meters per 1 ton of manure volume. And if using industrial wastewater, biogas will be 2 - 200 cubic meters per 1 ton of wastewater volume. The biogas content is high when the COD value in wastewater used as raw material is high. Treatment is carried out in heated tanks and the wastewater is continually churned or stirred.

MARKETING AND COMPETITION

Overview of the year 2021, the company pays attention to tendering in the construction of the water supply system of government agencies and private agencies.

In the year 2021, the company has signed a new project. And a total of 3 ongoing projects with a total value of approximately 1,106 million baht as follows:

NUMBER	PROJECT	AGENCY	VALUE
1	MODIFICATION & INSTALLATION RO SYSTEM	GGC PUBLIC COMPANY LIMITED	3,180,000 BAHT (EXCLUDING VAT)
2	Construction and improvement of PWA Rangsit Branch, Thanyaburi-Lamlukka-Khlong Luang District, Pathum Thani Province, Part 2	PROVINCIAL WATERWORKS AUTHORITY	482,000,000 BAHT (EXCLUDING VAT)
3	Construction of a drainage system along the road along the Eastern Railway, Phase 1	PATTAYA CITY	621,000,000 BAHT (EXCLUDING VAT)

✳ Note: Item 2 and 3 are projects of the year 2020, which are joint venture works.

The reason that The company failed to get the job according to the target set. Due to the construction projects that The company is interested in and within the company targets are the works of the Provincial Waterworks Authority, but in 2021 there are rarely high-value projects being auctioned. The Company expects that there will be a large-scale project tendered by 2022.

The outlook for the construction industry in 2022 is likely to grow at an increasing rate. It is expected that construction projects in 2021 will be able to complete the bidding process and contracts can be signed by 2022, including various large projects (projects with a value of 100 million baht or more). The coronavirus disease 2019 (COVID-19) has affected the implementation of various projects. There was not much delay. Which received supporting factors from Thailand's control of the coronavirus disease 2019 (COVID-19) epidemic in good condition. including rehabilitation measures and stimulating the government's economy that resulted in economic recovery and helps to sustain the Thai economy to recover continuously

1 Marketing

1.1 Price strategy (Price)

The company has set a policy forbidding work or getting a job from a clear employer before taking the job, the company Will assess the readiness of the company before accepting the job. by considering the experience and expertise of The company's work Availability of personnel and teams. The company has the policy to set prices based on the cost of construction and service work and estimated expenses plus cost plus the margin (Cost Plus Margin), which requires a gross margin of not less than 10 percent of the projected budget. The Company will inform the Board of Directors' meeting later. At least once per quarter

1.2 Distribution channel strategy (Place)

The company provides its services through two distribution channels, namely, participation in the bidding of government works announced on the website of the Comptroller General's Department. and direct contact from the employer by participating in the job bidding, the Company emphasizes participating in the bidding for jobs that are likely to be acquired. Ways to get a job this year Most of the work is from government agencies, whereby the Company will monitor the news of the opening of the construction contract through various media such as the Internet, newspapers, and various public relations advertisements. This will specify the basic qualifications of the contractor, such as the same type of construction experience as the auction work and being a contractor who is registered as a qualified person, etc. The Company will purchase a tender form to study the details and estimate the construction budget for the said project, presented it to the authorized person for consideration by the specified approval authority. Employers who come to contact to use the service directly These are private entities that receive advice from existing customers and business partners of the company and the project consultant of the employer including customers who come to contact to use the service directly which the acquisition of such work is the result of building a reputation in the business. By adhering to the principles of honesty to customers Focus on creating quality and efficient work building good relationships with customers and business partners. Including providing good after-sales service is important.

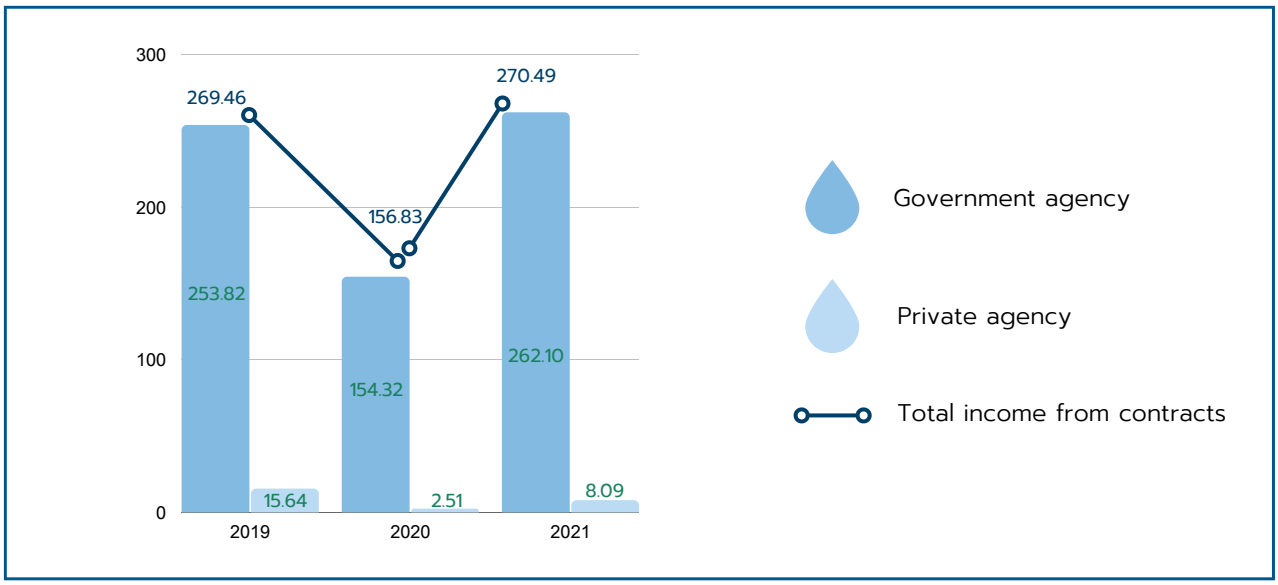
1.3 Marketing and Public Relations Strategies (Promotion)

The company implements marketing and public relations strategies by emphasizing maintaining quality and good construction standards to achieve an efficient work system that satisfies customers and focuses on service including good after-sales consultation to build a good relationship with customers. This is considered a guideline for retaining existing customers to remain with the company. In addition, the company also focuses on expanding its customer base to cover more diverse business types. under the policy of expanding the business to the construction and Receive environmental engineering management services that rely on high-level engineering knowledge, including customer groups in Business sectors with good potential and growth, such as energy business and industrial estates

2 Target customer group

The company's target customers are divided into 2 groups: government agencies and private sector customers, which the company provides services as a Main Contractor or a Sub-Contractor to prevent risks that may occur from late delivery of work, such as past results or work experiences of the company availability of personnel and teams and profit margins must be following the specified policies. Along with considering the selection of customers to prevent the risk of not receiving service payments, government agencies and private sector customers will have the nature of the acquisition of the job Conditions/qualifications of the contractor and different types of contracts, for example, government agencies will have their origins through the bidding process While private agencies will have a form of hiring both through media public relations to call for tenders and contact form directly to the company (through referrals from existing customers and/or partners or contacting directly to use the service) Most government agencies often have construction conditions that specify a price adjustment contract for the construction price. for the proportion of customers between government agencies and private agencies as according to the table

Customer group	Year 2019		Year 2020		Year 2021	
	Million baht	%	Million baht	%	Million baht	%
Government agency	253.82	94.20	154.32	98.40	262.10	97.01
Private agency	15.64	5.80	2.51	1.60	8.09	2.99
Total income from contracts	296.46	100.00	156.83	100.00	270.49	100.00



3 Competition

Nowadays, many business entrepreneurs have turned their attention to conservation and environmental protection to comply with the law and government requirements. As a result of global warming (Global Warming) that occurs today which pays attention to the environment of the business causing several entrepreneurs in the business related to conservation and preserve the environment for more registered establishments, The target customers are government agencies responsible for water management, such as the Provincial Waterworks Authority (PWA), the Metropolitan Waterworks Authority (PWA), the Bangkok Metropolitan Administration (BMA), the sub-district municipalities and district municipalities in various provinces throughout the country. Countries and private entities The competition will be price competition. construction quality On-time delivery of work and service after delivery While the technologies used in production are similar. in each type of service If considering the competitors of the Company classified by type of work, which is construction work and management work and maintenance of the water supply system can be considered separately as follows:

3.1 Competition in the construction business

Construction works include the construction of water production systems wastewater treatment systems and wastewater treatment systems for reuse. The competitors in this type of business are Thai companies and foreign joint venture companies by hiring construction work, will be a turnkey contract work from the design, construction, procurement, installation, and commissioning of the production system which accepts work in such a manner Contractors can manage costs more efficiently than any specific operation, e.g. design only or only construction. Therefore, the construction service business group has quite intense competition. This is a competition in terms of price, quality of work and on-time delivery. The experienced construction team and have the ability, Therefore, it is necessary to gain an advantage over competitors. The company is registered as a contractor. Provincial Waterworks Authority Level 1 and has high-value construction work. thus allowing them to bid on large-scale projects.

3.2 Competition in the business of management and maintenance of water supply systems

The nature of competition for the management and maintenance of the water supply system It is an employment contract for the company. Take care of high-technology systems such as SWRO seawater production systems, etc. The competition will be a contract bid. where the production of water to the quantity and quality of water that is specified or agreed upon and has a project management team on the project Currently, the competition in this type of business is quite intense. The competition will be price competition. but must be able to control the quantity and quality of water produced Take care of scheduled maintenance (Preventive Maintenance) and repairing machinery that has problems (Corrective Maintenance) as well as make monthly reports to customers to see the performance of the system.

3.3 Competition in the business of investing in water production and wastewater treatment projects

Investing in tap water production is a request for concessions to sell tap water in the area. The Provincial Waterworks Authority has yet to sell water. The selling price will be compared with the selling price of the water of the regional water supply to the public. Such investments will require capital before there is any income from the sale of water. Therefore, a source of funding is required. As for investment in wastewater treatment, the Company has looked at investments in ASEAN countries. focusing on wastewater treatment Regulations and laws on wastewater treatment began to be applied. Most of the competition will be with foreign companies. Therefore, it is competitive both in terms of price. Produced water quality On-time delivery of work and after-sales service.

4 Status and Competitiveness

The construction industry has a slight growth prospect. However, the company has the potential to compete in bidding. To open more opportunities for project work as follows

- **Small project contest. (value from 1,000,000 – 100,000,000 baht)**

  In the bidding for small projects, the Company has a great potential to accept construction projects. Most of the jobs are private-sector jobs or small government projects that require not very high investment This makes work in this group have a large number of contractors. And the rate of competition in the field is quite high.

- **Medium-sized project contest. (value from 100.00,001 – 500,000,000 baht)**

  In the tender, for medium-sized projects, it is a project that uses moderate working capital. Using technology in construction and reasonable personnel, the company has the potential to fully work on the said project in the bidding competition.

- **Bidding for large projects (value from 500,000,000 baht or more)**

  For large projects Requires high working capital high technology in construction and a large number of diverse personnel and has high professional expertise but there are few competitors. In the said project group, the company have a portfolio of experience and potential for competitive bidding

Procurement of Products or Services

Materials and equipment in the construction that is important materials and equipment in the current project are HDPE pipes and fittings, steel pipes, piles, water pumps, steel, concrete, etc. The company has adhered to the TIS standard of the owner of the work without a monopoly with any dealer. This is because the implementation of the procurement process requires constant monitoring of price, quality, delivery, and reliability to get the best supplier in terms of quality, price, and service. Each contract order will be offered and approved by the owner and supervisor to obtain the quality according to the owner of the work and what the supervisor wants, which the company still has to make a procurement contract to get the best conditions. and can stand the price until the end of the project In terms of service, distributors are responsible for product quality and service for at least 2 years.

Construction contractors who are trade partners in various works of the current project, such as structural work, soil filling work, pipe laying Anti-rust section, and the PLC automatic control system, which the company has selected contractors including checking the quality of the work regularly to be able to confirm and ensuring that Service results after delivery to the project owner are accurate, complete, complete by the agreed terms and conditions.

Summary of the purchase value of key materials for the year 2021

NUMBER	RAW MATERIAL	ORDER VALUE	RATIO (%)
1	STEEL PIPES AND FITTINGS	214,946,132.60	48.29
2	HDPE PIPES AND FITTINGS	118,329,101.73	26.59
3	PUMP	22,510,000.00	5.06
4	STAKE	8,994,710.00	2.02
5	IRON	2,344,328.34	0.53
6	CONCRETE	267,760.00	0.06

Summary of the value of contracts for the year 2021

NUMBER	TYPE	ORDER VALUE	RATIO (%)
1	STRUCTURAL WORK	214,946,132.60	19.20
2	PIPE LAYING SECTION	118,329,101.73	17.37
3	CIVIL WORKS	38,803,028.00	9.44
4	OTHER WORK	11,027,020.00	2.68

Work planning and construction preparation

- Prepare a construction plan. (Construction Schedule) : by planning the work process by the conditions and setting the time for delivery of the work
- Prepare a resource plan: by preparing to employ the number of people suitable for the nature and amount of work, hiring sub-contractors. supply material supplier planning material use and machinery
- Set up temporary offices: in construction, production, and delivery of work that takes place in the customer's area. or project owner and the duty of the project manager to prepare utilities necessary to perform the job
- Prepare a detailed work plan: The project manager will prepare a work plan for each step versus timeline for the benefit of controlling the work to be carried out according to the schedule and standards that the project wants

Assets used in business

The Company has assets used in business as of December 31, 2021, as follows:

Property Type	Proprietary nature	Cost price (thousand baht)	Book value (thousand baht)	Obligation
1. Investment Property	own	3,000.00	2,181.75	none
2. Estate and equipment	own	67,902.11	21,943.47	none
3. Right-of-use assets	hire	115,863.56	9,538.68	none
4. Intangible assets	own	117,438.02	108,895.43	none

The details of each asset type are as follows.

1) Investment Property

As of December 31, 2021, the Company and its subsidiaries investment property according to the book value as follows:

Property Type	Proprietary Nature	Book Value (thousand baht)	Obligation
Estate	own	2,181.75	none
Total		2,181.75	

2) Land and Equipment

As of December 31, 2021, the Company and its subsidiaries have land and equipment according to the book value as follows:

Property Type	Proprietary Nature	Book value (thousand baht)	Obligation
1. Leasehold improvements	own	181.35	none
2. Tools and equipment	own	17,504.57	none
3. Office supplies and decorations	own	978.09	none
4. Vehicle	own	3,279.46	none
Total		21,943.47	

3) Right-of-use assets

The Company does not have ownership of the right-of-use assets because of its leasehold nature. As of December 31, 2021, the Company and its subsidiaries have the right-to-use assets at book value as follows:

Property Type	Proprietary Nature	Book value (thousand baht)	Obligation
1. Estate	hire	2,639.75	none
2. Building	hire	4,650.49	none
3. Office supplies	hire	55.48	none
4. Vehicle	hire	2,192.96	none
Total		9,538.68	

4) Intangible Assets

As of December 31, 2021, the company and its subsidiaries have intangible assets according to the book value as follows:

Property Type	Proprietary Nature	Book value (thousand baht)	Obligation
1. Computer program	own	299.39	none
2. Rights under the concession agreement	own	108,596.04	none
Total		108,895.43	

Work that has not yet been delivered

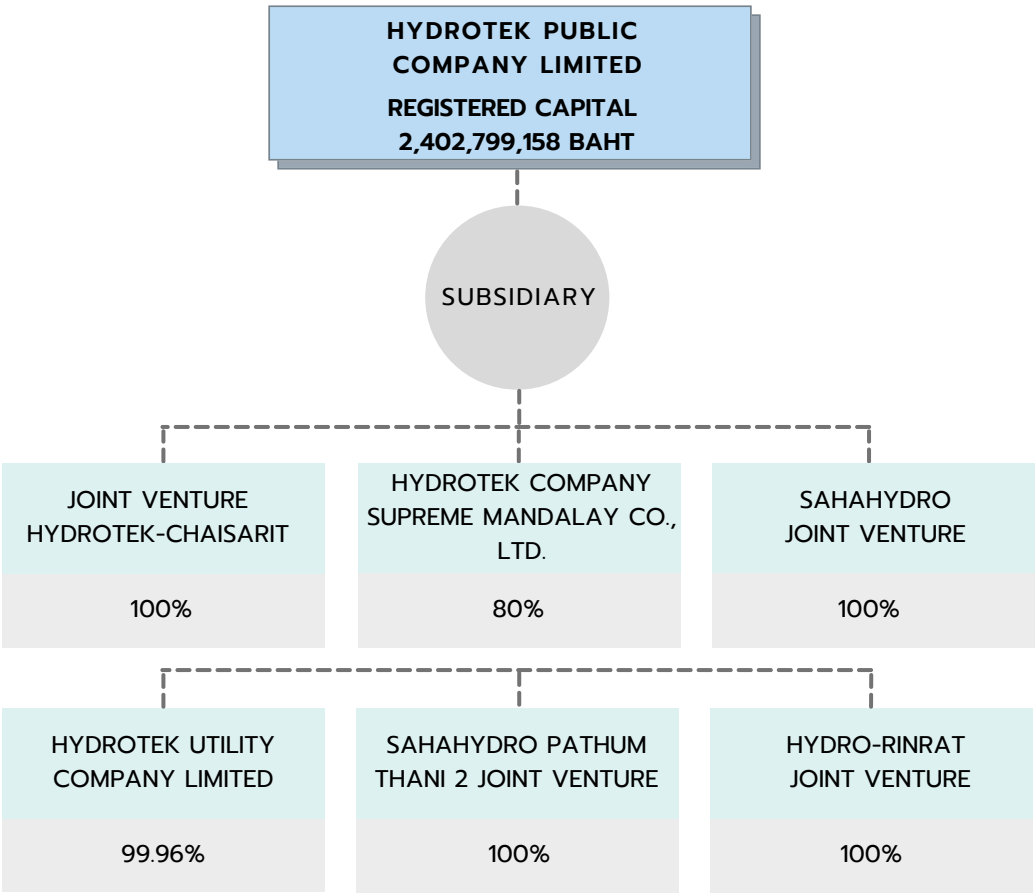
Project	Work	Value	Expected year of completion	% of work that has not yet been delivered
Construction and improvement projects for the expansion of the Provincial Waterworks Authority Chaiyaphum Branch - (Ban Khwao) Mueang Chaiyaphum District - Ban Khwao, Chaiyaphum Province	Construction work to improve the expansion of the Provincial Waterworks Authority	558,798,940.00	2565	7%
ChachoengsaoWastewater Treatment Project	Management of wastewater treatment projects	14,980,000.00	2565	7%
Construction and improvement of the Provincial Waterworks Authority, Rangsit Branch, Part 2	Construction work to improve the expansion of the Provincial Waterworks Authority	464,686,791.17	2565	47%

Group Shareholding Structure

Hydrotek Public Company Limited engages in the construction business. Management and investment in environmental engineering are as follows:

1. Construction business
2. Operation and maintenance management business
3. Sales business
4. Investment business

The shareholding structure of the group of companies is as follows:



SUBSIDIARY BUSINESS OPERATIONS

- Hydrotek-Chaisarit Joint Venture Established a contract on February 24, 2014 with a registered capital of 1,000,000 baht, the company holds 100% of the shares. The objective is to construct a medical waste treatment system. Naresuan University Phitsanulok Province

- Hydrotek Supreme Mandalay Company Limited was established on July 15, 2015 with an initial registered capital of $500,000 with a par value of $1 per share. 80 with objectives to operate a business investment project for the construction of a wastewater treatment plant and wastewater collection system in Mandalay industrial area Republic of the Union of Myanmar

- Joint Venture - Saha Hydro agreed to establish in April 2017 with a registered capital of 1,000,000 baht to construct and expand the Provincial Waterworks Authority in Chaiyaphum Branch - (Ban Khwao), Muang Chaiyaphum District - (Ban Khwao), Chaiyaphum Province, where the Company holds shares in the proportion of 51%. Later, in July 2018, there was an additional memorandum of the joint venture agreement. Both parties agreed that Hydrotek was responsible. in carrying out such business solely from such additional records. As a result, Hydrotek Public Company Limited is a joint venture partner. Saha hydro alone with a proportion of 100 percent

- SUT Hydro Company Limited was established on October 24, 2017, with a registered capital of 1,000,000 baht to increase competitiveness in bidding and construction contracting. The Company holds shares in SUT Hydro Company Limited. directly in the proportion of 40.00%

- Saha Hydro Pathum Thani 2 Joint Venture was established on May 15, 2020 with an initial registered capital of 1,000,000. The Company holds 51% stake. Improve and expand the Provincial Waterworks Authority, Rangsit Branch, Thanyaburi - Lam Luk Ka - Klong Luang, Pathum Thani Province (Part 2) and jointly work on the construction of such a project in the event that the Hydro - Rinrat Joint Venture is a contracting party with the United Joint Venture Hydro Pathum Thani 2 (project owner) later added a memorandum of a joint venture agreement. which both sides have agreed to Hydro Tech is solely responsible for the operation of such business. As a result of such additional recording, Hydrotech Public Company Limited is the sole partner of Saha Hydro Pathumthani 2 Joint Venture. with a proportion of 100 percent

- Saha Hydro Pathum Thani 2 Joint Venture was established on May 15, 2020, with an initial registered capital of 1,000,000. The Company holds a 51% stake. Improve and expand the Provincial Waterworks Authority, Rangsit Branch, Thanyaburi - Lam Luk Ka - Klong Luang, Pathum Thani Province (Part 2) and jointly work on the construction of such a project if the Hydro - Rinrat Joint Venture is a contracting party with the Saha Joint Venture Hydro Pathum Thani 2 (the project owner) later added a memorandum of a joint venture agreement which both sides have agreed to Hydrotek is solely responsible for the operation of such business. As a result of such additional recording, Hydrotek Public Company Limited is the sole partner of Saha Hydro Pathumthani 2 Joint Venture with a proportion of 100 percent

Securities and Shareholder Information

SHAREHOLDERS

The list of shareholders of the company as of December 31, 2021, are as follows:

NUMBER	SHAREHOLDER NAME	NUMBER OF SHARES	PERCENTAGE
1	MS. PARISA CHAYASAN	585,000,000	25.383
2	MR. SOMPRASONG PANJALAK	419,531,666	18.203
3	MR. THITPAT AMORNNANTIPAT	117,792,450	5.111
4	MR. KITTI CHEWAKET	109,716,840	4.761
5	MS. SUKANYA PHALEE	105,695,865	4.586
6	MS. NUWAPHA WITOONCHAVALITWONG	78,055,606	3.387
7	MRS. KRUEWAN TRAISAWATWONG	52,053,455	2.259
8	MR. SLIB SOONGSAWANG	39,882,347	1.730
9	MRS. PIMLADA PHIPHATPAKORN	36,319,486	1.576
10	OTHER MINORITY SHAREHOLDERS	760,635,322	33.004
TOTAL		**1,574,245,715**	**100**

RESTRICTIONS ON FOREIGN SHAREHOLDING

Foreign shareholders can hold shares of the Company for a total of not more than 49.00% of the issued and paid-up shares. As of December 31, 2021, the company's shares held by foreigners amounted to 0.01 percent.

Risk Management

Risk Management Policy and Plan

The company has determined that the risk management policy is an important policy of the company. Which will lead to the creation of added value for the company by appointing the Risk Management Committee which consists of 4 directors of the company to be responsible for directing and monitoring the company's risk management within various departments that have been assessed as having operational risks which those risks may arise from external factors or factors within the company many external factors cause risks such as economic and political conditions, natural disasters, the spread of the COVID-19 virus, market competition. Building material prices domestic interest rate exchange rates, laws, rules, and regulations. Internal factors that because risks include: project cost management

The Risk Management Committee consists of senior management. Perform a critical risk assessment based on the size of the expected impact on the target and the company business operations including new potential risks (Emerging Risk) as well as assigning those responsible for those risks In the agency that owns the risk as well as assigning risk management to be the responsibility of all executives, planning and setting risk management measures. Arrange for monitoring of risk management of various departments within the organization regularly and control various risks to the level of risk that the company can be accepted including reporting the follow-up results to the Risk Management Committee. to report to the Board of Directors

Risk Factor

1. Strategic Risk

Strategic Risk

To run the business efficiently and have the ability to compete and strategies appropriate to the current situation by analyzing internal factors such as personnel factors Management factors Financial factors, etc., and external factors such as policy and political factors. Economic factors social factors including other environmental factors, etc. The company may be exposed to risks from internal factors analysis. And external factors make mistakes, making inappropriate strategies.

At present, the business is under intense competition in the industry, and from the uncertain economic conditions both at home and abroad including political changes in the country and abroad, the company has required a review of its vision and policies as well as preparing Company's business plan annually. To ensure continuity of the Company's business operations and to keep pace with changes by holding meetings to monitor and evaluate the performance periodically to review and improve the action plan to be appropriate for the current situation. and achieve the goals set by the company

Industry Competition Risk

The company has 2 customer groups, namely, government agencies responsible for water management, such as the Provincial Waterworks Authority (PWA), sub-district municipalities and district municipalities in various provinces across the country, and other government agencies and private sector customers such as petrochemical business energy business steel business food and beverage production business and industrial estates, etc. The company earns from providing services to government agencies and private sectors. (both income from construction and revenue from system management) by government and private agencies that are diverse and do not depend on any particular one but because the construction business is highly competitive. Some large operators are direct competitors to the company. Therefore, the company may be exposed to risks from the private sector clients turning to other operators or the company may not be able to win the contract tenders. from government agencies. If the company is unable to find other jobs to replace the value of the lost work may cause income continuity and affect It has significant implications for the company's performance goals.

In this regard, customers from government agencies such as PWA and the Bangkok Metropolitan Administration (BMA) have a hiring system that clearly defines the criteria for selecting contractors. by requiring all construction contractors to be registered as The contractors of PWA and BMA are therefore eligible to participate in the bidding of the employment contract. The Company has been classified as the 1st tier contractor of PWA and BMA (both types of work such as pipe laying and building works such as the construction of water tanks), which is considered an opportunity for the Company can accept work from the said agency and is another way to distribute work from customers

In addition, the competition in the water system construction industry that requires advanced engineering technology is still not intense. The company is one of the few private companies capable of providing services at all levels of complexity. From jobs that require basic engineering technology to jobs that require advanced engineering technology, the company can serve a wide range of customers from petrochemical business Energy business (power plant) to food and beverage business as a result, the company does not have to rely on any particular customer in terms of revenue continuity policy. The company has established cost-effective ways to control costs to be able to prepare competitive budgets. And maintain a stable profit margin Maintaining the quality of construction to meet standards will build credibility in the company's work and create an opportunity to accept other projects from the employer in the future. From the aforementioned operations, the company is confident that it will be able to reduce the intensity of competition in the industry to a certain extent.

Risks from investing in water production and wastewater treatment projects

Currently, the company has expanded its business operations into a form of investment in water production and wastewater treatment projects for government agencies and private sectors in various industries The acceptance of such work is the acceptance of work from the employer in the manner that the company Must be responsible for all expenses incurred from investment and project management. The duration is approximately 10 - 30 years, which may cause the company to be affected by risks that may arise from the employer's failure to pay the company's service fees. Due to lack of financial liquidity or the employer goes bankrupt before the contract period expires This may affect the performance of the company in the future.

Due to the service in the type of investment mentioned above, Therefore, the company has established a policy to prevent such risks. Before accepting a job or bidding, the company will consider selecting an employer based on financial status. Management credibility coupled with the rate, In addition, the company has expanded its customer base to government agencies to prevent the risk of non-payment of service fees. Therefore, the company believes that the impact of such risks is relatively low.

Risk of income uncertainty or continuity of income

Comprehensive service of the company through two distribution channels: Joining the Hiring Bid or a contract tender and being contacted directly by the employer (through recommendations from the company's existing customers, the company's partners, and the project consultant of the employer including directly contacting to use the service) which the nature of accepting work through bidding under the terms of the employer will focus primarily on price competition. Therefore, the company may be exposed to risks from uncertainties. or the continuity of income If unable to win a tender for a new project or even cut the budget of government expenditures This may result in the company's performance not meeting the set goals.

The Company is aware of such potential risks. Therefore, the business operation guidelines have been established to maintain revenue continuity by maintaining the quality of construction work to meet standards. Which the company pays attention to from the system design process procurement of equipment construction and installation for efficient post-construction use, that is, can produce water or treat wastewater to meet the quality and quantity standards set for satisfaction and make customers or employers trust in the work of the company which will lead to the opportunity to get other jobs for future projects of customers. In addition, the company is registered as a Tier 1 contractor for the contract work of the Provincial Waterworks Authority (PWA), being registered as a Tier 1 contractor for road works, and Building work of Bangkok (Bangkok) and is registered as a contractor of the 2nd floor of the Metropolitan Waterworks Laying of water supply pipes and service pipes by excavation method Construction work, civil works and construction of pumping stations and water tanks and Hydrotek-Sulcon The consortium is in the process of applying for registration as a first-class contractor for the construction of the water supply system with MEA. It also helps build confidence in the company's services. To customers or other employers, This results in continuity of the company's income to a certain extent.

The risk of adding jobs not specified in the contract

The Company's construction services include designing, procuring, constructing, and installing machinery and equipment. as well as a trial run of either system or providing a full range of services The employer will be responsible for all investment costs. By hiring the company to undertake the construction and the employer must pay the construction fee to the company according to the conditions specified in the contract. The company is at risk from changes in the employer's needs. After agreeing to an employment contract in the agreed budget with an order to change the construction plan Requirements and scope from employers causing the addition of jobs that were not in the contract. The company will determine the scope of work and additional budget later. The company, therefore, has to bear the cost incurred from the addition of work for some time. If unable to agree on additional job details resulting from changes in employer's requirements will cause the company to be responsible for the cost of all additional work resulting in lower than expected profit recognition or may loss from the contract

The company has guidelines for managing potential risks. By setting the clear scope of work and checking the details of the contract carefully before signing the said contract and if the employer changes the order to add jobs The company will negotiate the scope of work and additional costs with the employer. The additional contract agreement must be concluded with the employer before proceeding further.

Political instability risk

The Company's construction services include designing, procuring, constructing, and installing machinery and equipment. as well as a trial run of either system or providing a full range of services The employer will be responsible for all investment costs. By hiring the company to undertake the construction and the employer must pay the construction fee to the company according to the conditions specified in the contract. The company is at risk from changes in the employer's needs. After agreeing to an employment contract in the agreed budget with an order to change the construction plan Requirements and scope from employers causing the addition of jobs that were not in the contract. The company will determine the scope of work and additional budget later. The company, therefore, has to bear the cost incurred from the addition of work for some time. If unable to agree on additional job details resulting from changes in employer's requirements will cause the company to be responsible for the cost of all additional work resulting in lower than expected profit recognition or may loss from the contract

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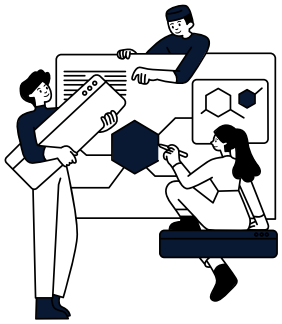
2. Operational Risk

The risk from delayed construction projects In the employment contract, the work performed by the contracting company to each employer will specify the exact length of service that the company as the contractor will have to deliver. Some projects may experience delays in implementation. Generally, such problems are caused by the employer, such as changes in the construction design. Preparing the area for the contractor to work on time area delivery Requesting permission to operate in the area of other agencies and considering and approving various matters related to construction These delays may affect the duration and construction costs. However, the company has reduced the risk of delays. By coordinating and asking for cooperation with the employer to complete the construction work or caused by the contractor, such as the inability to supervise the construction to be completed within the specified period or caused by uncontrollable external factors such as natural disasters and protests Those who are in the area surrounding the project, etc., if such delays are caused by the company as a contractor The company will have additional expenses from the fine that the employer can claim under the conditions specified in the contract. This will affect the profitability of the project.

The company is aware of such problems. Therefore, a clear policy on the placement of the operating system has been established. And how to prevent risks By planning work and scheduling work according to the Critical Path Method, there is a meeting to propose plans for the construction project in advance every quarter, such as planning the construction to be completed before the contract period. Planning of ordering/contracting orders and setting out guidelines for risk management from events that may cause work delays. In addition, the Company has cooperated and coordinated with relevant parties to expedite the problem solving so that the work can be completed within the contract period or as specified.



The risk from project commitments after delivery of work

The company provides a full range of environmental engineering services related to water. From design, construction, procurement, installation and commissioning, and wastewater treatment which the contract states that the company will be responsible for damages defects, and defects that may occur after the delivery of the work to the employer for approximately 1-2 years, therefore, the company may be at risk from the obligations during such period.

However, the company has set strict measures for construction operations by controlling the quality of work to meet standards from design. Ordering equipment that has standards and has a product warranty that covers the warranty period of the company's work. As well as arrange for inspections from engineers to control the work during the construction regularly every period and have the Engineer Department send the report to the project manager before delivering the work to the employer. In the past, the company has never been exposed to the aforementioned risks. However, The company has insurance for damage that may occur after the delivery of work for every project.

The risk of being affected by natural disasters

The company is aware of the risks that may arise from natural disasters. The company has established guidelines to prevent risks from natural disasters. Both disasters are caused by floods, lightning, earthquakes, and wind storms, the company has a policy to ensure all kinds of risks from construction works. (Construction Erection All Risks Insurance) for each project with leading insurance companies in the country. with coverage conditions that cover damage from floods and all kinds of natural disasters and insurance that compensates for damages that may occur both in the construction and on the company's assets as incurred in full

In addition to preventing such risks, the company has also set a policy to maintain the right on the construction period with the employer. By issuing a letter requesting an extension of the work period to cover the time lost from being unable to enter the area for construction work

Subcontractor's Operational Risks

The risk from the company's inability to find contractors to operate due to various problems may be caused by the lack of contractor clan Contractors lack of labor There are few contractors. There is also a risk that the contractor is unable to operate as planned due to various problems such as the contractor's lack of financial liquidity. The risk of late delivery This may affect the construction work to be interrupted causing the company to deliver the work to the customer in time.

However, before hiring a subcontractor The company has selected a reliable contractor. And there is a quality check of the work of the subcontractors before executing the contract. If the company later found that the contractor lacks liquidity and is unable to deliver the work as planned, will consider reducing the value of the work in the original contractor's contract and find new contractors to reduce such risks.

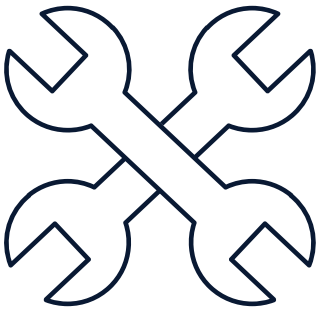
In addition, the company operates its business by building good relationships with sub-contractors. Familiarize yourself with working together. This makes the subcontractor become a business partner with the company who is ready to accept the next work continuously. In addition, the company is also recruiting new subcontractors. to support the workload that will increase in the future

3. Financial Risk

Financial Liquidity Risk

The company has income from construction work. Service and investment work in water production and wastewater treatment projects which form of payment for the construction work is carried out by the scheduled work period or by the completion of the work specified in the contract. For service and investment work in water production and wastewater treatment projects, the Company will receive monthly payments based on the amount of water produced. And selling or treating wastewater is multiplied by the cost of producing water or treating water per unit. which, if considered categorized by customer type Government agency customers are customers who have already been approved by the government budget. But there may be some delay in disbursement while private clients If there is a lack of financial liquidity, it may affect the ability to pay for services to the company.

The company is aware of the aforementioned risks and therefore has established guidelines to prevent potential risks by setting a policy before taking the job for both construction work Service and investment work in water production and wastewater treatment projects with careful consideration of the selection of employers by considering various information of the employer especially financial information performance Reliability and stability of the employer's business This action helps the company to have no problem in receiving construction payments and service fees from the employer. In addition, if it is a foreign job, the company will select an employer who is a government agency that will be stable. By offering a reasonable price so that the employer can use the profit from the sale to the public to pay for the company's services.



Risk from fluctuation in prices of construction materials

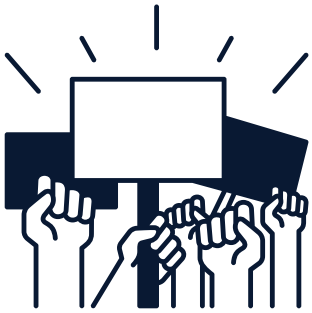
In the business of the company's environmental engineering construction business, the company needs to measure the price of materials and equipment used in the construction throughout operation so that the company will not have to face the problem of inaccurate profitability. according to the set goals, this affects the operating results and profitability of the company if the price of those materials and equipment increases. Major construction materials are steel, concrete, piles, pumps, and valves.

However, the company is aware of the risks that may arise from fluctuating construction material prices. Therefore, policies have been formulated to prevent and mitigate risks that may arise by estimating the construction cost from the construction drawings received to accurately calculate the quantity and value of construction materials for that project and control the construction cost to be within the specified budget, the company has a risk management policy in the procurement process. By comparing the prices of construction materials from more than one supplier to get the best price and payment terms. Pre-establishing the price of main building materials with the building material supplier to control material costs At least 50 percent of the total material cost and ordering materials in large quantities by collecting purchase orders from many projects to have the power to negotiate and get a lower price. This makes it possible to control costs to a certain extent. In addition, in some projects the company Subcontractors will be hired comprehensively, that is, the contractor is responsible for both equipment and labor costs. or the sub-contractor may be responsible only for labor costs, whereby the company will order materials and equipment to control costs from such policy, the company can prevent and reduce the risk from fluctuation in material and equipment price to a certain extent.

Interest rate risk

Interest rate risk is a change in market interest rates. Therefore, the company is exposed to interest rate risks that may increase in the future. Because the company is borrowed for investment projects and is set at a floating rate. by referring to the MLR rate of the lending bank. Therefore, if the bank increases the said interest rate This will affect the financial cost, cash flow, and operating results of the Company in the future, and to mitigate the interest rate risk, the Company recognizes the need to closely monitor changes. But because of the company's debt, most of them are short-term liabilities and various types of guarantees, causing the company to have a relatively low-interest rate risk.

4. Compliance Risk



Risks of construction projects are not approved by the public.

Construction projects that have been hired by government agencies There may be some projects that the employer has not made a public hearing or Seek approval from residents Due to people's misunderstanding of the benefits and disadvantages of the project which may affect Construction was delayed because the company was unable to enter the construction area They also lost the opportunity to get jobs from new customers. However, such risk is a risk from external factors that the employer is responsible for delivering the construction site to the company.

However, the company has coordinated with the employer to reserve the right to extend the preliminary period. Request approval to adjust the new construction plan. There is also communication for people to have a correct understanding. and building confidence among people that it will not cause any impact on society and the environment to allow the public to accept such projects

Driving Business For Sustainability

The company is committed to operating its business along with the sustainability management policy to create sustainable value for all stakeholders based on good corporate governance and taking into account international guidelines as well as maintaining a balance in terms of economy, society, and environment.

Sustainability Management Policy

1. Commitment to sustainable business operations in all dimensions, including economic dimensions, social dimensions, and environmental dimensions including promoting sustainable practices for employees and communities
2. Operate within the scope of the law. Keep the promises in the applicable agreements. and voluntary agreement as well as respecting international human rights standards and labor rights
3. Operate the business by the principles of good governance for transparency avoid corruption and promote virtuous behavior and ethical
4. Assess and manage risks systematically through monitoring regularly evaluate as well as providing audits by internal and external agencies including establishing a strong internal control system
5. Encourage discussion and engagement with internal stakeholders and outside the organization through clear communication channels including providing for the dissemination of accurate and reliable information as well as the management of complaints and asking for advice
6. Provide a safe working environment and sanitary including promoting non-discrimination (non-discrimination) gender equality personal development and well-being
7. Choose technologies and practices that reduce negative environmental impacts. Including a commitment to environmental stewardship in the process of project development and promoting environmental awareness and conservation

Sustainability Management Goals

The company is aware of the changing trends of the world that drive the development for the future by the main changing trends. That has led to significant changes in the utility industry, including a push to reduce greenhouse gas emissions. (decarbonization) to enhance the ability to manage water comprehensively Transition to the digital age (digitalization), which is supported by rapid technological developments. It also takes into account "Balancing" in all dimensions as follows:

Economic Dimension

develop the business to be strong and ready for change There is good corporate governance by good governance principles. Take into account proper supply chain management Participate in the development of urban communities and infrastructure that creates economic activities at the community level and national level

- ·Construction Business
- ·Management Business
- ·Investment Business
- ·Sales Business

Social Dimension

Compliance with rules, regulations, laws, and international agreements. including respect for human rights and individual rights Fair treatment of employees in employment Build a quality society and a good life through focusing on different social landscapes

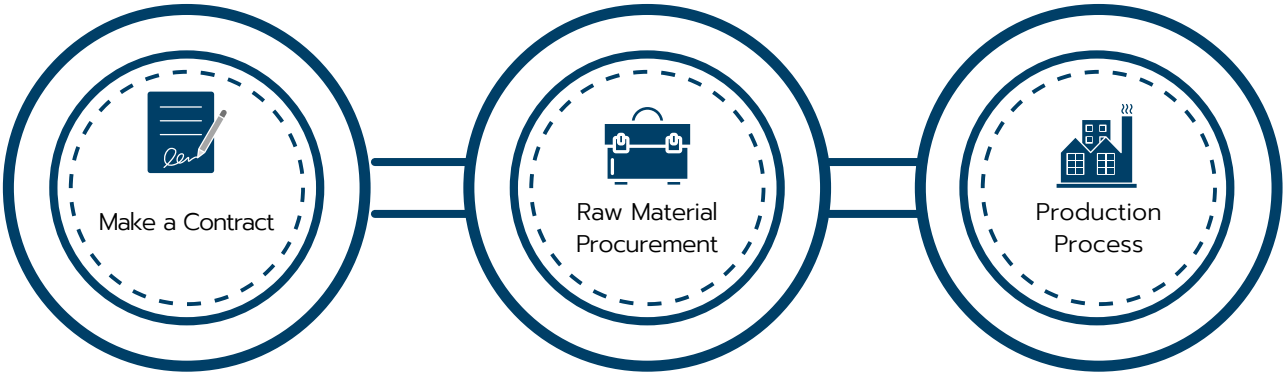
- ·Human rights
- Employees
- Local community
- Philanthropy
- Strategic partnerships

Environmental Dimensions

Preserve Natural Resources and the environment taking into account the negative environmental impacts from business operations and promoting the rehabilitation, conservation, as well as valuable use of resources. and achieve maximum efficiency

- Waste management
- Operational eco- efficiency
- Resource management
- Local impact
- Development & conservation

SUSTAINABLE VALUE CHAIN



STAKEHOLDERS

1) Shareholders/Investors

2) Staff

3) Business partner

4) Customers

5) Community

6) Government agencies

1

Shareholder/Investor

Key Issues :
Sustainable business expansion, new project investment budget while still being able to maintain financial stability and generate good profits

Management approach :
Seek and jointly invest with business alliances with high potential for risk management, especially in finance and finding a way to increase the capital that does not affect the ownership stake of the shareholders

Participation channel :
Investor relations page on the company website annual report shareholder meeting analyst meeting

2

Employee

Key Issues :
Well-being, Occupational Health, and Safety career growth and job security

Management approach :
Cultivating corporate values Create a safe and happy workplace environment, giving employees opportunities to develop their knowledge and skills. Competitive compensation and benefits are non-discriminatory and treat everyone equally.

Participation channel :
Employee engagement survey for various activities such as the New Year's party, the company's annual merit-making event general meetings for communication with employees by senior management

3

Partner

Key Points :
Fair Compliance correct trade terms and participate in editing, developing, and improving the collaborative process

Management guidelines :
Comply with trade conditions and fair agreement Communicate accurate information Promote and support the organization of various activities.

Channels for participation:
communicate information, organize meetings and joint activities to exchange knowledge and strengthen relationship

4

Customer

Key Points :
Comply with the contract or fair agreement Delivering efficient, contractual, and continuous work, providing accurate information on products and services

Management guidelines :
Meet to listen to problems and complaints Support training to increase the working potential for customers Offsite meetings are held. Satisfaction survey and meet the needs of customers Communicate information, organize meetings, arrange equipment to prevent the spread of COVID-19

Channels for participation:
Organize monthly meetings Organize recreational activities for customers Communicate information, organize meetings, arrange equipment to prevent the spread of COVID-19

5

Community

Key Points :
Support activities that are beneficial to the community does not hurt the community Participate in solving community problems

Management guidelines :
Community hearing meetings, discussions, discussions, and community visits. Participate in activities with government agencies and the private sector in carrying out social activities

Participation Channels :
Manage and control activities that will cause water pollution of industrial plants to nearby communities.

6

Government Agency

Key Issues :
Organize energy conservation activities and the environment within the organization; disseminate and publicize environmental conservation activities

Management approach :
จัดทำกิจกรรมเชิงอนุรักษ์พลังงาน และสิ่งแวดล้อมภายในองค์กร เผยแพร่ ประชาสัมพันธ์กิจกรรมอนุรักษ์สิ่งแวดล้อม

Channels for participation :
Organizing activities together

Social Responsibility

The company is committed to conducting business in parallel with social responsibility guidelines. From the design, construction, procurement, installation, and commissioning processes to customers. To ensure that the company's business operations cover stakeholders, economy, society, and environment. with morality, ethics, and ethics from the start of operations and for this social responsibility approach to be continual and sustainable, the company is committed to building its employees to be responsible for their actions by the following guidelines :

1. Fair business operations : The company adheres to, promotes and supports fair business operations. By carrying out various activities To be by the laws, regulations, and good corporate governance policies that have been described in detail. As for the stakeholders, the company will not disclose information that will cause damage to customers. Conceal misrepresentation of facts does not seek competitors' confidential information through dishonest means. make a selection of partners and carry out appropriate procurement and encourage employees to be aware of fair competition

2. Anti-corruption : The Company realizes that corruption and corruption are problems and obstacles to business operations. And to promote anti-corruption, the Company has established a written anti-corruption and anti-corruption policy under the Code of Business Conduct. Ready to support personnel to understand and realize the importance of implementing anti-corruption and anti-corruption policies and practices policy compliance will be monitored and reviewed regularly and continually review the practice guidelines. The Company has established a channel for whistleblowing. Fact-Checking Procedures for Fairness and appropriate measures to protect whistle-blowers

3. Respect for human rights : The Company has the policy to respect human rights. To ensure equality with shareholders, investors, stakeholders, and all related parties according to human rights by not infringing on rights and personal freedom Does not discriminate against any person including giving opportunities to employees, community, society, or all stakeholders to participate in filing complaints comment If the Company's operations may violate human rights

4. Fair treatment of labor : The company places importance on respecting the right to work by human rights principles and according to the basic rights in the work of labor organizations which the company will not discourage or be biased in employment, not coercive, and the company respects the employees' rights and freedoms to unite to negotiate for both employers and employees. Protection of working conditions health and safety at work is in line with the good corporate governance policy. In addition, employees are encouraged to regularly participate in training both internally and externally. To practice skills and increase work potential by allowing employees to learn new things To advance in the work when the opportunity is right

5. Consumer responsibility : The company is committed to developing products and services that do not cause harm to consumers. And environmental impact The quality meets the standards. And under fair conditions, every step has safety supervision. and maintain the confidentiality of customers, not to use for their benefit or those involved in a wrong way

6. Community and social development : If the company's operations are related to the people in the community The company will provide information before the construction. by sending expert engineers to provide knowledge related to operations with directly related communities and neighboring communities To create a common understanding of the benefits that will occur or the real consequences that may occur to the community

7. Environmental management : The Company is a part of the management and control of activities that will cause water pollution of industrial plants to nearby communities. The company will be responsible for taking care of the wastewater system of the plant through biological and chemical methods. To eliminate contaminants in the water that occur and the company is also involved in improving the quality of life for people in remote rural areas and there is a shortage of water for consumption to return to be plentiful by entering the company's operations, it will help create a better quality of life for people in the community and neighboring communities.

Management Analysis and Explanation (MD&A)

Discussion and Analysis of Financial Position and Operating Result

Operating Result Overview

Hydrotek Public Company Limited' s nature of business isconstruction, management and investment in environmental engineering business. Most of income has been gained from the core business in water supply system and also a leading company providing service for the large-scale project with capability of serving from less complicated project with more competitors to the project required expertise, experience and high engineering technology with less competitors ; for example, water supply for petrochemical industry, desalination plant, waste water treatment plant and waste water recycle plant. With more than 30-year experiences, the company has been able to respond to customers' requirement in term of both project and service types and the services to the customers have been rendered in various forms so as to be in line with customers' requirement as follows:

Operating Performance and Profitability

- **Income**

In the accounting period of 2019, the company and its subsidiaries' total income were Baht 269.46 million, and Baht 156.85 million in 2020 and Baht 270.49 million in 2021. Each captioned year consists of the construction income of Baht 253.82 million, 154.34 million and 262.40 million, respectively while the service income of Baht 15.64 million, 2.51 million and 8.09 million, respectively.

Type of Income (Million Baht)	2019		2020		2021	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Construction Income	253.82	94.20	154.34	98.40	262.40	97.01
Service Income	15.64	5.80	2.51	1.60	8.09	2.99
Total Income	269.46	100.00	156.85	100.00	270.49	100.00
Other income	10.97		4.02		22.52	

- **Construction Income**

In 2019, 2020 and 2021 were Baht 253.82 million, 154.34 million and 262.40 million, respectively or representing 94.20%, 98.40% and 97.01% of the total income, respectively and likely due to being gained from the core business. In 2021, the income increased Baht 108.06 million from 2020 or showing 70.01% increase. In 2021, the construction income from 2 main projects which are continuing from prior years. In 2020, the construction income from 3 main projects have finished in 2020 and one of project is operated in November 2020. As a result, the construction income gained in this captioned year was higher than last year.

- **Service Income**

In 2019, 2020 and 2021 were Baht 15.64 million, 2.51 million and 8.09 million or accounted for 5.80%, 1.60% and 2.99% of the total income, respectively. In 2021, the service income increased Baht 5.58 million from 2020, showing of 222.31%.The service income gained in 2021 was an income from ongoing project since August of 2020 and one of project is operated in August 2021. As a result, the construction income gained in this captioned year was higher than last year.

- **Other Income**

In 2019, 2020 and 2021 were Baht 10.97 million, 4.02 million and 22.52 million. Comparing to 2020, other income increased by Baht 18.50 million or an increase of approximately 460.20%. In 2021, other significant income included other income from Pattaya Project in amount of Baht 11.21 million, gain from disposal of land in amount of Baht 7.46 million. In 2020, other significant income include reversal the provision of warranty 1.99 million baht and interest income 0.83 million baht . The other income in this year was higher than last year.

- **Cost and Gross Profit**

The total cost of the company and its subsidiaries in the accounting period of 2019 was Baht 315.99 million whereas Baht 152.95 million in 2020 Baht 246.55 million in 2021 or accounted for 117.27%, 97.51% and 91.15% of the company's total income, respectively. The proportion of gross profit was equal to (17.27%), 2.49% and 8.85%, respectively. Considering cost based on types of income.

- **Construction Cost**

In the accounting period of 2019, 2020 and 2021 were Baht 302.56 million, 151.15 million and 241.03 million, respectively or representing 119.20%, 97.93% and 91.86% of the construction income with the proportion of gross profit of (19.20%), 2.07%, and 8.14%, respectively. In 2021, the construction cost was increasing Baht 89.88 million or 59.46%. The increase of construction cost was in line with the increase of construction income. And the Management can significantly deduct fixed cost and can manage cost in efficiency.

- **Service Cost**

In the accounting period of 2019, 2020 and 2021 were Baht 13.43 million, 1.80 million and 5.52 million, respectively or accounted for 85.87%0, 71.71% and 68.23% of the service income with the gross profit of 14.13%, 28.29% and 31.77%, respectively. The increase of service cost was in line with the increase of service income, and the gross profits are increased due to the management can significantly deduct fixed cost and can manage cost in efficiency.

- **Loss in impairment of assets**

The company and its subsidiaries had loss in impairment of assets in the accounting period of 2019 and 2020 which was equivalent to Baht 101.63 million and 3.24 million respectively. In 2021, there is no loss in impairment of assets, it decreased amount of Baht 3.24 million from 2020 or accounted for 100%. In 2020, the Company was recognized loss from devalue machine and investment property due to cost amount is higher than net realizable value.

- **Administrative Expenses**

The company and its subsidiaries' administrative expenses in the accounting period of 2019, 2020 and 2021 were equal to Baht 133.99 million, 66.07 million and Baht 50.76 million or 50.86%, 42.12% and 18.77% of the total operating income. In 2021, the administrative expenses was decreased by Baht 15.31 million or 23.17% decrease when compares to that of 2020. The reduction of expense was due to the management can deduct significantly fixed expenses and manage expense in efficient.

- **Finance Cost**

In 2019, 2021 and 2022, the finance cost of the company and its subsidiaries were Baht 25.18 million, 12.61 million and Baht 14.65 million, respectively. Upon the comparison of the finance cost in 2020, the cost decreased Baht 2.04 million, showing of 16.18%. The decrease was owing to an decrease of the interest expneses of bank overdraft for 2020.

- **Net Profit (Loss) and Net Profit Margin Ratio**

The company and its subsidiaries had net loss for the accounting period of 2019, which was equal to Baht (295.97) million, Baht (74.31) million in 2020 and Baht (20.00) million in 2021, representing net profit margin ratio of (109.84)%, (47.38)% and (7.39)%, respectively. The decrease ratio of net loss from 2020 was due to the management can deduct significantly fixed expenses and manage expense in efficient.

In 2021, there was another comprehensive income from the profit of difference exchange rate from conversion of financial statements amount of Baht 0.18 million causing comprehensive loss of the year in 2021 of Baht (19.82) million and loss of the year of Baht (20.00) million. When taking into account the non-controlling interests of (0.01) million, the remaining of loss attributable to the equity holder of the company was then Baht (19.98) million.

The Return on Equity (ROE) in 2019, 2020 and 2021 were (246.31)%, 637.92% and (32.07)%, respectively. In 2021, ROE is less than prior year due to the Company has increment of ordinary shares which effect to increasing in proportion of shareholder's equity.

• Asset Management Capability

The total asset of the company and its subsidiaries as of December 31, 2019 was Baht 408.61 million whereas Baht 427.59 million as of December 31, 2020 and Baht 459.64 million as of December 31, 2021. The significant assets of the company list as follows:

- Cash and cash equivalents

At the end of 2019, the company and its subsidiaries' cash and cash equivalents was Baht 25.74 million, whereas Baht 44.78 million at the end of 2020 and Baht 67.68 million at the end of 2021. In 2021, cash and cash equivalents increased Baht 22.90 million from 2020 or 51.00% due to the increased capital Baht 138.28 million, disposal of non-current assets held for sale 15.14 million and payment of account payable, bank overdraft and short – term loans from financial institutions amount Baht 41.42 million and Baht 15.36 million, respectively. Including increment of contractual assets and decreasing of contractual liabilities which are cause of decreasing in cash flows amount Baht 77.30 million.

- Other current receivables – related persons and businesses

The company had other current receivables – related persons and businesses at the end of 2019, 2020 and 2021 in the amount of Baht 4.43 million, 0.03 million and 0.04 million, respectively. It was increased amount Baht 0.01 million or 33.00%

- Trade and other receivables – other companies

The company and its subsidiaries had trade and other receivables – other companies at the end of 2019, 2020 and 2021 in sum of Baht 125.74 million, whereas Baht 112.21 million at the end of 2020 and Baht 105.82 million at the end of 2021. The trade and other receivables can be divided as follows:

In 2019, the trade receivable was Baht 56.88 million, whereas Baht 14.67 million in 2020, and Baht 0.62 million in 2021. The trade receivable in 2021 decreased from 2020 by Baht 14.05 million or 95.77% decrease due to received payment from trade recievable which was billing in 2020. For the account receivables' types separated based on their aging in 2021, the undue account receivables was 7.84% whereas over 12-month overdue account receivable was 92.16% and the allowance for doubtful account was made in full amount. The allowance for doubtful debt shall be made based on the over-1 year overdue period that is projected to be uncollectible account receivables.

For the account receivable turnover in 2019, 2020 and 2021 were 2.57, 4.38 and 35.38 times of which the average collection period were 140, 82 and 10 days, respectively.

Other receivables consisted of the product deposit payment, advance payment to subcontractors, post date cheque and other receivables i.e. advance payment, advance expenses, Revenue Department receivable. In 2021, the company and its subsidiaries had other receivables of Baht 142.76 million consisted of deposit for purchase of goods of Baht 76.89 million, advance to subcontractors of Baht 20.15 million, post date cheque of Baht 0.99 million and others receivable of Baht 44.73 million. The other receivables in 2021 increased Baht 36.24 million from 2020 or showing an increase of 34.03% due to an increase in product deposit payment of Baht 40.80 million and the record allowance for expected credit loss of Baht 3.80 million.

- Contractual assets

It refers to complete work as per construction contract, but it has not been handed over yet. The company and its subsidiaries had contract assets at the end of 2019, 2020 and 2021 in the amount of Baht 38.77 million, 48.95 million, and 69.92 million, respectively or with the proportion to their total assets of 9.49%, 11.45% and 15.21%, respectively. There was an increase in contractual assets of Baht 20.97 million in 2021 when compared to that of 2020 or showing a increase of 42.84% due to complete work in 2021 but does not billing yet.

- Construction materials

At the end of 2020 and 2021, the company and its subsidiaries had construction materials of Baht 7.50 million and 15.92 million or 1.75% and 3.46% of total assets by decreased amount of Baht 8.42 million from 2020 or 112.27 milllion for construction projects of company and its subsidiaries.

- Other non-current financial assets

At the end of 2019, 2020 and 2021, the company and its subsidiaries had deposits at banks pledged as collateralof Baht 49.66 million and 49.68 and 19.13 million or 12.15%, 11.62% and 4.16% of total assets by decreased amount of Baht 30.55 million from 2020 or 61.49% due to the company had returned the letter of guarantee in 2021.

- Land, Equipment and Investment Property

At the end of 2019, 2020 and 2021, the land and equipment were Baht 33.96 million, 19.57 million and 21.94 million or representing 8.31%, 4.58%, 4.77% of the total asset. The assets in 2021 increased Baht 2.37 million or 12.11% the significan cause from the company and its subsidiaries had increased in purchasing the machinery and equipments amount of Baht 3.35 million for used in construction project and depreciation following the Company's policy amount Baht 1.67 million.

As per the asset management above, the return on assets of the company and its subsidiaries in 2019, 2020 and 2021 were (38.07)%, (17.76)%, and (4.50)%, respectively. The return of fixed assets in 2019, 2020 and 2021 were (269.12)%, (264.34)%, and (69.88)%, respectively. The asset turnover in 2019, 2020 and 2021 were 0.38, 0.38 and 0.66 times, respectively.

• Liquidity and Sufficient Capital

The source of funds from liabilities and shareholder equity are as follows:

- Liabilities and shareholders ' equity

As of December 31, 2019, The company and its subsidiaries' total liabilities was Baht 434.67 million whereas Baht 424.21 million in 2020 and 337.80 million in 2021 whereas shareholders' equity were Baht (26.07) million in 2019, 3.38 million in 2020 and 121.84 million in 2021. The significant liabilities were:

- Bank Overdraft and Short-term Loans due to Financial Institutes

As of December 31, 2019, the bank overdraft and short-term loans from financial institutes was Baht 31.71 million whereas Baht 15.36 million in 2020 and there is no outstanding in 2021. In 2021, decresed from 2020 amount Baht 15.36 million due to cancelled useing bank overdraft and promissory note.

- Other payables – related person and business

The company and its subsidiaries' other payables – related parties at the end of 2019 was Baht 0.36 million while Baht 0.48 million in 2020 and Baht 0.48 million in 2021 or accounted for 0.09%, 0.11% and 0.11% of the total assets, respectively. The said transaction were accrued expenses and accrued interest payable of loan from director.

- Trade and Other Payables - Other Companies

At the end of 2019, the company and its subsidiaries had trade and other payables – other companies in sum of Baht 184.84 million, whereas Baht 156.67 million in 2020 and Baht 120.22 million in 2021 or accounted for 45.24%, 37.64%, and 26.16% of the total assets, respectively. The proportion of trade payables and other payables were as follows:

The trade payables in 2019, 2020 and 2021 were Baht 88.05 million, 65.23 million and 38.57 million, respectively. The trade payables in 2021 decreased Baht 26.66 million from 2020 or representing 40.87% decrease due to project nearly closed, so the Company is decreasing purchases from prior year.

The trade payables turnover in 2019, 2020 and 2021 were 3.29, 2.00 and 4.75 times, respectively with repayment period of 109, 180, and 76 days, respectively. The cash cycle in 2019, 2020 and 2021 were 31, (89) and (49) days, respectively.

The other payables included retention payables, advance received, post date cheque accrued interest and other payables. As of December 31, 2021, the company and its subsidiaries' other payables was Baht 81.65 million divided into retention payables of Baht 15.88 million, post date cheque of Baht 0.33 million, accrued interest of Baht 58.41 million and other payables of Baht 7.30 million when comparing with 2020, other payables decreased Baht 9.79 million due to payment to retention payables as the due date.

- Contractual Liabilities

It refers to advance revenue from construction, advance revenue from retention, advance received from construction contract. The company and its subsidiaries' contract liabilities in 2019, 2020 and 2021 were Baht 63.19 million, 101.64 million and 62.91 million, respectively. The contractual liabilities in 2021 decreased Baht 38.73 million or 38.11% when compared to 2020 due to construction revenue receive in advance increased Baht 108.06 million and advance received from construction contract increased Baht 38.82 million

- Current Portion of Long-term Liabilities– Provision for Warranty

The company and its subsidiaries' current portion – provision for warranty at the end of 2019, 2020 and 2021 were Baht 4.21 million, 1.00 million and 0.58 million, respectively. The said current portion was the warranty for construction project of which its warranty period ended within 12 months. The provision for warranty in 2021 decreased Baht 0.42 million from 2020 or representing 42.00% decreased owing to ending of warranty period and return of letter of guarantee form customer whereas the provision was higher than actual cost; therefore, the company reversed the said provision.

The company's liquidity ratio in 2019, 2020 and 2021 were 0.68, 0.82, and 1.39 times, respectively and quick ratio were 0.28, 0.22and 0.36 times, respectively.

- Long-term Loans – Other Companies

As of December 31, 2019, 2020 and 2021, the company and its subsidiaries' long-term loans due to third party each year were Baht 125.64 million equally. All were borrowed from YUNNAN WATER (HONG KONG) COMPANY LIMITED, the company established in Hong Kong for construction of water supply project in Chiang Mai Province with the interest of 6.75% per year and 5-year annual repayment due of the principle starting from the first date of income gained from water supply. In addition, as per the borrowing agreement, YUNNAN WATER (HONG KONG) COMPANY LIMITED has its option right to convert these captioned liabilities to be the investment in Hydrotek Utility Company Limited, the water management service company, after completion of the project.

- Lease liabilities

Lease liabilities at the end of 2020 and 2021 were Bath 3.69 million and 6.00 million,respectively. In 2021 the lease liabilities decreased from 2020 amount of Baht 2.31 million or 62.60% due to the Company had car rental for construction project and continued the office building agreement.

• Shareholders' Equity

The shareholders' equity at the end of 2019, 2020 and 2021 were Baht (26.39) million, 3.10 million and 121.54 million, respectively or equivalent to the total asset ratio of (6.46%), 0.72% and 26.44%, respectively. The captioned equity in 2021 increased Baht 118.44 million from 2020 due to add capital register in 2021.

The proportion structure of debt to equity ratio in 2019, 2020 and 2021, were (16.47), 136.83 and 2.78 times, respectively. The ratio was decreased due decreasing capital and increasing in 2021 as below;

The Company reduced the registered capital of the Company in the amount of Baht 33,487,136.00 from the original registered capital Baht 1,668,058,615.00 as registered capital Baht 1,634,571,479.00 by eliminating the number of unsold registered shares 33,487,136 shares with a par value of Baht 1.00 per share, which are shares that support the issuance of shares to the existing shareholders in proportion to the Company's existing shareholders (Rights Offering), which has expired after the allocation period, and approve the amendment of the Company's Memorandum of Association Clause.

The Company increased the registered capital of the Company in the amount of Baht 768,227,679.00 from the original registered capital Baht 1,634,571,479.00, registered capital Baht 2,402,799,158.00 by issuing new ordinary shares 768,227,679 shares with a par value of Baht 1.00 per share to be used as funds for the project and used as working capital of the Company. It was offering to the existing shareholders of the Company in proportion to the number of shares held by each person (Rights Offering) in the share allocation ratio 2 existing ordinary shares to 1 newly-issued ordinary shares the offering price per share is Baht 0.18, with fractions of shares being discarded.

On December 8-15, 2021, the Company sold 768,227,679 ordinary shares to the Company's existing shareholders, totaling a amount of Baht 138,280,982.22 and has a discount on ordinary shares amount of Baht 629,946,696.78. The Company had registered the incremental share capital.

Contingency Liabilities and Off-Balance - Sheet Management

As ended 31 December 2021, there were contractual obligations as follows:

Unit : Million Baht

Contractual Obligations	Total	Repayment period		
		Less than 1 year	1-5 years	Over than 5 years
1) Long-term contingency liability – other	125.64	-	125.64	-
2) Operating lease contract	7.89	1.84	1.76	4.29
3) Commitment of the construction subcontracts	126.57	126.57	-	-
4) Bond contingency	25.32	25.32	-	-
Total	573.53	417.44	147.52	8.57

1 Long-term contingency liability –other

is the loan from Yunnan Water (Hong Kong) Company Limited. established in Hong Kong to execute the construction of water supply project in Chiang Mai Province with the interest rate of 6.75 % per year and 5-year annual repayment due of the principle starting from the first date of income gained from water supply. In addition, as per the loan agreement, Yunnan Water (Hong Kong) Company Limited.has its option right to convert this captioned loan to be the investment in Hydrotek Utility Company Limited., the water management service company, after completion of the project.

2 Operating lease contract

is building lease, service, office automation rental agreements of the company's head office.

3 Commitment of the construction subcontracts

is the construction contract for awarded projects of work value as per the contract of Baht 499.31 million of which Baht 372.74 million had been recorded as expenses whereas the remaining of Baht 126.57 million shall be the expenses of the later year.

4 Bond contingency

is the bank guarantees issued by financial institutes for project bidding, advance payment bond, performance bond, retention bond and letter of guarantee (L/C).

Factors affecting the company's future operating result

As per the company's vision to become the sustainable Asean leading company in environment, the company has been concentrated in providing the entire service starting from design, procurement, construction, installation and operation with qualified and efficient works, effective management and cost control and also promoting human resource development continuously and constantly in order that the business can be expanded steadily and sustainably. However, since the operating result has not be in line with the target, the following are factors affecting the company's future operating result:

1. Risk of delay in construction execution

The problem of delay in project execution may be caused by both owner, contractor and also other uncontrollable external factor. Realizing such a problem, the company has defined the clear policy for system setup, implementation and risk protection by planning and setting up the working period as per the critical path method. Meetings have been held for presentation of advance construction working plan on quarterly basis with the guideline of risk management for any incident may cause the work delay. In addition, the company has coordinated and cooperated with all concerned to expedite problem solving for on-time completion of works as per the contracts or as scheduled.

2. Risk of fluctuate price of construction materials

Since the company is the environment engineering construction business, the company needs to define the material and equipment fixed price measure to be applied for the construction along the project execution.

However, since the company has realized in risk of fluctuate price of construction materials, the policy was defined to protect and mitigate risk maybe arisen by estimating the construction cost based on the obtained construction design drawings in order to calculate for quantity and construction material cost for each project and also control the construction cost to be within the budget.

3. Risk of subcontractor performance

This The Company Subcontractor Risk arises since the company cannot find subcontractor due to various problems such as subcontractor shortage, lack of subcontractors' labor, and a few subcontractor, etc. Moreover, there have been a risk from subcontractor's failure to work as planned by the reason of subcontractor's liquidity, delay of handover which may cause the construction halted and delay in handover works to customer.

However, prior to making a contract with any subcontractor, the subcontractor prequalification shall be done based on reliability and inspection of quality of works undertaken by short-listed subcontractor. If the company discovers that any subcontractor has a lack of liquidity and cannot deliver works as planned, the scope of subcontractor's work will be reducing and new subcontractor shall be searched to mitigate the captioned risk.

In addition, the company has kept create a good connection with subcontractors for working acquaintance causing those become the company's business alliances ready for subcontracting continually and new subcontractors have been increasingly selected to support future addition works.

4. Risk of contingency related to the project after work delivery

The company provides the service of inclusive environmental engineering related to water starting from design, construction, procurement, installation and operation including wastewater treatment in which the contract stipulates that the company shall be responsible for any damage, defect and fault maybe arisen after work delivery to the project owner for 1-2 years. Therefore, risk of contingency maybe incurred during the captioned warranty period.

However, the measure of construction implementation has been established under restriction of quality control and compliance of scope of works starting from design, standard material and equipment procurement with coverage warranty through the period of performance warranty. Moreover, the inspection of engineers supervising projects has been also constantly undertaken during the construction on milestone basis and the inspection report has been also sent to the company's management directed every project prior to work delivery. Until now, the company has never faced this type of risk; however, the damage insurance for every project has been arranged for any damage maybe arisen after work delivery.

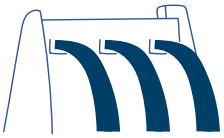
5. Risk of financial liquidity

The company's clients are both government agencies obtaining an approved budget from the cabinet but with some delay of bill collection and private companies. In case of lack of liquidity, it may cause delay of payment for the company's service.

Realizing in this type of risk, the risk mitigation measure has been established to protect such a risk by setting up the policy of project owner selection concisely with consideration in all respects of the project owners especially their financial status, operating results, reliability and business strength of project owners. In case of oversea project, to secure the project, the company prefers to select a project owner who is a government agency.

6. Risk of of investment in water supply and wastewater treatment project

At present, the company has expanded its business in a form of investment in water supply and wastewater treatment project of government agencies and private companies in various industries for which the company is required to be responsible for all expenses incurred from the investment and project management for 10 - 30 year period and the impact from this type of risk may cause no payment of service charge from project owners due to their lack of liquidity or bankruptcy prior to end of contracts.



To protect such a risk, prior to contract signing or enter into bidding, the project owner selection shall be made based on financial status, management's reliability together with profitability ratio as per defined policy. In addition, the customer base has been extended to government sector to protect risk of no service charge payment.

Other Important Information

LEGAL DISPUTES

Black Case No. 108/2559

1 Litigation to the Thai Arbitration Institute

Between

Hydrotek Public Company Limited	Solicitor
Pa Sang Municipal	Objector

Current Status : Currently in the consideration of the central administrative court.

This case has been litigated and amended dispute proposal to the Thai Arbitration Institute by the Solicitor to claim for a compensation of damages in the total amount of 27,193,378.18 Baht.

As of 24 October 2019, the Solicitor has been received the copy of the Arbitration award, as follows
1. The Objector should pay the service fee to the Solicitor in amount of 3,840,000 Baht.
2. The Solicitor should repay the advanced fee in amount of 9,872,266 Baht.
3. After set-off, the Solicitor should repay the difference to the Objector in amount of 6,032,266 Baht including interest at rate of 7.5 percent per annum of principal from date of submission claim until payment is completed to Pa Sang Sub-district Municipality.

Due to disapproval of the Arbitration award, the Solicitor then sued to withdraw the Arbitration award with Administrative court on the date of 20 January 2020 which is still before the deadline. In the meantime, the Objector also sued to revoke the award with Administrative court as well.

On 23 June 2020, the Company as the objector submitted the objection to repeal Pa Sang Municipal lawsuit. Meanwhile, the Company as the solicitor also submitted the rejection on 13 August 2021.The Central Administrative court consequently ordered to gather these two cases.

On 9 April 2021, the Company received the court order to prepare the dissent against Pa Sang Municipal, the Solicitor, regarding to enforce the Arbitration award. The Company submitted the paper on the date of 19 June 2021.

On 3 December 2021, the Company asked the Court to provide indicate provisional measures.

Black Case No.1729/2559

2 Administrative Case at the Administrative Cour

Between

Hydrotek Public Company Limited	Plaintiff
Muang Tak Municipality and Collectively called	Defendant

Current Status : Currently, in the consideration of the Administrative Supreme court.

This case has been litigated in the Administrative Court on 7 November 2016, to claims for service fees, damages, expenses plus interest until the date of filing in a total of 63,805,606.78 Baht. The case has been accepted by the Administrative Court on 30 December 2016.

At present, the case is being considered by the Central Administrative Court. The Company is the opinion that the approval of the Tak Municipality for extension of the employment contract to the Company is 42 days incorrect because the termination ofcontract at Tak Municipality contract to the resolution of the employment inspector committee and construction supervisor who resolved to extend the construction period to the Company for 125 days. It also contradicts resolution the inventory committee with the resolution to the Company extend the construction period of 212 days. And the Tak Municipality has a letter notifying the contract cancellation Job leave notice Letter of notification of fines and forfeiture of collateral with Hydrotek Public Company Limited are also incorrect. Therefore, the Central Administrative Court and the Supreme Administrative Court should have a ruling for Tak City Municipality to compensate Hydrotek Public Company Limited.

On 31 January 2020, the Company submitted a draft of the factual statement to the Central Administrative Court. And is currently under the consideration of the Central Administrative Court.

On 19 March 2021, the Company submitted the factual statement to the Central Administrative Court.

On 22 July 2021, the Central Administrative Court adjudicate the case that the plaintiff should pay the Defendant amount of 23,860,654.19 Baht with the interest in the rate of 7.5 percent per annum of principal from date of submission claim until payment is completed to Muang Tak Municipality.

On 20 August 2021, the Company appealed to the Court similar to Muang Tak Municipality

Black Case No. Lor 3504/2559

3 Reorganization Case at the Central Bankruptcy Court

Between

Seafco Public Company Limited	Plaintiff
M.V.S. Development 1688 Company Limited	Defendant
Hydrotek Public Company Limited	Applicant

Current Status : Currently, in the process of collecting assets of debtor.

As 24 October 2018, the Central Bankruptcy court has issued a receivership order against the Plaintiff upon the bankrupt action of the Defendant. The Applicant has also submitted an application for payment on 3 January 2019, receiving of 103,725,675.67 Baht. Currently, the creditors' requests for payment are being reviewed.

On 30 September 2019, the company sent documents relating request to receive payment to the official receiver. Currently, the documents are being examined by the official receiver. Hydrotek Public Company Limited filed for debt repayment at No. 14.

On 29 May 2019, there is the first meeting between Applicants.

On 10 February 2021, Legal Execution Department sent the paper to Applicants to providing the lawyer to the Defendant but not succeed.

Black case No. Poh 484/2561,
Red case No. Poh 6215/2561

4 Civil Case at Civil Court

Between

Hydrotek Public Company Limited	Plaintiff
AAS Engineering Service Company Limited	Defendant

This case has been litigate in civil court on 14 February 2018, to claim for advance payment plus interest until the date of filing as a total of 538,858.56 Baht.

As of 22 November 2018, Civil Court adjudged the Defendant to pay 318,691.30 Baht with 7.5% interest per annum since the date of filing along with attorney fees in amount of 8,000 Baht.

After the investigation of the defendant's property, the Company found no property to be seized or used in auction according to the adjudication.

5 Litigation to the Thai Arbitration Institute

Between

Hydrotek – Salcon Consortium	Petitioner
Metropolitan Waterworks Authority	Opponent

Current Status : Currently in the consideration of the the central administrative court.

This case has been litigated in the Thai Arbitration Institute by the Petitioner on 15 December 2016, to claim for extended the construction period of contract no. G-PK/RB-8 for Construction of Reservoirs for Phet Kasem and Ratburana Distribution Pumping Station in the total amount of 478 days and to claim for the fine of which hold from payment in the total amount of 42,015,000 Baht.

As of 26 February 2019, Thai Arbitration Institute had an appointment for witness examination on the opponent side on 26 March 2019, April 3, 2019 and 4 April 2019 while investigating witnesses on the Petitioner side on 14 March 2019 and 19 March 2019.

The Arbitral Tribunal scheduled submission of the closing statement on 27 December 2019 and meeting on 24 January 2020.

On 10 January 2020, the Arbitral Tribunal issued its verdict to the Metropolitan Waterworks Authority. Pay or return fines of 18,338,375 baht, including interest at the rate of 7.5 percent per annum after the date of submission of the dispute (15 December 2017) until payment is made of both claimants, Hydrotek Company Limited Public Company Limited and the Salcon Engineering Berhard Company and the Metropolitan Waterworks Authority have right to file a request withdraw the ruling within 90 days of receiving the copy of the ruling

On 10 April 2020, the MWA filed a lawsuit to revoke the award with the Central Administrative Court

On 7 August 2020, the objector made an affidavit to submit to the Central Administrative Court.

On August 13, 2020, the Central Administrative Court issued a letter to submit a petition confirming that it would file a counterclaim to enforce the ultimatum.

On 1 September 2020, submit a complaint confirming that both objections wish to challenge the court to enforce the arbitral award.

On 8 January 2021, the petitioners submitted the additional objection to opponent's statement.

Black case No. Poh 5290/2561

6 Civil Case at Civil Court

Between

Siam Syndicate Technology Public Company Limited	Plaintiff
Hydrotek Public Company Limited	Defendant

Current Status : At present, it is in the process of repayment of debt according to the judgment as agreed.

The Plaintiff filed a lawsuit against the Defendant to Civil Court on 14 September 2018, claimed for accrued payment of equipment and services in amount of 4,570,078.48 Baht with interest of 471,169.63 Baht. Total of 5,041,248.11 Baht.

As of 22 November 2019, the contract of compromise has been made on the condition that the Defendant agree to pay the principal in amount of 4,570,078.48 Baht with interest of 229,921.52 Baht. Total of 4,800,000 Baht. The Defendant paid in amount of 200,000 Baht on the execution date of the contract and agreed to pay in amount of 4,600,000 Baht by monthly installments on the 25th of every month started in December 2019 and lasted in January 2022.

Black case No. Por. 827/2564

7 Civil Case at Thonburi Civil Court

Between

Hydrotek Public Company Limited	Plaintiff 1
Sahakarn Witsawakorn Companr Limited	Plaintiff 2
Premiere Energy Company Limited	Defendant

On 5 May 2021, Hydrotek Public Company Limited and Sahakarn Witsawakorn Company Limited filed the lawsuit with Thonburi Civil Court to claim the product price including with the interest in the rate of 7.5% per annum in amount of 8,427,695.12 Baht.

The Defendant later submitted the petition against the lawsuit requesting the plaintiffs to pay the product price that defendant ordered in advance in sum of 19,884,421.44 Baht.

On 19 October 2021, the Company submitted the statement affirmed that there is no ensured evidence to prove that the defendant ordered them beforehand because of the condition of products and possibility to get wear and tear.

The Court scheduled the day of settlement of issues on 15 February 2022.

Black case No. Por. 1435/2564

8 Civil Case at Civil Court

Between

PN Infrastructure Management Company Limited	Plaintiff
Hydrotek Public Company Limited	Defendant

PN Infrastructure Management Company Limited filed a lawsuit with the Civil Court on 22 March 2021 to claim service fee from the project of selecting the target group on the Waterworks and infrastructure relating projects to water management in Thailand and outside in amount of 2,619,346.91 Baht.

On 20 April 2021, the defendant submitted the objection against the lawsuit that there was no evidence of the progress of the service.

Subsequently, the court has set the date for the meeting to determine the guidelines for the examination of witnesses on November 16, 2021.

Black case No. Por. 3315/2564

9 Civil Case at Civil Court

Between

Premiere Lightning Interplas Company Limited	Plaintiff
Hydrotek Public Company Limited	Defendant

Premiere Lightning Interplas Company Limited filed a lawsuit with the Civil Court on 8 July 2021 to claim construction fee from the project of building the center for waste management at Muang Pak Municipal, Pak Thongchai district, Nakhon Ratchasima Province in the sum of 4,490,829.53 Baht.

On 3 August 2021, the defendant submitted the objection against the lawsuit that the plaintiff incorrect constructed comparing to the plan in the contract, therefore, the Muang Pak Municipal deducted the service fee into the amount of 34,306,903.18 baht which the plaintiff received from the Municipal directly.

Currently, the Court set the date for both parties to appear before the court on 18 May 2022.

10 Civil Case at Civil Court

Between

Mr. Cherdchai Piyapan	Plaintiff
Hydrotek Public Company Limited	Defendant 1
Sredama Engineering Company Limited	Defendant 2
Miss. Sujira Sredama	Defendant 3

Mr. Cherdchai Piyapan filed a lawsuit with the Civil Court on 31 July 2019 to claim money from trading with principal amount of 1,582,704 baht, interest 259,949.66 baht.

The Civil Court appointed the parties to determine the date for taking evidence on 19 November 2019 and postpone the appointment to examine the application for permission to submit testimony on 15 January 2020.

Sisaket Provincial Court Schedule of examination of witness examination on 30 July 2020 and appointment of witness examination of defendant on 31 July 2020.

On 8 October 2020, the Court made an appointment to hear the verdict at 9.30 am. The judgment dismissed the first defendant, Hydrotek Public Company Limited, due to the plaintiff's evidence and the plaintiff's investigation, the 1st defendant had no debt to be liable under the lawsuit, but the Sridama Engineering Company Limit the second defendant to be liable for repayment to the plaintiff solely.

Later, on the date of 15 September 2021, Sisaket Provincial Court adjudged to dismiss the Company as 1st Defendant similar to the first verdict. The plaintiff did not continue to appeal to the Supreme Court. The Company therefore has no liability to pay the plaintiff.

Part 2 :

Corporate Governance

Corporate Governance

The Company places importance on having an efficient, transparent, verifiable management system to build trust and confidence among shareholders, investors, and stakeholders. and all related parties to promote the company towards stability, progress and drive for sustainable growth

The Board of Directors understands the role Duties and Responsibilities of the Board of Directors towards the Company and Shareholders and has approved the corporate governance policy in writing In addition, the company Reviewed the Corporate Governance Policy by referring to the Good Corporate Governance Principles for Listed Companies 2012 of the Stock Exchange of Thailand. ("SET") and Good Corporate Governance Principles for Listed Companies 2017 ("CG Code") by the guidelines set by the Office of the Securities and Exchange Commission ("SEC"). Most of them have been adapted and presented to the Board for acknowledgment in principle. The Company is in the process of considering and improving the corporate governance policy by the CG Code. as a guideline for practice which is essentially divided into 5 categories as follows:

Section 1: Rights of Shareholders

Shareholders' rights cover various fundamental rights. of the shareholders, such as the right to buy, sell, transfer the securities they hold The right to receive a share of profits from the company The right to receive adequate business news and information the right to attend the meeting to exercise the right to vote at the shareholders' meeting to appoint or remove directors Appoint an auditor and matters that affect the company, such as the allocation of dividends Determination or amendment of the Articles of Association and the Memorandum of Association Capital reduction or capital increase and approval of special items, etc.

In addition to the basic rights above, the company has the policy to operate in various matters. That is promoting and facilitating the exercise of shareholders' rights as follows:

1) If shareholders are unable to attend the meeting in person, the company will provide an opportunity for shareholders to appoint independent directors or any person able to attend the meeting on his/her behalf by using any one of the proxy forms that the company Sent along with the meeting invitation letter.
2) Provide opportunities for shareholders to submit opinions, suggestions, and questions related to the meeting agenda before the date of the shareholders' meeting.
3) Encouraging shareholders to use a proxy form in which shareholders can set voting directions and nominate at least one independent director as an alternative to the proxy of shareholders.
4) In the meeting, the company will allocate time appropriately and encourage shareholders to have the opportunity to express their opinions, suggestions, or ask questions to the meeting on matters related to the company. Before voting on any agenda the company will provide the shareholders with sufficient detailed information on the matter.
5) Promotion of the use of ballots in the meeting agenda important shareholders such as the connected transaction of acquisition or disposition of assets, etc. for transparency and accountability in case of disputes later
6) All directors will attend the meeting unless there is a necessity. so that shareholders can ask questions on related matters

Section 2: Equitable Treatment of Shareholders

The Company has the policy to treat and protect the rights of all shareholders equally to create tools that enable true equality, especially with minority shareholders

1) Disseminate information on the agenda of the shareholders' meeting in advance on the company's website. before sending documents and inform the rules used in the meeting Right of shareholders to attend the meeting and voting rights of shareholders in advance

2) Equitable treatment and convenience to shareholders and does not do anything which is a limitation or infringement or deprivation of the rights of shareholders

3) Assigning independent directors to take care of minority shareholders whereby minority shareholders can suggest express opinions or complaints to independent directors The independent directors will consider taking appropriate action in each matter. The independent directors will conduct an investigation and find appropriate remedies or in the case of a recommendation that the independent director has considered and thinks that it is an important matter that affects the stakeholders as a whole or affects the company's business independent directors will propose such matter to the shareholders' meeting for consideration and set as an agenda in the shareholders' meeting.

4) Promotion of the exercise of rights, for example, the opportunity for minority shareholders to propose matters for inclusion in the agenda of the Annual General Meeting of Shareholders and nominate the names of persons deemed appropriate to be considered for election as the Company's directors. before the date of the Annual General Meeting of Shareholders, together with information for consideration of qualifications and the consent of the nominated.

5) Shareholders who are executives will not add any agenda that has not been notified in advance unnecessarily. Especially important agenda that shareholders need time to study the information before making a decision.

6) Determining measures to prevent misuse of inside information (Insider Trading) of related persons, including directors and executives of the company relating to information (Including spouses and minor children of such persons)

7) Provide opportunities for shareholders to exercise their rights to appoint individual directors.

8) Establish written guidelines for the retention and prevention of the use of inside information and information such guidelines for everyone in the organization to follow and require all directors and executives responsible for reporting their securities holdings under the law to submit such reports to the Board regularly.

Section 3: Roles of Stakeholders

The company places importance on inclusive business operations for all stakeholders for sustainable mutual benefits, The Board of Directors supervises the management system to ensure that stakeholders are entitled to various rights as required by law and such rights must be treated equally stakeholders can participate in expressing opinions decisions or actions that affect groups of stakeholders and has the right to file complaints with the company. Therefore, the company is more aware and gives importance to the stakeholders. The company, therefore, has established policies and guidelines for treating stakeholders for personnel in the company to have guidelines for treating stakeholders as follows:

1) Shareholders

Operation of the Company Focus on maximizing the benefits and adding value to shareholders, in the long run, The guidelines for practice are as follows:

- Manage the organization by good corporate governance by managing with honesty and without any personal conflicts of interest to create the highest return for shareholders
- Give details related to the shareholders' meeting appropriately by giving enough time for shareholders to make decisions
- Set up independent directors to take care of and receive complaints or suggestions. from minority shareholders through convenient and quick access channels
- Determine internal control measures internal audit and effective risk management
- Disclosure of important information of the company financial report and the results of operations are accurate, complete, timely and transparent, and reliable. so that the shareholders are aware of the Company's operations regularly

2) Employees

The Company places importance on employees who are valuable resources of the company because employees are the drivers of business operations to be stable, therefore, the treatment of employees is fair based on human rights principles. So that employees and the company have a good relationship with each other In addition, the company also take into account the needs of employees and encourage continuous development of working potential The guidelines for practice are as follows:

- The company treats its employees equally. No differences in race, color, sex, religion, nationality, age, or language are considered factors when determining or determining employment. Including also open to employment for people with disabilities to provide equal opportunities
- The company pays attention to treating employees fairly. by respecting the rights and freedoms of the individual and expressing opinions of employees independently
- Develop employees' operational skills to be appropriate for their duties and responsibilities. to enhance knowledge and ability and efficiency in working for the company's employees
- Promote know how to work together within the organization to create unity among employees in the organization and have the discipline to work together as a team
- Management within the organization has a safety system and occupational health management according to international standards. to ensure safe and hygienic work according to the Company's operating safety manual
- The Company has policies and guidelines on compensation and welfare. The results of employee performance appraisals are used as indicators for compensation adjustments. As an incentive to develop work potential and increase the profitability of the company concerning industry conditions for fairness and compliance with labor laws and provide welfare and benefits suitable for both short-term and long-term, such as the establishment of a provident fund and group insurance, etc. However, the determination of employee compensation policies will be determined by considering the consistency with the Company's performance and sustainability.
- Promote a warm working environment along with encouraging employees to feel part of the company. To reduce the turnover rate of the company's employees

3) Customer

The company has the policy to provide comprehensive services to customers. From design, procurement, construction, installation, and commissioning, emphasizing international quality and efficiency in use for maximum benefit It also aims to maintain a good relationship with customers through good after-sales service. and impressive The guidelines for practice are as follows:

- Deliver work on time and meet the needs of customers
- Build confidence for customers by having a team with more experience and high-level engineering expertise.
- Determine the price of the hired work by referencing the construction cost value method. Service work and expenses are estimated at fair rates.
- The company focuses on maintaining quality and good construction standards. for efficient work systems and customer satisfaction and focus on providing good and impressive after-sales consulting services to customers to build a good relationship with customers
- Developing the technology used in the operation regularly

4) Partner

The Company adheres to the framework of fair trade competition and strictly adheres to the commitments made to the partners. The guidelines for practice are as follows:

- Consider the purchase price and the procurement price are reasonable and fair taking into account the reasonableness of price, quality, and service received from partners
- The Company operates business sustainably and transparently by complying with the terms of the trade and the contract specified and being fair to those involved
- Do not disclose the information of partners to others. except with the consent of the business partner

5) Competitors

The Company operates its business with a policy to treat competitors fairly by the framework of fair competition. The guidelines for practice are as follows:

- The Company has two channels of service, namely, participation in the bidding of the work. and contacting through direct employers, which the company has complied with under the rules of good competition, ethics, transparency, including not taking advantage of competitors by unlawful means
- The Company does not seek confidential information of competitors through dishonest methods.
- The company does not destroy the reputation of competitors. without factual information

6) Creditor

The Company has the policy to comply with the terms of the loan agreement and duties to the officials by adhering to equality, fairness, and transparency in practice. There are guidelines for practice as follows:

- Prepare contracts with creditors legally in all respects to ensure equality and transparency
- Do not commit fraud to conceal information or facts which causes damage to creditors
- Repay the principal plus interest to the creditor in full and on time

7) Society and community

The company has consciousness and is aware of being part of society which is responsible for helping society support activities for public benefit to the community as well as to develop the environment of the community and society for a better life because the company has run a business about design and construction of a wastewater collection and treatment system as well as water supply systems for private companies and various government agencies to help reduce the release of wastewater into water sources and the management of water resources, which are valuable resources of the country. To help improve the quality of life of people in society the guidelines for practice are as follows:

- Be part of raising awareness of social responsibility in maintaining water quality and using water resources with value
- Promote and support activities in the development of water supply systems to the community To provide communities with clean water for consumption
- Encourage meetings to exchange ideas and provide knowledge in the part that the company has experience and expertise to improve the well-being of the communities in which the company go into action

8) Policy for conducting business under environmental standards

The Company realizes the importance of environmental protection. Therefore, the environmental policy has been established in parallel with the Company's business operations. The guidelines for practice are as follows:

- Provide project management with environmental considerations. and follow up on the results of operations regularly in order not to affect the living conditions of the people in the surrounding communities
- Promote knowledge and understanding of the environment for employees by providing knowledge and campaigning through the public relations board and/or circulars within the company
- Encourage efficient use of resources taking into account energy-saving and resources are recycled
- Be a part of society by using knowledge and expertise and the company's technology in implementing projects to improve water quality and quality of life of people in the community

9) Policy not to be involved in human rights violations

The Company has set a policy to ensure that personnel is not involved in human rights violations. To ensure equality with shareholders, investors, stakeholders, and all related parties according to human rights by not infringing on individual rights and liberties Does not discriminate against any person

10) Policy not to involve infringement of Intellectual Property or copyright

The Company has established policies and guidelines to ensure that personnel is not involved in the infringement of intellectual property rights. or copyright by prohibiting the use of unauthorized, illegal, or copying software licensed software.

11) Anti-Corruption Policy and Practice and do not pay bribes for business purposes

The company has a policy against corruption and corruption. Directors, executives, and employees are forbidden to support corruption and corruption and have a follow-up and regularly check for compliance with anti-corruption and corruption policies as well as reviewing the practice guidelines to be in line with business changes. The guidelines for practice are as follows:

- Directors, executives, and employees must comply with anti-corruption and corruption policies. and must be aware that corruption is inappropriate by the Code of Conduct
- The Company encourages personnel to know about fraud and corruption. for honest work and prevent the occurrence of wrongdoings through communication/public relations/circular
- The Company has appropriate and regular internal audits and controls to prevent improper duties of employees.
- The company has a transparent, verifiable, and accurate financial status report. to maintain the interests of all stakeholders
- The Company has established a policy on giving/receiving gifts entertainment or various expenses from the person doing business with the company must comply with local customs or trade customs to be able to do and the value is not too high
- The company cooperates with the government sector. In determining the project that is a contract with the government sector disclosure of income-expense statements to the office of The National Anti-Corruption Commission (NACC).
- Employees must not be indifferent. If you see an action that falls within the range, you must notify your supervisor. or the person in charge knows or notify through the channels that the company has specified, which the company keeps secrets to protect the whistleblowers
- The company will provide fairness to the informant and those who were complained before the facts were investigated.
- Those who commit fraud must be considered disciplinary by the company's regulations. That has been defined but if the act is illegal, It may be punished by law.

12) Policy for the protection of whistleblowers and related persons

The whistleblower will receive appropriate protection from the company, such as holding the same position. Protection from work suspension, termination of employment, or any other unfair treatment to that person. Complaints will be kept confidential. Not disclosed to related parties unless required to be disclosed by law

Any person who is aware of the complaint Must keep the information or related matters confidential. If violated, will intentionally disclose the information to the company. Disciplinary action will be taken against those who violate

13) Whistleblowing Policy

<u>Scope of complaint</u>

Directors, employees, or any person acting on behalf of the company can complain If there is an offense that may be considered fraud

If the complainant does not reveal his identity The coordinator will consider the information or evidence that it is clear enough or not The following complaints will not be accepted:

- Matters that do not specify witnesses, evidence, or fraudulent acts that can be investigated
- Matters that have been considered, the evidence was baseless and there is no new evidence of any material additional materiality.

Company Action

- **Complaint investigation**

  - Uncomplicated matters are those with clear evidence that do not involve many agencies that may be given to persons who have been appointed or delegated has the right to investigate the facts of such complaints. The appointed person must not have any conflict of interest in the complaint.

  - Complex matters. It's a story with a lot of evidence or involving multiple agencies to be presented to the Chief Executive Officer and/or Managing Director to consider appointing a fact-checking committee. The appointed committee must not have any stake in the complaint.

- **Processing time**

  When receiving complaints, The authorized or appointed person will coordinate with the whistleblower within 7 days.

  The complaint Investigator Must consider and report a summary of the settled complaints. Let the offender be informed within 30 days, that the punishment must be approved by the authorized person.

  If the fact-checking committee is appointed Must consider and report a summary of complaints within 60 days from the date the fact-checking committee receives the approval order for an appointment

  In the event of necessity that cannot be completed within the specified time. To present the matter to the Chief Executive Officer and/or Managing Director. to consider extending the approval period for the review

- **Reporting**

  The Complaint Auditor is responsible for reporting a summary of the results to the complainant or other related persons who have been informed

  If the matter reported affects the reputation of the company business operations financial position Must report the matter to the Chief Executive Officer and/or Managing Director. to be informed immediately to perform and bring the matter to the Board of Directors' meeting

  If the fact-checking committee Proves that the whistleblower provided false information. causing the complainant to suffer disgrace or damage will be punished according to company regulations

14) Whistleblowing channels

The company has established channels for all related parties to exchange information, give advice, notify or complain about unfair, illegal, infringement of rights from the company's operations, or report fraud clues To help promote the operation of the company to be transparent under good corporate governance. You can file a complaint through Audit Committee or Internal Audit Department at

- **Email**
  audit.committee@hydrotek.co.th

- **Letter**
  Hydrotek Public Company Limited
  No. 1 TP&T Building, 14th Floor, Soi Vibhavadi Rangsit 19, Chatuchak, Chatuchak, Bangkok 10900

หมวดที่ 4 : Disclosure and Transparency

In addition to disclosing financial reports or other information to the public through various channels by the conditions stipulated by law strictly, completely, and on time, the company will disclose the following information to show transparency in its business operations:

1) Disclose information on the performance of duties of the board of directors and The Audit Committee such as the number of meetings and the number of meetings each director attended in the past year.
2) Disclose the assessment methods and the results of the performance appraisal of the Board of Directors.
3) Disclosure policy on remuneration paid to directors and high-level executives. including the form or nature of the compensation
4) Report on corporate governance policy and performance according to the policy
5) Disclosure of forward-looking information about the direction of business operations. including the future performance of the company (Forward-Looking Information)
6) Disclosure of important information that has already been disclosed to the public (Material Public Information) clearly and completely to avoid confusion. and misunderstanding about the information disclosed
7) Disclosing other non-sensitive information (Non-material Information) by revealing true information. and must not have any intention to mislead others about the facts about the financial position performance stock price or disclosures that may cause others to understand the increase or decrease in the price of securities

In addition, such information will be disclosed to the public through the Securities and Exchange Commission ("SEC") or the SET, but will also be disclosed through the company's website.

Section 5 : Board Responsibilities

The Board of Directors of the Company consists of qualified persons with knowledge, abilities, and experiences from various professions. both engineering management and other experiences Useful in the operation of the Board and having independence in making decisions for the best interest of the Company and shareholders as a whole The Board of Directors is involved in determining (or approve) the vision, mission, strategy, goals, business plan and budget of the Company, as well as supervise the management to operate by the business plan and budget set with efficiency and effectiveness. To add maximum economic value to the business and maximum security for shareholders. as well as to ensure that there is a process for assessing the suitability of internal control internal audit risk management financial reporting and have a regular follow-up on the results

1) Board structure

- The Board of Directors consists of 7 members, comprising 3 directors from the management, 3 non-executive directors, with 3 independent qualified directors, which is more than one-third of the total number of directors group
- The Board of Directors encourages diversification in the structure of the Board of Directors, comprising qualified persons with diverse knowledge, skills, experiences, knowledge, and expertise that is beneficial to business operations. uphold the virtues and honesty regardless of gender, race, religion, age, professional skills, or other specific features

2) Business Ethics

For the operation of the company Under good corporate governance and sustainable growth, The Board of Directors has announced Board of Directors Manual Director's Manual and business ethics The Board of Directors encourages employees to comply with the Code of Business Conduct. by promulgating policies and practices against corruption and corruption to suit the current business environment

3) Remuneration for directors and senior management

The Company has a clear and transparent policy in determining the remuneration of directors in monetary terms and presented for approval from the meeting shareholders annually. The criteria for determining the remuneration of directors are as follows:

- Is appropriate and consistent with the scope of duties and responsibilities of each director
- Remuneration is at a level that can motivate retaining knowledgeable and competent directors. and quality in able to perform duties for the company
- The composition of the compensation is clear, transparent, and easy to understand.
- It is a rate that is comparable to the remuneration of directors in the same industry or similar.
- The Company has the policy to determine the remuneration of the Chief Executive Officer. Managing Director and Deputy Managing Director by the consideration of the Nomination and Remuneration Committee which will consider the compensation and bonuses of the Chief Executive Officer Managing Director and Deputy Managing Director Based on reference to industry conditions in the same business group by the duties, responsibilities, and operating results of the Company to maintain knowledgeable personnel to remain with the Company and present to the Board of Directors for further consideration and approval

4) Board meeting

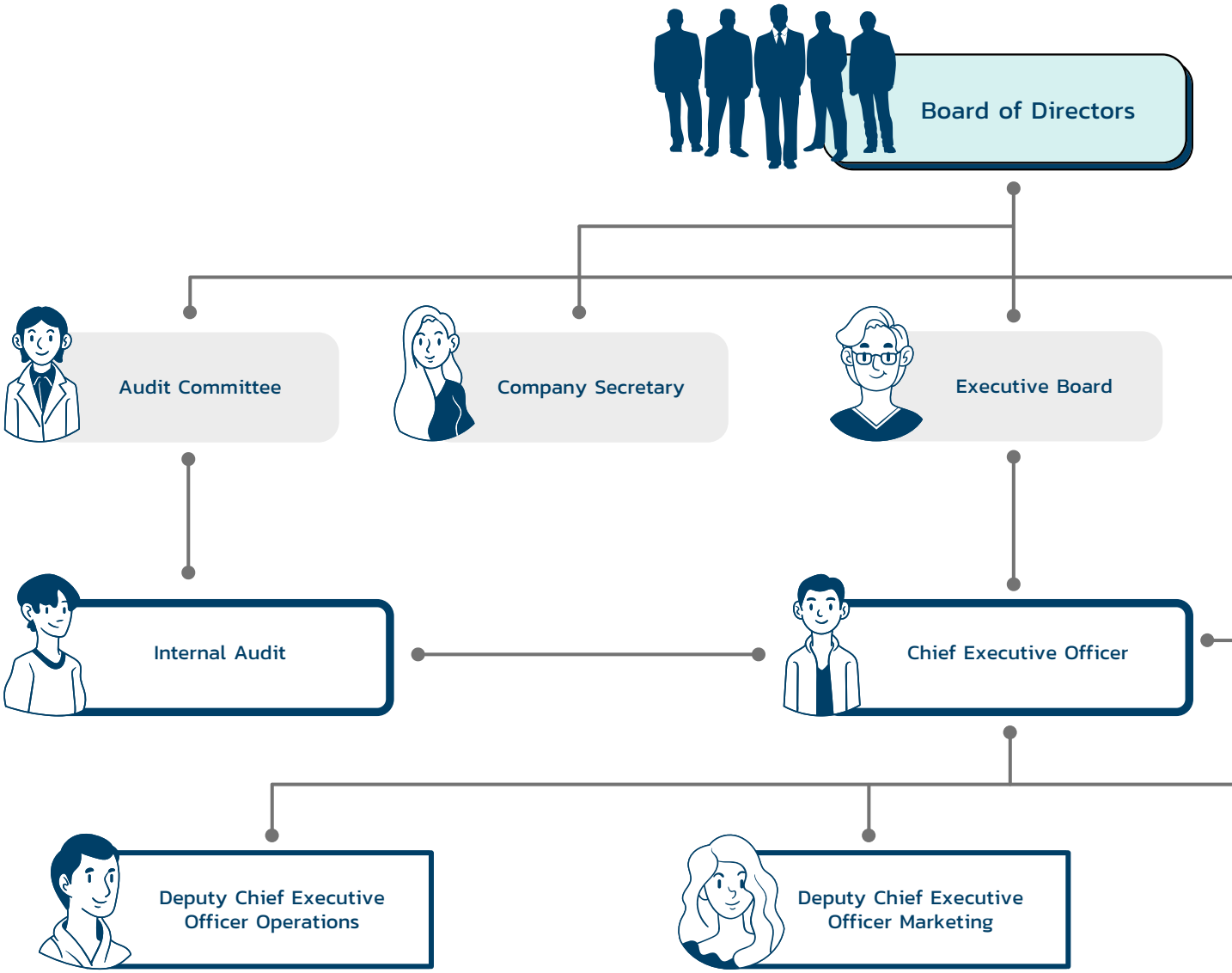
The Company will arrange a meeting of the Board of Directors and conduct the meeting by the Company's Articles of Association. Laws related to public limited companies and regulations of the Stock Exchange of Thailand and will hold additional special meetings as needed. The chairman of the board as chairman of the meeting will encourage careful discretion and allocate sufficient time for the meeting for the management to make a proposal and can discuss important issues in general

The committee jointly determines the meeting schedule for the whole year in advance unless there is a special agenda The Board of Directors will hold meetings at least 4 times a year, the Risk Management Committee and the Nomination and Remuneration Committee will hold meetings at least 2 times a year. The meeting agenda and meeting documents shall be provided to the Board of Directors at least 7 days in advance of the meeting date for the Board of Directors to have enough time to study the information, the Company has held a risk management meeting 1 out of 2 due to the situation of the Coronavirus (Covid-19) which is affecting Thailand.

The Board of Directors has established a policy on the minimum number of quorums. At the time of the Board's resolution at the Board Meeting, there must be no less than two-thirds of the total number of directors. and all directors must have a proportion of attending the Board of Directors' meeting. At least 75% of the meeting throughout the year. The Company has recorded the meeting accurately and completely for the shareholders to examine.

Management Structure

ORGANIZATIONAL STRUCTURE



Risk Management Committee

Nomination committee and consider compensation

Advisor to Chief Executive Officer

Deputy Chief Executive Officer
Accounting and Finance

Deputy Chief Executive Officer
Corporate Management

Summary of Directors' Meeting Attendance

Name	Number of meeting times / Number of meetings held						
	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Executive Board	General Meeting of Shareholders	Extraordinary General Meeting of Shareholders
Mr. Somprasong Panjalak	12/12	-	-	-	11/11	1/1	1/1
Mr. Banjerd Thongcharoen	12/12	-	2/2	-	11/11	1/1	1/1
Mr. Slib Soongsawang	9/12	-	-	-	-	0/1	0/1
Mr. Somchan Panjalak	12/12	-	2/2	-	11/11	1/1	1/1
Air Chief Marshal Surasak Meemanee	12/12	6/6	2/2	-	-	1/1	1/1
Prof. Dr. Kamphon Panyagomes	11/12	6/6	-	-	-	0/1	1/1
Dr. Siridej Khamsuprom	10/12	6/6	-	-	-	1/1	1/1

Report on changes in securities holdings of directors and executives in the company

Information as of December 31, 2021

	Number of shares As of December 31, 2020	Change in 2021		Number of shares As of December 31, 2021
		Buy	Sell	
1) Mr. Somprasong Panjalak	210,000,000	209,531,666	-	419,531,666
Spouse and underage children	-	-	-	-
2) Mr. Banjerd Thongcharoen	13,949,200	12,234,284		26,183,484
Spouse and underage children	-	-	-	-
3) Mr. Slib Soongsawang	77,765,006	-	37,882,659	39,882,347
Spouse and underage children	-	-	-	-
4) Mr. Somchan Panjalak	-	-	-	-
Spouse and underage children	-	-	-	-
5) Air Chief Marshal Surasak Meemanee	-	-	-	-
Spouse and underage children	-	-	-	-
6) Prof. Dr. Kamphon Panyagomes	-	-	-	-
Spouse and underage children	-	-	-	-
7) Dr. Siridej Khamsuprom	-	-	-	-
Spouse and underage children	-	-	-	-
8) Ms. Jarumas Anuchhalakom	-	-	-	-
Spouse and underage children	-	-	-	-

Structure of the Board of Directors and Executives

The company's management structure consists of 5 committees, namely the Board of Directors. Audit Committee Risk Management Committee Nomination and Remuneration Committee and the Executive Committee Each committee is considered to be fully qualified. Have knowledge, capability, and experience related to the company's operations be virtuous responsibility Have a transparent work history and adhere to good principles and standards

BOARD OF DIRECTORS

BOARD OF DIRECTORS

As of December 31, 2021, the Company has 7 members of the Board of Directors as follows:

1) Mr. Somprasong Panjalak	Director / Chairman of the Board
2) Mr. Banjerd Thongcharoen	Director / Chief Executive Officer / Risk Management Committee / Nomination and Remuneration Committee
3) Mr. Somchan Panjalak	Director / Member of the Risk Management Committee / Member of the Nomination and Remuneration Committee
4) Mr. Somchan Panjalak	Director / Member of the Risk Management Committee
5) Air Chief Marshal Surasak Meemanee	Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Committee / Independent Director
6) Prof. Dr. Kamphon Panyagomes	Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Independent Director
7) Dr. Siridej Khamsuprom	Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Independent Director

Ms. Jarumas Anuchhalakom is the secretary of the Board of Directors and company secretary

Scope of duties and responsibilities of the Board of Directors

1) Perform duties by the law, objectives, and regulations of the company, Board of Directors Resolutions, and Shareholders' Meeting Resolutions responsibly caution and honesty

2) Consider the details and approve the vision, mission, business strategy business direction Business policies, goals, guidelines, action plans big investment project, and the company's budget and subsidiary According to the Executive Committee and management department

3) Supervise the administration and the performance of the Executive Committee Chairman of the Board of Directors, Directors, Management, or any person assigned to perform such duties. to be by the vision, mission, business strategy business direction Business policies, goals, guidelines, action plans, and the budget set by the Board of Directors

4) Track performance and the company's strategy and subsidiaries continuously to be by the action plan and the company's budget

5) Operate for the company and its subsidiaries adopt an appropriate accounting system and effective to use as well as establishing an internal control system including an adequate internal audit system and effective as well as provide a process to assess the suitability of the company's internal control system and subsidiary regularly

6) Arrange to make a balance sheet. and the profit and loss statement at the end of the company's accounting year and sign to certify the said financial statements to present to the shareholders' meeting at the annual general meeting for approval

7) Consider and approve the selection and propose to appoint an auditor and consider appropriate compensation as presented by the Audit Committee before presenting to the shareholders' meeting in the annual general meeting for approval

8) Set up a policy on corporate governance by the principles of good corporate governance of the Stock Exchange of Thailand and the Securities and Exchange Commission in writing and approving the said policy as well as promoting the effective implementation of such policies. To maintain and maintain high standards of good corporate governance in the Company and be confident that the company is Responsible to all stakeholders with fairness, the policy is reviewed at least once a year.

9) Provide a code of ethics in conducting business by the principles of honesty. Principles of transparency, principles of good corporate governance, and good social ethics which has been approved by the Board of Directors and requires directors, executives, and employees to strictly comply with Including public relations throughout the organization to be understood through the electronic mail system including a public relations board It also establishes operational standards and operations (Standard Operating Procedures) to control operations and operations within the organization

10) The Board of Directors ensures that there is risk management to cover the whole organization by assigning he Risk Management Committee to determine the risk management policy and present the policy to the Board of Directors for acknowledgment. The risk management committee is responsible for implementing the policy and every time it finds that the level of risk has changed. This includes focusing on early warning signs and many unusual items To report to the Board of Directors, In addition, the charter should be reviewed and assess the results of the Risk Management Committee at least once a year, to be disclosed in the annual report.

11) The Board of Directors has established a whistleblowing policy. For those who wish to report a clue or stakeholders through the website or report directly to the Audit Committee and Board of Directors, The channels for reporting clues may be set up through the supervisor of the internal audit and/or the secretary of the Board of Directors to report to the directors, independent directors, or audit committee of the company to have the information examined by the procedures established by the company and have a clear action guideline when receiving a whistleblower

12) Consider and approve the appointment of qualified persons and does not have any prohibited characteristics as stipulated in the Public Limited Companies Act B.E. 2535 (including any amendments), the Securities and Exchange Act B.E. Regulations related to taking office. If the director's position is vacant for reasons other than retirement by rotation and considers and approves the appointment of directors to replace those retiring by rotation and determination of directors' remuneration to be presented to the shareholders' meeting for approval.

13) Appoint sub-committees including the Audit Committee Board of Directors nomination committee and consider compensation or any other sub-committees and determine the powers and duties of such sub-committees To assist and support the performance of the committee's duties and determine the total remuneration for sub-committees according to the budget proposed by the management (not more than the total amount approved by the shareholders)

14) Consider appointing Chief Executive Officer Deputy Managing Director, Office of Chief Executive Officer, and company secretary including considering the remuneration of the Chief Executive Officer Deputy Managing Director, Office of Chief Executive Officer and consider setting the total limit for the employee's annual bonus and executives of the company, however, the executives who will be appointed by the Board of Directors must not operate a business or hold a position as a director or executives in other companies (Other than the company affiliated companies), which operate businesses that are competitive with the company (whether directly or indirectly), the executives are obliged to notify the Board of Directors of the aforementioned reasons before the ointment (if any). Such executives have a business or take a position as a director or executives in other companies (Other than the company affiliated companies) that operate a business in a manner that competes with the company (whether directly or indirectly), the Board of Directors will take any action as it deems appropriate to manage such interests.

15) Consider and approve the use of investment funds. various operations borrowing or applying for any credit from financial institutions as well as becoming a guarantor for the normal business operations of the Company, its subsidiaries, and affiliated companies without limit under the regulations Company regulations including the relevant rules and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board

16) Consider and approve the connected transactions between the company, subsidiaries, associated companies, and connected persons as stipulated in the Securities and Exchange Act B.E. and the Capital Market Supervisory Board and consider and approve the principle of commercial agreements with general trading conditions for entering into transactions between the companies and subsidiaries with directors, executives, or related persons to set a framework for the management to have the power to conduct such transactions within the framework and scope of relevant laws and regulations The aforementioned items must be considered for opinions from the Audit Committee. Before proposing for approval from the Board of Directors' meeting and/or the shareholders' meeting, depending on the nature and the size of the transaction according to the regulations of the Capital Market Supervisory Board. Anyone who has a stake or is involved will not participate in the decision-making process of such transactions.

17) Provide appropriate communication channels for each group of shareholders and supervise the disclosure of information and information to ensure accuracy, clarity, transparency, and credibility Consistent with the company's information disclosure policy and related rules of

18) Appoint a person to be a director of a subsidiary or associated companies in the amount at least in proportion to their shareholding the scope, powers, duties, and responsibilities of the appointed directors and executives are clearly defined. This includes establishing a clear jurisdiction framework for voting in the Board of Directors' meetings. or associated companies in important matters which must be approved by the Board of Directors first to control the management by the company's policy and making various transactions to be legal This includes the disclosure of financial position information. performance-related transactions and the acquisition or disposition of material assets to be complete and correct

19) Consider and approve the interim dividend payment

20) Consider, determine, and amend the name of the director who has the power to sign to bind the company.

21) Seek professional opinions from outside organizations if necessary to make appropriate decisions.

22) Supervise the operation of the company. to be effective and protect any interests related to all stakeholders

23) Arrange a shareholders' meeting to be an annual general meeting within 4 months from the end of the company's accounting period.

24) Organize the Board of Directors meeting at least every 3 months.

25) Prepare the company's annual report and be responsible for preparing and disclosingompany's financial statements and subsidiaries to show their financial position and the company's performance and subsidiaries in the past year and present to the shareholders' meeting for consideration and approval.

26) Evaluate the performance of the entire committee. including evaluating the performance of individual directors to consider reviewing the work problems and obstacles each year to be able to use the assessment results to develop and improve operations in various fields

27) Supervise and supervise the management and operations of the company and its subsidiaries to be by the company's policies, securities laws, as well as notifications, regulations, and other relevant rules of the Capital Market Supervisory Board. Securities and Exchange Commission and the Stock Exchange of Thailand such as related transactions and the acquisition or disposition of important assets to the extent that it is not contrary to or inconsistent with other laws as well as establish an internal control system and internal audit that is sufficient and appropriate. The Board of Directors can delegate powers and/or delegate other people to perform specific tasks on their behalf by delegating or the authorization of such power within the scope of the authorization according to the power of attorney and/or by the rules, regulations, or orders that the Board of Directors and/or the company has specified. will not look like a power of attorney or sub-authorize that allows the Board of Directors or the person authorized by the Board of Directors to approve the transactions of oneself or a person who may have conflicts of interest. (As defined by the Notification of the Securities and Exchange Commission and/or the Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) may have a stake or may benefit in any manner or may have any other conflict of interest with the company or a subsidiary of the company except for approval of items that comply with the policy and the criteria that the shareholders' meeting or the Board of Directors for approval and is the approval of transactions that are by normal business and normal trading conditions This is by the announcement of the Securities and Exchange Commission and/or announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies

28) Review the charter of the Board of Directors at least once a year.

Scope of duties and responsibilities of the Chairman

1) Call a meeting of the Board of Directors Chairman of the Board of Directors' meeting and shareholder meetings , as well as play a role in setting agendas for meetings with the Chief Executive Officer

2) Control the meeting to be effective. It complies with the regulations of the company. Support and provide opportunities for directors to express their opinions independently.

3) Support and encourage the Board of Directors to perform their duties to the best of their ability by the scope of duties and responsibilities and by the principles of good corporate governance

4) Supervise and monitor the management of the Board of Directors. and sub-committees to achieve defined objectives

5) Being a casting vote if the Board of Directors decides to decide by a majority of votes and the votes of both parties are equal

✳ Note: The Board of Directors has resolved to amend the Board of Directors Charter. In the 7th meeting of the Board of Directors on June 22, 2021

SUB-COMMITTEES

The company's management structure consists of the Board of Directors and all 4 sub-committees, namely the Audit Committee Risk Management Committee and the Nomination and Remuneration Committee Board of Directors with a list of sub-committees and scope of authority as the following details

1 AUDIT COMMITTEE

As of December 31, 2021, the Company has 3 audit committees consisting of:

1) Air Chief Marshal Surasak Meemanee	Chairman of the Audit Committee / Independent Director
2) Prof. Dr. Kampol Panyagomes	Audit Committee / Independent Director
3) Dr. Siridej Kamsubrom	Audit Committee / Independent Director

With Mr. Wittaya Amnatsaringkarn as the secretary of the Audit Committee.

Scope of duties and responsibilities of the Audit Committee

1. Review for the company financial reporting is accurate and adequate disclosure. by coordinating with external auditors and management responsible for the preparation of quarterly and annual financial reports. The Audit Committee may recommend that the auditors review or check any item that is deemed necessary and important during the audit of the company's accounts
2. Review for the company There is an internal control system (Internal Control) and an internal audit system (Internal Audit) that are suitable and effective. by reviewing with external auditors and internal auditors and consider the independence of the internal audit unit as well as to approve the appointment, transfer, and dismissal of the internal audit supervisor or any other agency responsible for internal audits
3. Review the Company's operations. to be by the law on securities and exchange stock exchange requirements and laws related to the company's business
4. Consider, select, and nominate an independent person to act as the company's auditor including considering and proposing the auditor's remuneration taking into account reliability resource sufficiency and the amount of audit work of that auditing office including the experiences of personnel assigned to audit the company's accounts to propose to the Board of Directors for appointment from the general meeting of shareholders. There is no management to attend the meeting at least once a year.
5. Consider connected transactions or transactions that may have conflicts of interest as well as to consider and approve such transactions for further presentation to the Board of Directors' meeting and/or the company's shareholders' meeting by the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and beneficial maximum per company
6. Consider reviewing the financial management policy. and risk management as assigned by the Board of Directors. and the Audit Committee approves
7. Prepare the Corporate Governance Report of the Audit Committee to be disclosed in the company's annual report by having the Chairman of the Audit Committee sign the said report and must contain the following information:

(a) An opinion on the accuracy, completeness, and reliability of the company's financial reports.
(b) Opinions on the sufficiency of the company's internal control system
(c) Opinions on compliance with the law on securities and exchange stock exchange requirements or laws related to the company's business
(d) An opinion on the suitability of the auditor
(e) Opinions on transactions that may have conflicts of interest
(f) Number of Audit Committee Meetings and the attendance of each audit committee
(g) General opinions or observations obtained by the Audit Committee in the performance of its duties under this Charter.
(h) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors

8) Perform any other acts as assigned by the Board of Directors with the approval of the Audit Committee.

In performing work within the scope of duties and responsibilities The Audit Committee has the power to invite the management, executives, or employees of the company concerned to report. giving opinions to the meeting or submitting documents that are deemed relevant and necessary

In performing the duties of the Audit Committee The Audit Committee is directly responsible to the Board of Directors and the Board of Directors remains responsible for the company's operations. In this regard, the Board of Directors has the power to amend the scope of powers and duties of the Audit Committee as necessary or deemed appropriate.

2 RISK MANAGEMENT COMMITTEE

As of December 31, 2021, the Company has 4 Risk Management Committees consisting of

1) Air Chief Marshal Surasak Meemanee	Chairman of the Risk Management Committee / Independent Director
2) Mr. Banjerd Thongcharoen	Risk Management Committee
3) Mr. Slib Soongsawang	Risk Management Committee
4) Mr. Somchan Panjalak	Risk Management Committee

With Mr. Wittaya Amnatsaringkarn as the secretary of the Risk Management Committee.

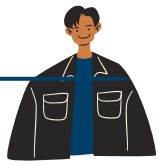
Risk Management Policy

1. Promote and develop executives and employees who have the knowledge and realize the importance of risk management to have a framework for managing and reducing potential risks systematically and continuously with efficiency throughout the company
2. Determine the preventive, corrective, and corrective risk management that is correct and transparent regularly.
3. Encourage risk management to be part of the internal action plan. both in terms of planning, strategy, operation money management, and investment
4. Promote the continuous development of risk management processes. including monitoring, evaluating, summarizing results, and preparing risk management reports. to propose to the Board of Directors
5. Set the risk management process to be of the same standard throughout the organization.

Scope of duties and responsibilities of the Risk Management Committee

1. Determine the criteria used to assess the risk level of the construction, service, and investment of the Company in full and quality appropriately and effective as well as determine the acceptable risk level (Risk Limited).
2. Consider risk factors Processes and risk management plans to be in line with the Company's operations It covers credit risk, operational risk, liquidity risk, and other risks.
3. Assessing risk levels, ranking them, determining guidelines and strategies for risk management. to keep the risk at an acceptable level
4. Risk Assessment Report and operations to reduce risks to the Board of Directors every time there is a meeting
5. Consider and review guidelines for effective risk management.
6. Follow up on risk assessment results in both normal and critical situations.
7. The Risk Management Committee has the power to invite executives. or related persons can attend the meeting to clarify additional information
8. The Risk Management Committee has the right to seek professional advice to assist in the efficient performance of the Charter at the Company's expense.

3 NOMINATION AND REMUNERATION COMMITTEE



As of December 31, 2021, the company has 5 members of the Nomination and Remuneration Committee, consisting of:

1) Prof. Dr. Kampol Panyagomes	Chairman of the Nomination and Remuneration Committee / Independent Director
2) Air Chief Marshal Surasak Meemanee	Nomination and Remuneration Committee / Independent Director
3) Dr. Siridej Kamsubrom	Nomination and Remuneration Committee / Independent Director
4) Mr. Banjerd Thongcharoen	Nomination and Remuneration Committee
5) Mr. Somchan Panjalak	Nomination and Remuneration Committee.

With Mr. Weerapong Wuttiwatanakul as the secretary of the Nomination and Remuneration Committee.

Scope of duties and responsibilities of the Nomination and Remuneration Committee

The company has an appropriate and transparent personnel selection plan to make the company have professional management and can be managed independently of the major shareholders or anyone The nomination committee prepares a succession plan for high-level executives such as the Chief Executive Officer. Managing Director and Deputy Managing Director to propose to the Board of Directors for consideration

Recruiting

1) Determine the qualifications of the person who will hold the position of the Company's director and the nomination process to replace the retired directors or in other cases by considering skills, experiences, and specific abilities
2) Consider nomination of qualified persons to be the Company's directors. to replace directors who have retired or other cases to propose to the Board of Directors and/or the shareholders' meeting for approval.
3) Prepare a succession plan for the Chief Executive Officer Managing Director and Deputy Managing Director to propose to the Board of Directors for approval.
4) Perform other duties as assigned by the Board of Directors

Compensation consideration

1) Propose guidelines and methods for paying remuneration to the Board of Directors and sub-committees appointed by the Board of Directors. This includes monthly compensation. and special compensation or annual bonus
2) Consider the budget of wage increases change in wages and compensation Annual money of the organization before proposing to the Board of Directors
3) Report progress and performance to the Board of Directors after every meeting of the Remuneration Committee.
4) Perform other duties as assigned by the Board of Directors
5) Nomination Committee and considering the remuneration has the power to invite executives or related persons can attend the meeting to clarify additional information
6) Nomination Committee and considering the remuneration, has the right to seek advice from experts to assist in the performance of duties by Charter efficiency at the expense of the company

Nomination and Appointment of the Board of Directors and Sub-Committees

- **Composition and nomination of the Board of Directors**

1) The Board of Direct Company's Board of Directors least 5 directors and not less than half of the total directors must reside in the Kingdom. and directors of the Company Must be qualified as required by law
2) The shareholders' meeting elects directors by majority vote. according to the following rules and procedures
   2.1 A shareholder has a vote equal to one share per vote.
   2.2 Shareholders cast their votes to elect directors individually.
   2.3 Persons receiving the highest votes in descending order shall be elected as directors up to the number of directors required or should be elected at that time if the persons who are elected in descending order have equal votes, the number of directors is more than the number of directors required to have or should be elected at that time. The chairman of the shareholders' meeting shall have the casting vote.
3) At every annual general meeting of shareholders One-third of the directors shall retire from office. If the number of directors cannot be divided exactly into three parts, the number closest to one-third of the three shall be retired. However, the directors who must retire from office in the first and second years afterward register that company. In the following years, the director who has been in office for the longest time shall retire. Directors retiring by rotation may be elected to a new position.
4) In addition to vacating office by rotation. A director shall vacate office upon death, resignation, disqualification, or prohibited characteristics by law. The shareholders' meeting passed a resolution to leave. and the court has issued an order
5) Any director who wishes to resign from his position must submit a resignation letter to the company. The resignation will be effective from the date the resignation letter reaches the company.

6) If the position of the director is vacant for reasons other than the expiration of the term. The committee shall select qualified persons and does not have any prohibited characteristics by law to be a replacement director at the next Board of Directors' meeting. Unless the remaining term of the director is less than 2 months, the person who replaces the director will be in the position of the director only for the remaining term of the director he replaces. The resolution of the Board of Directors as stated above must consist of votes of not less than three-fourths of the number of remaining directors.
7) The shareholders' meeting may pass a resolution to remove any director from office before the expiration of his/her term by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. and having shares in the aggregate not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote
8) The Board of Directors shall elect one director to be the chairman of the board and if The Board deems appropriate one or more directors may be elected as Vice-Chairperson. The Board may assign one or more directors to perform any action on behalf of the Board of Directors.

In addition, according to the Company's regulations also specify the requirements regarding the performance of duties of the Board of Directors as follows:

1. Directors are prohibited from becoming partners in an ordinary partnership or being a partner with unlimited liability in a limited partnership operate or become a director in a private company or other company operating the business of the same nature, and it's a competition with the company's business unless notified to the shareholders' meeting before the resolution of appointment.
2. Directors must perform their duties by the law, objectives, and the Company's Articles of Association. as well as meeting resolutions shareholders with honesty and carefully protecting the interests of the company
3. .Directors must inform the company know without delay If a director has an interest, whether directly or indirectly, in any contract entered into by the company during the fiscal year or holding shares or debentures in the company and affiliated companies. It indicates the total amount that has been increased or decreased during the fiscal year.

- **Composition and Nomination of the Audit Committee**

Audit Committee of the Company Must be a director appointed by the Board of Directors. and approved by the shareholders of the company and have qualifications as required by securities and exchange laws, including announcements, regulations, and/or regulations of the Stock Exchange of Thailand The Board of Directors appoints the Audit Committee. It consists of at least 3 members, all of which must be independent directors. At least one member of the Audit Committee must be knowledgeable and have sufficient experience to be able to review the reliability of the financial statements. The Audit Committee has a term of office of 3 years, except in the case of retiring according to the Company's Articles of Association. who may be elected to a new position

Independent Board Qualifications

1. Independent Director of the Company Everyone has the qualifications as specified in the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 regarding the request for permission and permission to offer for sale of newly issued shares (including any amendments) and rules that the Office of the Securities and Exchange Commission and stock exchange and the Stock Exchange of Thailand as follows:
    - Holding no more than 1% of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, major shareholder, or controlling person of the company, including the shareholding of related persons of that independent director.
    - Not or used to be a director who participates in management, employee, employee, the consultant who receives a regular salary. or controlling person of the company, parent company, subsidiary company, associated company, subsidiary of the same level major shareholder, or the company's controlling person unless the aforementioned nature has been vacated for not less than 2 years
    - Not a person who has a blood relationship or by legal registration in the form of father, mother, spouse, siblings, and children including spouses of children of other directors, executives, major shareholders controller or a person who will be nominated to be a director, executive or person with controlling power of the company or a subsidiary

- Does not have or had a business relationship with the company, parent company, subsidiary company, associated company, major shareholder, or the person who has the power to control the company in a manner that may impede the exercise of independent judgment. including not being or having been a significant shareholder or a controlling person of a person having a business relationship with the company, parent company, subsidiary company, associated company, major shareholder, or the person who has the power to control the company unless the aforementioned nature has been vacated for not less than 2 years

Business relationship accordingly including conducting trade transactions It is normal for business Renting or renting out real estate Items relating to assets or services, or giving or receiving financial assistance by receiving or lending, guaranteeing, or placing assets as collateral for liabilities including other similar behaviors. As a result, the Company or the contracting party has obligations to be paid to the other party. From 3% of the Company's net tangible assets or 20 million baht or more, However, the calculation of such indebtedness shall be by the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions mutatis mutandis. Such debt shall include debt obligations incurred 1 year before the date of business relationship with the same person.

- Not or used to be an auditor of the company, parent company, subsidiary company, associated company, major shareholder, or, the person who has the power to control the company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the Company, parent company, subsidiary companies, associated companies, major shareholders or the person having the power to control the person of the Company is affiliated with unless the foregoing relationship has been terminated for not less than 2 years.
- Not or have been a professional service provider of any kind. This includes serving as a legal or financial advisor. which receives service fees of more than 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder, or the person having the authority to control the applicant and is not a significant shareholder controller or a partner of that professional service provider unless the aforementioned nature has been vacated for not less than 2 years
- Not being a director who has been appointed as a representative of the company's directors. major shareholder or shareholders who are related to major shareholders
- Do not operate businesses with the same conditions. and is a significant competition with the Company's business or a subsidiary or not being a significant partner in the partnership or being a director who takes part in the management, an employee, an employee, a consultant who receives a regular salary or holding more than 1% of the total number of shares with voting rights of other companies which operate businesses with the same condition and are a significant competition with the company's business or a subsidiary
- Does not have any other characteristics that prevent us from expressing independent opinions on the Company's operations.
- Not being a director who has been assigned by the Board of Directors to make decisions on the operation of the Company, its subsidiaries, associated companies, subsidiaries in the same order major shareholder or the person having control over the company and
- Not being a director of a parent company, a subsidiary, or a subsidiary of the same order, only a listed company.

2. It is independent of the management and major shareholders of the company and no independent director holds a position as a director in more than 5 domestic listed companies
3. Independent directors should hold office for a term of not more than 3 years and should not hold office for more than 3 consecutive terms. Unless the Board of Directors has carefully reviewed the independence of independent directors and deems it appropriate to continue holding the position. by disclosing such reasons to the shareholders for acknowledgment

<u>Audit Committee Qualifications</u>

1) Not being a director assigned by the Board of Directors to decide on the operation of the company, parent company, subsidiary company, associated company, same-level subsidiary major shareholder, or the person who has the authority to control the company

2) Not being a director of a parent company, a subsidiary, or a subsidiary of the same level Only a listed company

3) Having sufficient knowledge and experience to be able to perform duties as an audit committee member, provided that at least one audit committee member has sufficient knowledge and experience to be able to review the reliability of the financial statements can

4) Having duties in the same manner as specified in the Notification of the Stock Exchange of Thailand regarding qualifications and scope of work of the Audit Committee.

- **Composition and Nomination of the Risk Management Committee**

The Risk Management Committee must be a director of the company which has been appointed by the Board of Directors consisting of the Executive Committee and at least 1 independent director with the number as the Board of Directors deems appropriate. The person holding the position as Chairman of the Risk Management Committee is an independent director. The Risk Management Committee's term of office is 3 years each, upon the expiration of the term, they may be re-appointed.

Risk Management Committee Qualifications

1) Appointed by the Board of Directors to be a risk management committee

2) Having sufficient knowledge and experience to be able to perform duties as a risk management committee member.

3) It does not have the nature to be limited to the extent of its independent opinion on risk considerations.

4) Independent Director or Executive Committee Chairman of the Risk Management Committee

- **Composition and nomination of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee must be a director of the company which has been appointed by the Board of Directors or at the shareholders' meeting of the company Most of them are independent directors. The Nomination and Remuneration Committee meetings are held at least twice a year, whereby the Nomination and Remuneration Committee has a term of 3 years each can go

Nomination and Remuneration Committee Qualifications

1) Appointed by the Board of Directors or the company's shareholders' meeting

2) Not having the nature to be limited in the scope of independent opinions regarding the consideration of the form and criteria for the remuneration of directors and senior management.

- **Composition and nomination of the Executive Committee**

The Executive Committee must be a director and/or an executive of the company which has been appointed by the Board of Directors with the amount as the Board of Directors deems appropriate and the Board of Directors will appoint an Executive Director to be the Executive Chairman.

Supervision of operations of subsidiaries and associated companies

The Board of Directors has a supervisory mechanism that enables them to control, supervise, manage and be responsible for the operations of subsidiaries and associated companies to maintain interest in the company's investment under the law, objectives, and articles of association of the company as well as supervising the company and its subsidiaries to comply with the regulations of the Stock Exchange of Thailand by the operation of the Board of Directors to supervise and control Manage and be responsible for the operations of the company and its subsidiaries. It can be summarized as the following key points:

1) Sending persons to represent the company to be directors, executives, or persons with control in subsidiaries and associates according to their shareholding proportions in such companies. The Board of Directors will consider and approve the appointment of a person who will be the representative of the company in subsidiaries and associated companies, including the powers, duties, and responsibilities of directors and executives by a person who is appointed as a director in a subsidiary or associated company. It is responsible for operating for the best benefit of the subsidiary or associated company and has determined that the person who has been appointed Must be approved by the Board of Directors before voting or exercise the right to vote on important matters at the same level that must be approved by the Board of Directors. If it is operated by the company itself Including setting the scope of duties and responsibilities of directors and executives representing companies in such companies in controlling or participating in formulating policies that are important to the operating business in

2) Control and supervise the business operations of the subsidiaries and associated companies to be by business policies, goals, operating plans, strategies, and budgets as approved and report on the operating results and financial status of the subsidiaries. Propose to the Board of Directors for acknowledgment regularly.

3) Determination of policies that are important to the business operations of subsidiaries and associated companies Must be presented to the Board of Directors for approval before proposing approval to the Board of Directors of the subsidiary or associated company to supervise the operations of subsidiaries and associated companies to be efficient and by the operating rules of the company.

4) Investment Approval connected transaction Making a transaction on the acquisition or disposition of assets or any other important transactions of the subsidiary which has a significant impact on the business operations of the subsidiary and associated companies Must be approved by the Board of Directors.

5) Disclosure of financial position and operating results Transactions between subsidiaries with the connected person Acquisition or disposal of assets or any other important transactions of the said company to be complete and correct and use the rules related to disclosure of information and transactions in the manner mentioned above in the same way as the company's rules

6) Audit Committee Consider reviewing the accuracy and reliability of the financial reports. Review the internal control system. internal audit-related transactions Compliance with laws and regulations related regulations including overseeing the operations of subsidiaries and associated companies

7) Risk Management Committee considers and scrutinizes the policies and risk management guidelines. As well as evaluating the risk management performance of subsidiaries and associated companies.

4 EXECUTIVE BOARD

As of December 31, 2021, the Company has 3 Executive Committees consisting of

1) Mr. Banjerd Thongcharoen	Chief Executive Officer
2) Mr. Somprasong Panjalak	Executive Director
3) Mr. Somchan Panjalak	Executive Director

Scope of duties and responsibilities of the Executive Committee

1) Consider and formulate policies business strategy goals and action plans financial goals and the company's budget and subsidiary by considering business factors appropriately for presentation and approval to the Board of Directors. and in case the situation changes The Board of Directors will review the use of the approved budget as appropriate for the circumstances.

2) Supervise, inspect and monitor the company's business operations to comply with the policy Business strategy, goals and action plan financial goals and the company's budget which has been approved by the Board of Directors to be efficient and effective conducive to business conditions Ready to give advice and advice on management to senior executives.

3) Study the feasibility of investing in new projects and has the power to consider and approve the company to invest or jointly invest with any person, juristic person, or any other business organization in the form that the Executive Committee deems appropriate To operate the business according to the objectives of the company as well as to consider and approve the expenditure of such investment entering into a legal contract and/or any action related to such matter until the completion of the specified limit and/or at the law and related rules and/or according to the company's regulations

4) Track performance and progress of each investment project and report the results, including problems or obstacles that arise and guidelines for improvement to the Board of Directors for acknowledgment

5) Consider and approve the rules, regulations, guidelines for management policies. and the company's business operations or any actions that are binding on the company

6) Consider and give feedback or opinions to the Board of Directors regarding the proposed project or entering into any transaction related to the company's business operations including considering alternatives for funding when necessary and more than the specified amount and/or at the relevant laws and regulations or the company's Articles of Association set at the shareholders' meeting and/or the Board of Directors will consider and approve

7) Consider and approve financial transactions with financial institutions for opening accounts, borrowing, applying for loans, pledges, mortgages, guarantees, and others. including trading and registering any land ownership according to the objectives for the benefit of the company's business operations as well as entering into a legal contract, applying, making an offer, contacting the government agency to obtain the rights of the company and/or any action related to such matter until the completion of the specified amount and/or the relevant laws and regulations or the regulations of the company

8) Consider the profit and loss of the company and the proposed interim dividend payment or annual dividend to propose to the Board of Directors

9) Appoint and/or assign Executive Directors or any one or more persons acting within the scope of the Executive Committee. and within the period as the Executive Board deems appropriate which the Executive Board may revoke or amend such powers

10) Engage the executives, management, or employees to attend the Executive Committee meetings or to prepare and provide information related to matters to be discussed at the Executive Board meetings.

11) Have authority and any responsibilities as assigned or according to the policy assigned by the Board of Directors from time to time

12) Provide a consultant or persons with independent opinions to provide opinions or advice as necessary

13) Report to the Board of Directors of the activities carried out by the Executive Committee within the scope of powers and duties of the Executive Committee regularly including any other necessary matters and should be offered Board of Directors acknowledged

14) Consider and approve the operating manual. and the scope of management's responsibilities to ensure that various operations Follow the steps in a systematic way

15) Consider and approve operations that are normal business transactions of the Company according to the investment budget or the budget approved by the Board of Directors. The limit for each transaction is as stipulated in the authority table passed. Approved by the Board of Directors. but not more than the annual budget approved by the Board of Directors including entering into various contracts related to such matters

16) Evaluate the performance of the entire Executive Committee. including evaluating the performance of individual executive directors to consider reviewing the work problems and obstacles each year to be able to use the assessment results to develop and improve operations in various fields

In this regard, the Executive Committee may delegate powers to employees at the company's management level to have the power to approve anyone or more financial matters as the Executive Board deems appropriate by approving the aforementioned transaction it must not be like approving a transaction that causes the Executive Committee to or the person authorized by the Executive Board can approve the items that he or she may have a conflict of interest with have a stake or there may be any other conflicts of interest to be made with the Company or its subsidiaries (if any), as prescribed by the Capital Market Supervisory Board or relevant agencies.

The Board of Directors has the power to amend and change the scope of powers and duties of the Executive Committee as necessary or deemed appropriate.

Scope, powers, duties, and responsibilities of the Chief Executive Officer

1) Chief Executive Officer is responsible for overseeing and approving the operation and/or the day-to-day management of the company to be by the objectives of the company's business which can be assigned to the management or manager or any other suitable person to perform duties on behalf of the Chief Executive Officer. However, it must be under supervision. Controlled by the Chief Executive Officer in the management of the said company's business, it must be by the policies, regulations, or any orders set by the Board of Directors.

2) Set and present a vision business strategy business direction Business policy, goals, guidelines, action plans, and the company's budget and subsidiaries to the Board of Directors for the benefit of preparing such matters to be presented to the Board of Directors The Chief Executive Officer joins the consideration of the matter with the Board of Directors.

3) Ordering, issuing regulations, announcements, memos to operate by the policy.

4) Coordinate with executives and employees to comply with policies and business directions given by the Board of Directors.

5) Supervise the work of employees by the policy. rules including operating with good governance in business

6) Promote the development of knowledge and abilities and the potential of employees to increase the potential of the organization

7) Consider appointing various consultants necessary for the operation of the company

8) Negotiate and consider the contract documents related to the normal operation of the company. Provide advice and recommendations on such matters to the Board of Directors and/or those responsible for that matter scrutinize and draw conclusions

Other business operations as assigned by the Board of Directors on a case-by-case basis or connected transactions that are not normal trading conditions the transaction was acquired and disposed of important assets of the company and/or items that the Chief Executive Officer or persons who may have conflicts of interest or having conflicts of interest in any other manner with the company and its subsidiaries Except for items that are normal trading conditions that have established policies and rule It has approved the transactions that are by the policies and criteria that the Board of Directors has considered and approved. And requested approval from the shareholders in entering into connected transactions and the acquisition or disposition of important assets of the Company or its subsidiaries to comply with the regulations of the Stock Exchange of Thailand on such matters.

In this regard, the Board of Directors has the power to amend and change the scope of powers and duties of the Chief Executive Officer as necessary or deemed appropriate.

* Note: The Board of Directors resolved to revise the Executive Board Charter. In the 7th meeting of the Board of Directors on June 22, 2021

MANAGEMENT TEAM

As of December 31, 2021, the Company has 2 executives consisting of

1) Mr. Banjerd Thongcharoen	Chief Executive Officer
2) Ms. Jarumas Anuchhalakom	Deputy Chief Executive Officer Financial Accounting Department

COMPANY SECRETARY

Qualifications of Company Secretary

1) Knowledge and understanding of the company's business which is related to the construction management and investment
2) Understand the roles and duties of the company secretary
3) Knowledge and understanding of the law Regulations of the SEC and the Stock Exchange of Thailand
4) Have knowledge and understanding of corporate governance principles and good practice

Company Secretary Responsibilities

1) Perform duties responsibly caution and honest legal and other relevant regulations
2) Supervise the activities of the Board of Directors. as well as advise directors on the Company's Articles of Association and rules of the relevant departments
3) Ensuring that information is disclosed in the areas of responsibility to comply with good corporate governance
4) Manage and coordinate board meetings. Board of Directors and shareholders' meetings, including supervising and coordinating the implementation of the objectives Articles of Association Resolution of the Board of Directors/Shareholders as well as legal requirements and other relevant regulations
5) Prepare and maintain the company's documents such as meeting notices Minutes of the Board of Directors Meeting and shareholders' company's annual report, etc.
6) Coordinate and communicate with the shareholders of the company to acknowledge their rights.

History of the Board of Directors and Executives

MR. SOMPRASONG PANJALAK

CHAIRMAN OF THE BOARD / AUTHORIZED DIRECTOR

Age (years) : 50

Educational Qualifications

- Master of Laws, Case Western Reserve University, USA
- Bachelor of Laws Thammasat University

Related training organized by the Thai Institute of Directors Association (IOD)

2020

- Architect course for Senior Executives (EXACT2) Class 2
- Security Management Course for Senior Executives (SML Class 1)

2019

- "Bhumi Phalang Din" Course for Senior Executives, Class 5
- Management Science Program for Executives (Class 4)
- Senior Executive Program National Strategist and Prevention of Psychological Warfare in the Digital World (YorPorSor.) Class

2018

- Directors Accreditation Program (DAP) 147/2018
- Positive Business Strategist Program (iSAB), Class 3
- Advanced Insurance Science Course (Class 8)
- Business Administration in the Digital Age for Modern Executives (PADA), Class 1
- ASEAN Treasury Program for Young Executives in the Digital Age for Advanced Level (ATOC), Class 2

Work experience for the past 5 years	Holding a position as a director/executive in other businesses
2020 - present Chairman of the Board, Authorized Director, Hydrotek Public Company Limited **2019 - present** Chairman of the board and Chairman of the Executive Committee Prime Road Power Public Company Limited **2018 - present** Director, Digital Economy Promotion Agency (DEPA) Committee **2017 - present** Chairman, Click Inter Business Company Limited	**A. Listed company** Chairman of the board and Chairman of the Executive Committee Prime Road Power Public Company Limited **B. Not a listed company** 1) Director, Digital Economy Promotion Agency (DEPA) Committee 2) Chairman, Click Inter Business Company Limited 3) Managing Director, Prime Road Group Company Limited

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	Yes
B. to be a professional service provider (eg auditor, legal advisor)	Yes
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	18.20
Date of being appointed as a director	August 11, 2020
Meeting attendance of all Board of Directors in 2021	12 out of 12

MR. BANJERD THONGCHAROEN

CHIEF EXECUTIVE OFFICER / NOMINATION AND REMUNERATION COMMITTEE / AUTHORIZED DIRECTOR / RISK MANAGEMENT COMMITTEE / DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 45

Educational qualifications

- Master of Engineering Civil Engineering Chiang Mai University
- Bachelor of Engineering Civil Engineering Khon Kaen University

Related training organized by the Thai Institute of Directors Association (IOD)

DAP: Director Accreditation Program Class 176/2020

Work experience for the past 5 years	Holding a position as a director/ Management in other businesses
2020 - present Chief Executive Officer, Nomination and Remuneration Committee, Authorized Director, Risk Management Committee, Director Hydrotek Public Company Limited **2009 - present** Managing Director, Double R Products Public Company Limited **2009 - 2020** Managing partner Rinrat Limited Partnership	A. Listed company No B. Not a listed company 1) Managing Director, Double R Products Public Company Limited 2) Director, Hydrotek Utilities Company Limited

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	Yes
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	1.13
Date of being appointed as a director	August 5, 2020
Meeting attendance of all Board of Directors in 2021	12 out of 12

MR. SOMCHAN PANJALAK

NOMINATION AND REMUNERATION COMMITTEE / RISK MANAGEMENT COMMITTEE / AUTHORIZED DIRECTOR / DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 46

Educational qualifications

- Bachelor's degree in Industrial Engineering and Management, Rajamangala Institute of Technology Klong 6 (Rajamangala University of Technology Thanyaburi)

Related training organized by the Thai Institute of Directors Association (IOD)

DAP: Director Accreditation Program Certificate, Class 170/2020

Work experience for the past 5 years

2019 - present
Nomination and Remuneration Committee, Member of the Risk Management Committee,Authorized Director, Director, Hydrotek Public Company Limited

2018 - present
Associate Judge at Samut Sakhon Provincial Juvenile and Family Court

2017 - present
- Member of the Higher Diploma Club in Public Economic Administration for Executives
- Member of the Higher Diploma Program in Public Economic Management for Executives (Por.Por.P.A.), Class T14

2003 – present
Chairman of the Managing Director, Boyatech Company Limited, Thailand

Holding a position as a director/executive in other businesses

A. Listed company	No	B. Not a listed company	1) Director of Boyatech Company Limited, Thailand

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	No
Date of being appointed as a director	November 12, 2019
Meeting attendance of all Board of Directors in 2021	12 out of 12

MR. SLIB SOONGSAWANG

RISK MANAGEMENT COMMITTEE / AUTHORIZED DIRECTOR / DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 69

Educational qualifications

- Master of Business Administration Thammasat University
- Bachelor of Engineering (Chemical Engineering), Chulalongkorn University

Related training organized by the Thai Institute of Directors Association (IOD)

- RCP: Role of the Chairman Program Class 25/2011
- EDP: TLCA Executive Development Program, Class 14/2014
- DCP: Director Certification Program, Class 117/2009
- DAP: Director Accreditation Program, Class 37/2005

Work experience for the past 5 years

- **2014 - present**
  Risk Management Committee, Authorized Director, Director Hydrotek Public Company Limited
- **2017 – 2020**
  Chairman, Hydrotek Public Company Limited
- **2014 – 2019**
  Nomination and Remuneration Committee, Hydrotek Public Company Limited
- **2011 – 2019**
  Chairman of Executive Committee, Hydrotek Public Company Limited
- **2011 – 2018**
  Chief Executive Officer, Hydrotek Public Company Limited

Holding a position as a director/executive in other businesses

A. Listed company	No	B. Not a listed company	1) Director, Hydrotek Utilities Company Limited

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	1.73
Date of being appointed as a director	December 15, 2011
Meeting attendance of all Board of Directors in 2021	9 out of 12

AIR CHIEF MARSHAL SURASAK MEEMANEE

CHAIRMAN OF THE AUDIT COMMITTEE / CHAIRMAN OF THE RISK MANAGEMENT COMMITTEE / THE NOMINATION AND REMUNERATION COMMITTEE / INDEPENDENT DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 65

Educational qualifications

- Diploma of National Defense College
- Air Force College
- Air Force Academy
- Bachelor of Science Electrical Engineering Royal Thai Air Force Academy

Related training organized by the Thai Institute of Directors Association (IOD)

DAP: Director Accreditation Program, Class 147/2018

Work experience for the past 5 years	Holding a position as a director/ executive in other businesses
2019 - present • Chairman of the Audit Committee, Hydrotek Public Company Limited • Audit Committee, Chairman of the Nomination and Remuneration Committee, and Independent Director Prime Road Power Public Company Limited **2018 - present** Director, Independent Director, Chairman of Risk Management Committee and Member of the Nomination and Remuneration Committee, Hydrotek Public Company Limited **2018 – 2019** • Audit Committee Member, Hydrotek Public Company Limited • Advisor, Defense Technology Institute	A. Listed company Audit Committee, Chairman of the Nomination and Remuneration Committee, and Independent Director B. Not a listed company No

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	No
Date of being appointed as a director	January 15, 2018
Meeting attendance of all Board of Directors in 2021	12 out of 12

PROF. DR. KAMPHOL PANYAGOMES

AUDIT COMMITTEE / CHAIRMAN OF THE NOMINATION AND REMUNERATION COMMITTEE / INDEPENDENT DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 50

Educational qualifications

- Doctor of Business Administration (Financial Management)
- Schulich School of Business, York University Canada
- Master of Business Administration (Financial Management), National Institute of Development Administration
- Bachelor of science King Mongkut's Institute of Technology Thonburi

Related training organized by the Thai Institute of Directors Association (IOD)

DAP: Director Accreditation Program Class 90/2011

Work experience for the past 5 years	Holding a position as a director/ executive in other businesses
2019 - present • Chairman of the Nomination and Remuneration Committee, Hydrotek Public Company Limited • Audit Committee, Member of the Nomination and Remuneration Committee, and Independent Director Prime Road Power Public Company Limited **2018 – 2021** Rector, National Institute of Development Administration, **2014 – 2019** Nomination and Remuneration Committee, Hydrotek Public Company Limited **2013 – 2018** Vice President for Research and Academic Services National Institute of Development Administration **2011 - present** • Director, Audit Committee Hydrotek Public Company Limited • Audit Committee and Chairman of the Risk Management Committee Stars Microelectronics (Thailand) Public Company Limited • Capital Management Committee National Institute of Development Administration	A. Listed company 1) Member of the Audit Committee and Chairman of the Risk Management Committee Stars Microelectronics (Thailand) Public Company Limited 2) Audit Committee, Member of the Nomination and Remuneration Committee, and Independent Director Prime Road Power Public Company Limited B. Not a listed company No

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	No
Date of being appointed as a director	December 15, 2011
Meeting attendance of all Board of Directors in 2021	11 out of 12

DR. SIRIDEJ KHAMSUPROM

AUDIT COMMITTEE / NOMINATION AND REMUNERATION COMMITTEE / INDEPENDENT DIRECTOR HYDROTEK PUBLIC COMPANY LIMITED

Age (years) : 49

Educational qualifications

- Ph.D. in Business Information Systems (IT Governance), RMIT University, Australia
- Master of Information Systems (M.Inf.Sys), Griffith University, Australia
- Master of Business Administration Accounting major, Dhurakij Pundit University
- Bachelor of Accounting, Dhurakij Pundit University

Related training organized by the Thai Institute of Directors Association (IOD)

- DAP : Director Accreditation Program Class 121/2015
- Risk Management Program for Corporate Leaders Class 2/2015
- Driving Company Success with IT Governance Class 1/2016
- Advanced Audit Committee Program Class 41/2021

Work experience for the past 5 years

2019 - present
- Audit Committee, Member of the Nomination and Remuneration Committee, Independent Director Hydrotek Public Company Limited
- Director, Independent Director, Chairman of Risk Management Committee Nomination and Remuneration Committee AEC Securities Public Company Limited

2018 - present
- Director, Independent Director, Hydrotek Public Company Limited
- Dean of the College of Business Administration, Innovation and Accounting Dhurakij Pundit University

2018 - present
Independent Director, Chairman of Risk Management Committee, Board of Directors and Chairman of the Corporate Governance Committee Burapha Technical Engineering Public Company Limited

Holding a position as a director/executive in other businesses

A. Listed company	B. Not a listed company
1) Director, Independent Director, Chairman of Risk Management Committee Nomination and Remuneration Committee AEC Securities Public Company Limited 2) Independent Director, Chairman of Risk Management Committee, Board of Directors and Chairman of the Corporate Governance Committee Burapha Technical Engineering Public Company Limited	No

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	No
Date of being appointed as a director	August 10, 2018
Meeting attendance of all Board of Directors in 2021	10 out of 12

MS. JARUMAS ANUCHHALAKOM

DEPUTY CHIEF EXECUTIVE OFFICER ACCOUNTING AND FINANCE AND COMPANY SECRETARY

Age (years) : 33

Educational qualifications : Bachelor of Business Administration (Management Accounting) Kasetsart University

Related training organized by the Thai Institute of Directors Association (IOD) and others

- Federation of Accounting Professions
- Accounting and Tax Planning for General Business Class 1/2018
- Business consolidation and advanced operational consolidation
- Financial reporting standards relating to financial instruments (IFRS9) and leases (IFRS16) in practice
- Fundamentals of Finance, Class 1/2020
- Feasibility Study of the Project, Class 1/2020
- Financial Projections and Discounted Cash Flow Class 1/2020

Work experience for the past 5 years	Holding a position as a director/ executive in other businesses
2020 - present Deputy Chief Executive Officer Accounting and Finance and company secretary Hydrotek Public Company Limited (Certified Auditor of Thailand) **2017 – 2020** Accounting and Finance Director, TBSP Public Company Limited **2015 – 2017** Assistant Audit Manager, KPMG Phoomchai Audit Co., Ltd	A. Listed company No B. Not a listed company No

Holding a position as a director/executive in other businesses competing or related to the Company's business which may cause conflicts of interest to the company	No
Interests in the Company / Parent Company / Subsidiary / Associated Company / or juristic persons that may have conflicts of interest at present or during the past 2 years	
A. Being a director who takes part in the management, an employee, an employee, or an advisor who receives a regular salary	No
B. to be a professional service provider (eg auditor, legal advisor)	No
C. Have a significant business relationship that may result in the inability to perform independent functions (e.g. buying / selling raw materials/goods / services/borrow / lending) and specifying the size of the transaction (if have)	No
Legal offense record in the past 10 years	No
Family relationship between management and the company	No
Shareholding in the Company (%) (as of December 31, 2021)	No
Date of being appointed as an executive	November 16, 2020

DIRECTORS AND EXECUTIVES REMUNERATION

1) Directors' remuneration

List of directors	Position Remuneration and Meeting Allowance Year 2021				
	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Special Compensation Year 2021
1) Mr. Somprasong Panjalak	360,000	-	-	-	-
2) Mr. Banjerd Thongcharoen	180,000	-	-	-	-
3) Mr. Somchan Panjalak*	180,000	-	15,000	30,000	35,000
4) Mr. Slib Soongsawang	180,000	-	-	-	-
5) Air Chief Marshal Surasak Meemanee	180,000	180,000	20,000	30,000	-
6) Prof. Dr. Kamphon Panyagomes	180,000	60,000	-	40,000	-
7) Dr. Siridej Khamsuprom	180,000	60,000	-	22,500	-

Note : *Mr. Somchan Panjalak has been approved by the Board of Directors meeting. In the case of working for the company as an executive committee without receiving monthly compensation have the right to receive special compensation with effect from 22 June 2021 onwards.

2) Executive Compensation

The company has the policy to determine the remuneration of the Chief Executive Officer and Deputy Chief Executive Officer by the consideration of the Nomination and Remuneration Committee which will consider the compensation and bonuses for the Chief Executive Officer and Deputy Chief Executive Officer according to the criteria for consideration as follows:

Executive Compensation	Type	Objectivity
Fixed compensation	Salary and other benefits such as provident funds	To maintain knowledgeable personnel to remain with the company
Short term incentives	Bonus based on performance	As a reward for the achievements of each year

Executive Compensation	The fiscal year 2021	
	Number (person)	Amount (Baht)
Salary	3	4,845,000.00
Bonus	-	-
Provident fund contributions	2	44,400.00
Other *	1	291,024.00
Total		**5,180,424.00**

Note * Others include fuel expenses, employee benefits (retirement), and severance pay.

3) Other compensation

- None –

PERSONNEL

1) Number of employees (excluding executives)

As of December 31, 2021, the Company has the following employees:

	The fiscal year 2021 Number (person)
1) Full-time staff	46
• Marketing Department	4
• Operations	21
• Accounting and Finance	5
• Investor Relations Department and Company Secretary	5
• Purchasing Department	3
• Human Resources Department	2
• Internal Audit	1
• Central Administration	3
• IT	1
• Legal	1
2) Daily staff	-
Total	46

2) Total Employee Compensation company employee and return characteristics

Unit: Baht	Year 2021
Compensation of full-time employees in the form of salary, bonus, and contributions to the provident fund.	19,574,572.00
Remuneration of employees in the form of wages	-
Seminar fee	292,970.00
Total	**19,867,542.00**

3) Personnel Development Policy

Due to the recent epidemic situation of the coronavirus 2019 (COVID-19), there has been a slowdown in some human resource development plans. Both in the part of external-internal training and consideration of salary improvements and employee welfare. However, the Company still recognizes the importance of personnel development along with the organization, resulting in the year 2021 promoting both internal and external training as follows:

- Management: Provide training courses for important topics, including Budgeting for Planning and Profitability Courses, CFO 2021, CFO Refresher, etc.
- ·Development of knowledge and skills specific to each line of work: provide training courses such as safety officers at work. Supervisor level, preparation of operating cash flow statement, Company Reporting Program, trend, and direction of M&A, etc.

For the company able to fully take care of personnel, the company, therefore, has data on accidents and the rate of sickness from work, and in 2021, the company has no employees who have accidents from work and the rate of morbidity from work because the company. There has been training in the use of various tools and equipment. to employees before entering work and have a safe place to work according to standards

Auditor's Remuneration

According to the resolution of the 2021 Annual General Meeting of Shareholders approved the appointment of auditors from AMC Office Company Limited to be the Company's auditors and its subsidiaries for the fiscal year ended December 31, 2021, are independent auditors. It is reliable and does not provide other services to the Company and has no relationship or interest with the Company/subsidiary/management / major shareholder. or any person related to such person. However, the auditor proposed to be appointed as the Company's auditor this year is the duty of the auditor for the first year.

The remuneration of the Company's auditors (Audit Fee) for the year 2021 is totaling 1,463,000 baht (the company has no other fees than the auditor's fee).

Audit Fee	Fiscal year 2021	Fiscal year 2020
Hydrotek Public Company Limited	950,000	1,470,000
Subsidiary	513,000	600,000
Other expenses	actual payment	actual payment
Total	**1,463,000**	**2,070,000**

Nomination and Remuneration Committee Report

In 2021, the Nomination and Remuneration Committee held a total of 4 meetings with important resolutions summarized as follows:

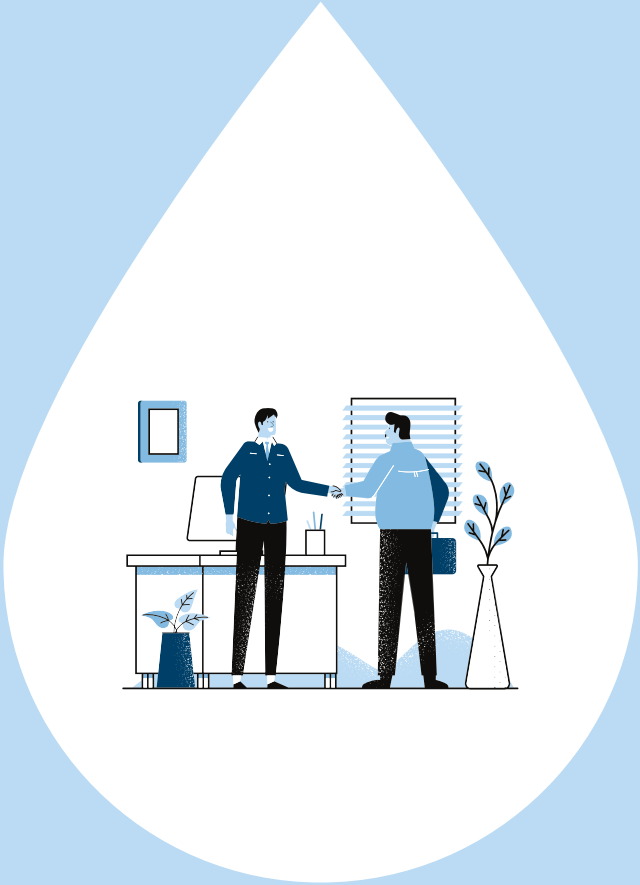
1. Consider the 2021 annual remuneration for the Board of Directors. Audit Committee Risk Management Committee and the Nomination and Remuneration Committee to propose to the Board of Directors and the shareholders' meeting for approval. by considering duties, responsibilities, and suitability including considering the compensation of other companies in the same or similar industry which the shareholders' meeting resolved to approve as proposed
2. The Nomination and Remuneration Committee considered and resolved to approve the re-election of 3 directors whose terms expired, namely Dr. Siridej Kamsuprom, Mr. Banjerd Thongcharoen, and Mr. Slib Soongsawang to resume their positions. to another term
3. The Nomination and Remuneration Committee unanimously approved that Mr. Banjerd Thongcharoen, Chief Executive Officer, passed a probationary period. and bring the aforementioned matter to the Board of Directors' meeting
4. The Nomination and Remuneration Committee unanimously assessed Ms. Jarumas Anuchhalakom Deputy Chief Executive Officer Accounting and Finance passed the probationary and bring the matter Propose to the meeting of the Board of Directors
5. The Nomination and Remuneration Committee unanimously resolved to Propose the issue of the determination of the executive committee's welfare that does not receive monthly compensation by giving the criteria for consideration Propose to the meeting of the Board of Directors for approval

The Nomination and Remuneration Committee performs duties with honesty. according to the duties and responsibilities set out in

Careful Nomination and Remuneration Committee Charter by adhering to the principles of good corporate governance by the principles of corporate governance and is transparent in its operation for the benefit of all stakeholders

Prof. Dr. Kamphon Panyagomes

Chairman of the Nomination and Remuneration Committee



Part 3:

Internal Control and Related Party Transactions gross

Internal Control and Risk Management

Audit Committee Realized the importance of internal control systems for efficient operations. The Audit Committee must review the internal control system. to set up the internal control system to be sufficient and suitable for business operations as well as to promote and push the operation to be by the rules and regulations according to the law, the company has used the internal control system adequacy assessment form of the Office of the Securities and Exchange Commission. In continuous risk management and an adequate internal control system covering all 5 aspects: (1) organization and environment (2) risk management (3) management's operational control (4) information and communication systems (5) management systems follow The key points can be summarized as follows:

1) Organization and Environment

The company has a goal and business plans to build business stability and has developed work processes to be effective to respond to business changes and has an organizational structure to enable streamlined operations with a chain of command, approval authority, and responsibility to control and reduce the risks that may arise from conflicts of interest. In addition, the company has separated the duties and responsibilities in three areas that form the basis of the internal control system, namely approval duty, Duty to record accounting entries and information, and the duty to monitor the assets apart by setting from the executive level and employees comply with the authority to approve and operate and the operating procedures of each department

2) Risk Management

The company has a risk management committee. The Risk Management Department directly reports to the Risk Management Committee. In 2021, 2 meetings were held to assess business risks. both internal and external factors as well as analyze the cause and risk factors by preventing the occurrence of risks or reducing the risk to an acceptable level The company has established a policy and set plans to seriously implement risk management as well as monitor the management Risks of various departments within the organization The meeting of the Risk Committee invited representatives from various departments to In the organization to present the implementation of monitoring guidelines for risk management. for the risk committee listened to the problem as well as giving remarks or suggestions for further operations In addition, training courses have been organized to provide knowledge on risk management guidelines of modern organizations by allowing executives and employees to attend training to have more knowledge and understanding

3) Operational control of the management

The company has set up an operating manual which is used as a framework to set guidelines for systematic operations effective and reduce the risk of damage that may occur in the operating activities of various departments. To define the scope of duties and the approval authority of the management at each level is written to achieve balance and have adequate and appropriate controls. In addition, the responsibility for each duty has been set appropriately. and efficiency in working Monitor and supervise the operations of the company, in addition, the Audit Committee has reviewed and approved the annual audit plan the Board of Directors has set up an internal audit unit that is independent in the performance of duties. Responsible for inspecting the control system and reviewing critical systems at least once a year to cover risky operational processes. Make sure that various departments There is adequate supervision of operations in terms of financial performance Compliance with laws, regulations, regulations In the case of transactions with related parties in a binding manner, the Company Operations Management is responsible for closely monitoring transactions according to the prescribed approval process which must be by the relevant regulations Stakeholders must not participate in approving such transactions and must report to the Audit Committee for the acknowledgment to review the appropriateness of the transaction as well as to prevent related parties from using the company's interests for personal use.

4) Information and communication systems

The company places importance on information systems and communication both internally and externally which is an important factor for acknowledging the performance for the Board of Directors to use consideration along with supporting documents in various agendas The meeting invitation letter and supporting documents are sent for decision making at least 7 days in advance, with the company secretary coordinating the information to the Board of Directors. and record the minutes of the Board of Directors' meeting as well as inquiries and the observations of the Board of Directors on the matters under consideration, In addition, the company has continuously developed information systems and information systems by using ERP (mango) systems in managing information systems in accounting, finance, procurement, engineering, and property systems to be effective by the needs of the business make work more efficient The system provides access to information only to those responsible for it.

5) Tracking System

The company has a system to supervise and monitor compliance with objectives, policies, rules, and regulations related laws and regulations as well as the internal control system of the company as for the Audit Committee, in 2021, the company has a total of 6 Audit Committee meetings. The Audit Committee is responsible for reporting the audit results to the Board of Directors every quarter. examine Regularly monitor and evaluate performance by reporting the results and suggestions to the management to make improvements to ensure that the company has an appropriate internal control The Internal Audit Department operates independently. Under the supervision of the Audit Committee If a material defect is detected This will be reported to the Audit Committee and/or the Board of Directors. to consider ordering further amendments. In addition, the company has assigned the internal audit unit to regularly monitor the internal control to provide transparency and good corporate governance.

Policy and Risk Management

The Risk Management Committee sets out the risk management policy framework by assessing the risks arising from external factors and internally affecting the company and managing risks to an acceptable level The Risk Management Committee will monitor, evaluate and analyze the risk management process in each aspect to continuously improve operational efficiency and ensure that the risk management is appropriate for the business that it operates and by the goals, the main mission of the organization Risk management is the responsibility of everyone in the organization. In 2021, a risk management meeting was held. Acknowledgment of Operational Risks various risk management continuously The Risk Management Committee is responsible for approving risk management plans. Review and improve the policy to suit the company's environment.

Related Party Transactions gross

Related Company	Nature of Relationship	Transaction	Value of the Transaction (Baht)		Necessity and Rationality of the Transaction
			Year 2020	Year 2021	
Hydro – Chaisalit Joint Venture	Hydrotek Public Company Limited has 100% proportion with fully authorized	Other receivables Short term loan Accrued interest Other income Interest income Interest Expense	341,814.85 17,802,922.36 3,181,293.06 120,000.00 204,741.45 1,378,1.49	- 16,896,882.56 3,334,123.84 120,000.00 - 131,426.51	Hydro - Chaisalit joint venture was established for Naresuan University Project which started since 2014 and finished in 2016 with contact amount of 246 million Baht and gross profit margin of the project was 8.5%. There is on warrantee period for 2 years. The Audit Committee considered the rationality of acceptance. Opinion of the Audit Committee The Audit Committee already considered the rationality of this project and was in line with the condition of general business.
Hydrotek Utility Company Limited	Hydrotek Public Company Limited has 100% proportion with fully authorized	Other receivables	30,775.54	121,833.76	Hydrotek Utility Company Limited was established for Chiangmai Projects. The project started in 2015 until the construction completion of 18 months since receiving the construction approval. The project amount is 285 million Baht with 10% of Internal Rate of Return. The Audit Committee considered the rationality of acceptance. Opinion of the Audit Committee The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.

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Related Company	Nature of Relationship	Transaction	Value of the Transaction (Baht)		Necessity and Rationality of the Transaction
			Year 2020	Year 2021	
Sahahydro Joint Venture	Hydrotek Public Company Limited has 100% proportion with fully authorized	Short term loan Accrued interest Other receivables Allowance for expected credit loss Other payables Other income Interest Income Expected credit losses	5,004,844.90 107,891.78 11,318,462.32 (7,371,935.23) 103,494.70 6,665,298.57 103,247.42 -	5,000,000.00 633,230.15 58,932,269.66 (10,700,000.00) 103,494.70 4,920,414.40 529,982.73 3,328,064.80	Sahahydro Joint Venture was established for the Provincial Waterworks Authority in Chaiyaphum Project with contact amount 522.242 million baht. The project start in 2018 and the contact with be end of the year 2019. The gross profit of the project is 3.86%. The Audit Committee considered the rationality of acceptance. <u>Opinion of the Audit Committee</u> The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.
Hydro-Rinrat Joint Venture	Hydrotek Public Company Limited has 100% proportion with fully authorized	Other receivables Other payables Accrued expenses Other income Interest income	1,178,260.00 1,000,000.00 - 1,107,000.00 -	52,511,286.19 1,000,000.00 50,718.00 3,825,889.06 363,717.54	Hydro-Rintat Joint Venture was established for the Provincial Waterworks Authority in Rungsit Project with contact amount 470 million baht. The project started in Nov. 2020 and the contact periods 500 days The gross profit of the project is 3.86%. <u>Opinion of the Audit Committee</u> The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.

Related Company	Nature of Relationship	Transaction	Value of the Transaction (Baht)		Necessity and Rationality of the Transaction
			Year 2020	Year 2021	
Prime road power PCL	Co-Chairman of Board of Directors	Other receivables Other income	29,737.27 29,627.14	37,382.19 453,065.45	Rent office area at TP&T building Floor 14 Sized 93.513 square meters <u>Opinion of the Audit Committee</u> The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.
Sahahydro Pathumthani 2 joint venture	Hydrotek Public Company Limited has 100% proportion with fully authorized	ลูกหนี้อื่นๆ เจ้าหนี้อื่น	- 1,000,000.00	200.00 -	Sahahydro Pathumthani 2 joint venture was established for the Provincial Waterworks Authority in Rungsit Project with contact amount 482 million baht. .The project started in November 2020 and the contact periods 500 days <u>Opinion of the Audit Committee</u> The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.
Mr. Somprasong Panjalak	Chairman of the board	Interest income	-	4,466,301.37	Loan from director for working capital in the company's subsidiary operations. <u>Opinion of the Audit Committee</u> The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.

Related Company	Nature of Relationship	Transaction	Value of the Transaction (Baht)		Necessity and Rationality of the Transaction
			Year 2020	Year 2021	
Mr. SlibSoongswang	Director*	Other payables Interest income	476,828.94 165,334.70	476,828.94 -	Expenses for working capital in the company and its subsidiay operations. Opinion of the Audit Committee The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.
Sahakarn Wisavakorn Co., Ltd.	Joint venturer of Sahahydro Joint Venture	Other payables Accrued expenses	- -	758,415.20 966,134.00	Sahahydro joint venture used the letter of guarantee of Sahakorn Wisavakorn Co., Ltd. The company was billling with a half of bank fee. Opinion of the Audit Committee The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.
C-F-O Company Limited	Mr.Sarun Yansopananan is an authorized director of C-F-O Company Limited	Other accounts receivable Allowance for doubtful accounts	150,000.00 (150,000.00)	150,000.00 (150,000.00)	The company hired a consultant to carry out the project according to the financial and accounting planning plan, valued at 1,760,000 baht. Contract period March 2019 to January 2020 by Mr Saranyan Yansopananan Was appointed to Chief Executive Officer of Hydrotek Public Company Limited, as of August 1, 2019, therefore terminated the contract for C-F-O Company Limited from August 1, 2019. Opinion of the Audit Committee The Audit Committee already considered the rationality of this project and was in line with the normal condition of business.

Opinion of the Audit Committee

The Audit Committee of Hydrotek Public Company Limited held a meeting No. 1/2022 whereby the Audit Committee considered and gave opinions on the Company's transactions and persons who may have conflicts of interest. have a stake or there may be a conflict of interest in the future according to the announcement of the Securities and Exchange Commission which the meeting had considered It was unanimously agreed that The aforementioned connected transaction is reasonable. Other conditions are fair and are normal business transactions. and does not provide benefits to persons involved or may have conflicts in any way

Policy or trend of entering into related party transactions including the acquisition or disposition of assets of the Company in the future

The meeting considered and unanimously resolved to determine the policy of entering into related party transactions in the future that there must be an audit by the Audit Committee and/or the Board of Directors regarding the reasonableness of entering into the transaction to check the price and various conditions of the transaction whether it is by normal business conditions or not and the Audit Committee will ensure that the company complies with the Securities and Exchange Act. Announcement of the Capital Market Supervisory Board including regulations, announcements, orders or regulations of the Stock Exchange of Thailand including compliance with the disclosure requirements of connected transactions and the acquisition or disposition of assets of the company or its subsidiaries (if any), including in compliance with the accounting standards prescribed by the Federation of Accounting Professions.

However, if there are related transactions of the company or its subsidiaries happens to people who may have conflicts of interest have a stake or there may be a conflict of interest in the future, the company will have the Audit Committee give opinions on the necessity of entering into the transaction and the appropriateness of the transaction's price by considering the various conditions to be by the normal trading behavior in the market and price comparisons made with third parties if the Audit Committee does not have expertise in considering the connected transactions that may occur, the company will assign an independent expert or the Company's auditor to give opinions on such connected transactions for use in support of The decision of the Audit Committee and/or the Board of Directors and/or the shareholders as the case may be. The company will disclose related transactions in the notes to the financial statements which have been audited by the company's auditors.

Necessity and Reasonableness of Connected Transactions

The Company has established procedures for approval of related party transactions. By specifying that entering into transactions of persons who may have conflicts of interest must be considered by the Audit Committee which must be approved by the Board of Directors and directors who have a conflict of interest will not have the right to vote.

Approval in principle relating to commercial agreements with general commercial terms In transactions between the Company and its subsidiaries (if any) with directors, executives, or related persons

The Company and its subsidiaries may have connected transactions with directors, executives, or related persons in the future with which the Company can enter into such transactions. If those transactions have a commercial agreement in the same way that a sensible person would have a normal counterparty under the same circumstances. with the bargaining power of trade without the influence of being director executives or related persons

Investor Protection Measures

To protect investors in the future if there are related transactions of the company with persons who may have conflicts of interest have a stake or there may be a conflict of interest in the future, the company will arrange for a presentation of the said transaction through the Board of Directors meeting attended by the Audit Committee to ensure that the transaction is fair and has a reasonable pricing policy the Board of Directors must perform their duties by the Securities and Exchange Act and the regulations, announcements, and regulations of the Stock Exchange of Thailand. Including complying with the requirements for disclosure of connected transactions and the acquisition or disposal of

RISK MANAGEMENT COMMITTEE REPORT

In 2021, the Risk Management Committee held a total of 2 meetings to review the risk management plan and risk management guidelines according to the principles set out in the risk management policy as well as considering and reviewing the efficiency and suitability of the risk management process arising from internal and external environmental factors of the company and follow up on the progress of key risk management by considering the risk factors that cover the operation Likelihood of impact from risk management This ensures that the company has a systematic assessment of significant risks by adding and adjusting the list of risks incurred during the year and propose risk management guidelines to the management and report to the Board of Directors The important resolutions are summarized as follows.

1. Consider risk factors that may significantly affect business operations, both external factors and internal factors
2. Consider the risk management that may occur in all 6 areas: strategy Operations, Finance, Marketing, Regulations and Laws, and Technology and Information. in the past the company have used management strategies to reduce the risk level to an acceptable level
3. Consider closely monitoring the progress of risk management.

The Risk Management Committee thinks that in 2021, the company is committed to developing an efficient risk management system by organizing corporate risk management training for employees to understand the objectives, be able to identify, assess, analyze the risks that may arise from the work process, and set guidelines for risk management. Including continuous evaluation and review of operations. to comply with the principles of good corporate governance

Air Chief Marshal Surasak Meemanee

Chairman of the Risk Management Committee

AUDIT COMMITTEE REPORT

The Audit Committee of Hydrotech Public Company Limited consists of 3 independent directors, namely Air Chief Marshal Surasak Meemanee as the Chairman of the Audit Committee, Dr. Siridej Khamsuprom, and Prof. Dr. Kampol Panyagomes as the directors. Audit, in which Prof. Dr. Kamphon Panyagomes is a director who has knowledge and abilities and experience in financial accounting Able to review the reliability of financial statements All directors have independent qualifications according to the Stock Exchange of Thailand announcement.

The Audit Committee performed its duties as stipulated in the Audit Committee Charter and reviewed the corporate governance. The aim is to create transparency in the management and responsibility of the Board of Directors. which depends on the shareholders in 2021, the Audit Committee held a total of 6 meetings in which the Company's management and/or auditors attended to acknowledge. To give approval, to discuss or express opinions on important issues in the preparation of financial statements. Disclosure of important information and has reported the operating results to the Audit Committee every quarter. The results of the Audit Committee's performance can be summarized as follows:

- ·Review the quarterly financial statements and the company's annual financial statements 2021 to be presented to the Board of Directors for approval. by considering the financial statements that have been reviewed and audited by the auditor. In addition, the Audit Committee has regular discussions with the auditors to acknowledge and discuss the auditor's opinion and issues found in the review of the financial statements this ensures that the financial statements are prepared by generally accepted accounting standards. There is adequate disclosure of information. It is beneficial to the decision of the user company financial statements as well as consider suggestions on the internal control system from the auditor this ensures that key observations found in the audit are appropriately taken by management. The Audit Committee thinks that The process of making accounting and financial transactions of the company Sufficient controls are in place to ensure that the financial reports reflect the financial position and performance of the company. by accounting standards

- Review the connected transactions. or items that may have conflicts of interest to comply with the relevant laws and official requirements to ensure that such transactions are reasonable and in the best interests of the company and supervise the disclosure of the company's information to be accurate and complete

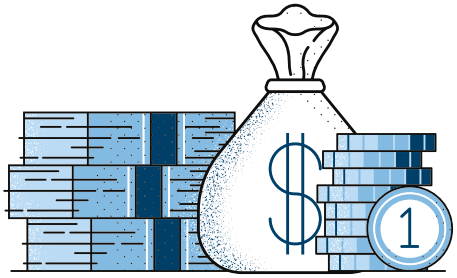
- Review the good corporate governance policy by the requirements of the Stock Exchange of Thailand and guidelines of the Securities and Exchange Commission and other laws related to business strictly to ensure that the company complies with the law and related official regulations to be accurate. In 2021, the company has prepared a self-assessment form. in compliance with the principles of good corporate governance by referring to the Stock Exchange of Thailand for the company to improve towards better corporate governance

- Review the sufficiency and appropriateness of the internal control system. The Internal Audit Committee has supervised the work of the internal audit unit which covers the main mission Scope of work Independence in auditing operations which has considered the internal audit report and the auditor's opinion on important work systems and operations and follow-up results for improvements that did not find any significant problems The Audit Committee has approved the annual audit plan and controls the development. Improve the audit process Emphasis is placed on risk assessment at the activity level to be more efficient and have a follow-up on performance regularly advise on the operation of the internal audit unit. to be more effective
- Consider the selection, proposal, qualifications, and remuneration of auditors by considering the evaluation of past work operational independence and audit fees The Audit Committee has proposed AMC Office Company Limited as the auditor for the year 2021, which the auditor has performed well knowledgeable have experience suitable for the operation of the company and have the correct qualifications as announced by the Stock Exchange of Thailand as well as considering the appropriate audit fees to propose to the Board of Directors to approve the nomination of the auditors
- · Maintaining the quality of the Audit Committee by reviewing the performance of the Audit Committee's charter to be consistent with the good corporate governance policy, including self-assessment for the year 2021 to ensure that the Audit Committee's performance efficiency and achieve the stated objectives by assessing the composition of the Audit Committee Training and resources, meetings, relationships with auditors and management as well as the role of the Audit Committee in the future As for the overall assessment results, it can be concluded that the Audit Committee was able to perform its duties effectively.

The Audit Committee has performed its duties by the scope of duties assigned to it in its entirety by using knowledge caution and expressing opinions honestly for the benefit of all stakeholders equally The Audit Committee thinks that the company's financial statements. It has been prepared appropriately by generally accepted accounting principles. For the financial statements for the fiscal year ended December 31, 2021, there were no events indicating problems or transactions that had a significant impact on the financial statements. There is sufficient disclosure of related-party information. The company There is risk management and monitoring of the progress of risk management to reduce the risk to an acceptable level The Audit Committee has reasonable confidence. that the company's operations can achieve the goals set

Air Chief Marshal Surusak Meemanee

Chairman of the Audit Committee



Part 4 :

Financial Statements

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES TO FINANCIAL STATEMENTS

The Board of Directors of Hydrotek Public Company limited are responsible for financial statements of the Company, its subsidiaries and information that presented in the annual report 2021 prepared in accordance with financial reporting standards and the financial reporting requirements of the Securities and Exchange Commission by employing the appropriate accounting policy, performing on a regular basis with thoroughly. The assessment of the necessary financial transactions according to the accounting standards was applied and reasonably consideration as well as disclosure sufficient information in the notes of the financial statements. Auditors have been reviewed the quartery financial statement and verified the annual financial statements and expressed opinion in the auditor's report to be useful for shareholders and general investors who will receive information which presenting correctly, timely and sensibly financial status and operation result.

The Board of Directors realized the responsibilities to oversee the effectiveness of the financial statements report by appointing the Audit Committee which comprised of honorable persons to review the completeness and correctness of the financial statements and the appropriateness of policy as well as to review and ensure the sufficiency and suitability of internal control system and participate in risk evaluation of the Company to protect or reduce risk which may occur from irregular operation which material and sufficient to protect the Company's assets. In addition, the Company has the Internal Audition with directly reporting to the Audit Committee in order to ensure that the accounting record is accurate, adequate, in time and the internal control system is designed to protect against fraud and irregularity. The Audit Committee reported in its reported in the Company's annual report in 2021

The Board of Directors viewed that the internal control system of the Company can assure that the financial statements of Hydrotek Public Company Limited as at 31 December 2021 presenting the financial status, operation result and cash flows, including notes to financial statements correctly and reliability and in accordance with financial reporting standards and correctness in all material respects.

Mr. Somprasong Panjalak

Chairman of the Board

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Board of Directors of Hydrotek Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Hydrotek Public Company Limited and its subsidiaries (the Group) and also of Hydrotek Public Company Limited only (the Company) respectively, which comprise the consolidated and separate statements of financial positions as at December 31, 2021, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended and the consolidated and separate, notes to financial statements including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial positions of Hydrotek Public Company Limited and its subsidiaries and also of Hydrotek Public Company Limited only respectively as at December 31, 2021, and of their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for opinion

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

Emphasis of matter and event

As mentioned in the note to financial statements No. 38.1, explaining the uncertainty over the outcome of the case that the Company has filed against the counterparty to the Administrative Court demanding of construction fees to be paid to the Company, the said counterparty has filed a counterclaim to the Administrative Court demanding compensation from the Company. Later, On July 22, 2021, the Central Administrative Court has ordered the Company pay compensation to the counterparty for the breach of contract amount of Baht 23.86 million plus interest rate at 7.50% per annum. However, the Company disagreed with the Administrative Court's judgment, therefore the Company has appealed to the Supreme Administrative Court. Currently, the litigation is being considered by the court, my opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in my professional judgment, 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.

Recognition of revenue from construction

The Group recognizes revenue from construction identified as a single performance obligation satisfied over time according to the amount of the transaction price based on the progress towards complete satisfaction of that performance obligation. The Group measures the progress towards complete satisfaction of the performance obligation with the input method on the basic of the costs incurred relative to the total expected costs for the satisfaction of that performance obligation (Note 5.16.1). The estimate of the total expected costs for the satisfaction of that performance obligation is a key audit matter because the said estimate of construction cost involved the management's judgments and the carrying amounts of the revenue from construction is considered significant to the Group's financial statements.

How my audit addressed the key audit matter

I reviewed the appropriateness of the Group's accounting policies and their conformity to the requirements of the Thai financial reporting standards. I also reviewed the appropriateness and the consistency of the said construction cost estimating method.

I have obtained an understanding and evaluated the internal controls related to the preparation, review and approval of the said estimate of construction cost.

I have audited appropriate and sufficient evidence for each material item involved in the construction cost estimation that has been calculated by the project engineer and approved by the management. I have also tested the calculation of the said construction cost estimation. I verified actual costs against supporting documents, tested the calculation of the percentage of completion based on actual construction costs incurred.

Other matter

The accompanying consolidated and separate statements of financial position as at December 31, 2020 of Hydrotek Public Company Limited and its subsidiaries and also of Hydrotek Public Company Limited respectively, which presented for comparative information purposes, were audited by anoter auditor, who expressed an unqualified opinion on those financial statement in her report date March 1, 2021, which draw attention regarding material uncertainties related to the Company's ability to continue as a going concern and uncertainty about litigation.

Other Information

Management is 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 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 of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charge with governance to correction misstatement.

Responsibilities of management and those charge with governance for the financial statements

Managements is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the 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 Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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 management.

- Conclude on the appropriateness of management's 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 have 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's 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 those charged with governance 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 those charged with governance 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 those charged with governance, 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.

The engagement partner on the audit resulting in this independent auditor's report is

SAM NAK-NGAN A.M.C. CO., LTD.

(Mr. Naris Saowalagsakul)

Certified Public Accountant Registration No. 5369

Bangkok,

February 28, 2022

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
			(Adjusted)		
Assets					
Current assets					
Cash and cash equivalents	8.1	67,683,059.66	44,778,099.47	49,224,144.46	36,352,766.89
Other current financial assets	9	-	1,225,905.24	-	1,225,905.24
Other current receivables - person and related parties	6.1	37,382.19	29,737.27	101,808,613.64	5,635,006.53
Trade and other current receivables - other parties	10	105,817,826.52	112,209,122.49	32,567,804.99	23,154,501.21
Contractual assets	11	69,915,650.87	48,946,587.67	5,920,373.80	5,644,867.05
Suspend input vat		4,258,779.88	3,557,513.93	907,265.86	1,278,577.41
Short-term loan to person and related parties	6.1	-	-	5,000,000.00	5,004,844.90
Short-term loan to other party	12	-	-	-	-
Construction materials		15,917,033.10	7,501,466.38	170,754.41	-
Non-current assets or disposal asset group classified as held for sales	13	-	11,500,000.00	-	11,500,000.00
Total current assets		263,629,732.22	229,748,432.45	195,598,957.16	89,796,469.23
Non-current assets					
Other non-current financial assets	14	19,125,804.02	49,676,903.48	19,125,804.02	49,676,903.48
Contractual assets	11	17,586,404.14	-	-	-
Investment in associate	15	-	-	-	-
Investment in subsidiaries	16	-	-	3,999,600.00	3,999,600.00
Receivables under the concession agreement	17	-	-	-	-
Short-term loan to person and related parties	6.1	-	-	-	-
Long-term loan to other party	12	-	-	-	-
Investments property	18	2,180,750.00	2,180,750.00	2,180,750.00	2,180,750.00
Land and equipment	19	21,943,468.71	19,572,311.81	21,593,661.46	19,472,783.46
Right-of-use assets	20	9,538,678.91	6,168,024.67	9,066,079.44	6,012,216.32
Intangible assets	21	108,895,427.64	108,970,065.20	108,861,877.08	108,916,514.62
Withholding tax deducted at source		16,191,822.00	8,168,060.76	4,658,564.54	3,816,205.94
Other non-current assets		551,907.42	3,107,704.86	551,907.42	773,070.79
Total non-current assets		196,014,262.84	197,843,820.78	170,038,243.96	194,848,044.61
Total assets		459,643,995.06	427,592,253.23	365,637,201.12	284,644,513.84

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
			(Adjusted)		
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	22	-	15,359,725.64	-	15,359,725.64
Other current payable - person and related parties	6.1	476,828.94	483,618.94	4,680,279.04	5,493,009.52
Trade and other current payables - other parties	23	120,215,259.45	156,673,934.30	88,029,117.69	105,064,213.78
Contractual liabilities	11	62,906,054.16	101,642,581.09	9,314,934.72	9,226,379.44
Unbilled output tax		1,789,980.95	2,477,284.94	1,773,139.51	1,424,528.80
Current portion					
Provision for warranty	24	580,293.83	1,000,000.00	580,293.83	1,000,000.00
Lease liabilities	25	2,668,426.14	1,621,064.16	2,180,762.21	1,487,369.19
Short-term loan from person and related parties	6.1	-	-	16,896,882.56	17,802,922.36
Accrued income tax		571,563.33	103,786.15	-	-
Total current liabilities		189,208,406.80	279,361,995.22	123,455,409.56	156,858,148.73
Non-current liabilities					
Long-term loan from other party	26	125,644,786.50	125,644,786.50	125,644,786.50	125,644,786.50
Provision for warranty	24	-	1,914,809.76	-	1,914,809.76
Lease liabilities	25	6,001,362.28	3,687,481.16	6,001,362.28	3,664,480.65
Employee benefit obligations	27	4,398,766.71	4,654,381.40	4,398,766.71	4,654,381.40
Other non-current liabilities		12,550,035.72	8,949,874.38	37,052.79	162,549.33
Total non-current liabilities		148,594,951.21	144,851,333.20	136,081,968.28	136,041,007.64
Total liabilities		337,803,358.01	424,213,328.42	259,537,377.84	292,899,156.37
Shareholders' equity					
Share capital	28				
Authorized share capital					
2,402,799,158 ordinary shares @ Baht 1.00		2,402,799,158.00	-	2,402,799,158.00	-
1,668,058,615 ordinary shares @ Baht 1.00		-	1,668,058,615.00	-	1,668,058,615.00
Issued and paid-up share capital					
2,304,683,037 ordinary shares @ Baht 1.00		2,304,683,037.00	-	2,304,683,037.00	-
1,280,385,570 ordinary shares @ Baht 1.00		-	1,280,385,570.00	-	1,280,385,570.00
Premium on ordinary shares		141,376,373.77	141,376,373.77	141,376,373.77	141,376,373.77
Discount on ordinary shares		(1,276,585,171.06)	(426,418,456.60)	(1,276,585,171.06)	(426,418,456.60)
Share subscription received in advance		-	35,849,770.32	-	35,849,770.32
Ratained earnings (deficits)					
Appropriated-legal reserve		9,620,000.00	9,620,000.00	9,620,000.00	9,620,000.00
Unappropriated		(1,055,698,926.11)	(1,035,714,026.05)	(1,072,994,416.43)	(1,049,067,900.02)
Other components of equity		(1,857,457.14)	(1,998,900.97)	-	-
Equity attributable to the owners of the company		121,537,856.46	3,100,330.47	106,099,823.28	(8,254,642.53)
Non-controlling interests		302,780.59	278,594.34	-	-
Total shareholders' equity		121,840,637.05	3,378,924.81	106,099,823.28	(8,254,642.53)
Total liabilities and shareholders' equity		459,643,995.06	427,592,253.23	365,637,201.12	284,644,513.84

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2021

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
			(Adjusted)		
Revenues					
Construction	34	262,401,644.86	154,341,603.38	-	4,342,875.26
Services	34	8,086,577.64	2,505,801.66	8,086,577.64	2,505,801.66
Other income		22,523,819.72	4,023,457.77	32,789,303.75	3,914,451.47
Total revenues		293,012,042.22	160,870,862.81	40,875,881.39	10,763,128.39
Expenses					
Cost of construction		241,033,550.65	151,151,528.90	-	3,984,529.98
Cost of services		5,519,600.28	1,795,428.70	5,519,600.28	1,795,428.70
Loss on impairment of assets		-	3,244,610.41	-	4,244,610.41
Administrative expenses		50,758,286.30	66,068,863.89	48,986,485.40	66,107,989.45
Total expenses		297,311,437.23	222,260,431.90	54,506,085.68	76,132,558.54
Loss form operating		(4,299,395.01)	(61,389,569.09)	(13,630,204.29)	(65,369,430.15)
Finance costs		(14,652,531.63)	(12,614,869.94)	(10,296,312.12)	(13,975,706.83)
Loss before income tax expenses		(18,951,926.64)	(74,004,439.03)	(23,926,516.41)	(79,345,136.98)
Income tax expenses	30	(1,044,148.13)	(309,273.32)	-	(90,000.00)
Loss for the year		(19,996,074.77)	(74,313,712.35)	(23,926,516.41)	(79,435,136.98)
Other comprehensive income					
Transactions that be classified into profit or loss in the future					
Difference exchange rate from conversion of financial statements		176,804.79	1,448.09	-	-
Item that will not be reclassified to profit or loss					
Acturial loss arisingfrom defined benefit plan		-	(1,091,403.66)	-	(1,091,403.66)
Other comprehensive income for the year		176,804.79	(1,089,955.57)	-	(1,091,403.66)
Total comprehensive income for the year		(19,819,269.98)	(75,403,667.92)	(23,926,516.41)	(80,526,540.64)
Loss attributable to					
Equity holders of the Company		(19,984,900.06)	(74,271,726.78)		
Non-controlling interests		(11,174.71)	(41,985.57)		
		(19,996,074.77)	(74,313,712.35)		
Total comprehensive loss attributable to					
Equity holders of the Company		(19,843,456.23)	(75,361,971.97)		
Non-controlling interests		24,186.25	(41,695.95)		
		(19,819,269.98)	(75,403,667.92)		
Basic loss per share	31	(0.01)	(0.08)	(0.02)	(0.08)
Weighted average of ordinary shares (Unit : Shares)		1,567,940,099	963,969,724	1,567,940,099	963,969,724

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended December 31, 2021

(Unit : Baht)

	Equity attributable to the owners of the Company									
					Deficits		Other components of shareholders' equity	Total		
	Issued and paid-up share capital	Premium on ordinary share	Discount on ordinary share	Share subscription received in advance	Appropriated-legal reserve	Unappropriated	Difference exchange rate from conversion of financial statements	Equity attributable to the owners of the Company	Non-controlling Interests	Total
Balance as at January 1, 2020	784,968,760.00	141,376,373.77	-	-	9,620,000.00	(960,350,895.61)	(2,000,059.44)	(26,385,821.28)	320,290.29	(26,065,530.99)
Loss for the year	-	-	-	-	-	(74,271,726.78)	-	(74,271,726.78)	(41,985.57)	(74,313,712.35)
Other comprehensive income for the year	-	-	-	-	-	(1,091,403.66)	1,158.47	(1,090,245.19)	289.62	(1,089,955.57)
Total comprehensive income for the year	-	-	-	-	-	(75,363,130.44)	1,158.47	(75,361,971.97)	(41,695.95)	(75,403,667.92)
Capital increase ordinary shares	495,416,810.00	-	(426,058,456.60)	35,849,770.32	-	-	-	105,208,123.72	-	105,208,123.72
Expenses of issuing shares	-	-	(360,000.00)	-	-	-	-	(360,000.00)	-	(360,000.00)
Balance as at December 31, 2020	1,280,385,570.00	141,376,373.77	(426,418,456.60)	35,849,770.32	9,620,000.00	(1,035,714,026.05)	(1,998,900.97)	3,100,330.47	278,594.34	3,378,924.81
Loss for the year	-	-	-	-	-	(19,984,900.06)	-	(19,984,900.06)	(11,174.71)	(19,996,074.77)
Other comprehensive income for the year	-	-	-	-	-	-	141,443.83	141,443.83	35,360.96	176,804.79
Total comprehensive income for the year	-	-	-	-	-	(19,984,900.06)	141,443.83	(19,843,456.23)	24,186.25	(19,819,269.98)
Capital increase ordinary shares	1,024,297,467.00	-	(850,166,714.46)	(35,849,770.32)	-	-	-	138,280,982.22	-	138,280,982.22
Balance as at December 31, 2021	2,304,683,037.00	141,376,373.77	(1,276,585,171.06)	-	9,620,000.00	(1,055,698,926.11)	(1,857,457.14)	121,537,856.46	302,780.59	121,840,637.05

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended December 31, 2021

(Unit : Baht)

	Issued and paid-up share capital	Premium on ordinary share	Discount on ordinary share	Share subscription received in advance	Deficits		Total
					Appropriated-legal reserve	Unappropriated	
Balance as at January 1, 2020	784,968,760.00	141,376,373.77	-	-	9,620,000.00	(968,541,359.38)	(32,576,225.61)
Loss for the year	-	-	-	-	-	(79,435,136.98)	(79,435,136.98)
Other comprehensive income for the year	-	-	-	-	-	(1,091,403.66)	(1,091,403.66)
Total comprehensive income for the year	-	-	-	-	-	(80,526,540.64)	(80,526,540.64)
Capital increase ordinary shares	495,416,810.00	-	(426,058,456.60)	35,849,770.32	-	-	105,208,123.72
Expenses of issuing shares	-	-	(360,000.00)	-	-	-	(360,000.00)
Balance as at December 31, 2020	1,280,385,570.00	141,376,373.77	(426,418,456.60)	35,849,770.32	9,620,000.00	(1,049,067,900.02)	(8,254,642.53)
Loss for the year	-	-	-	-	-	(23,926,516.41)	(23,926,516.41)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(23,926,516.41)	(23,926,516.41)
Capital increase ordinary shares	1,024,297,467.00	-	(850,166,714.46)	(35,849,770.32)	-	-	138,280,982.22
Balance as at December 31, 2021	2,304,683,037.00	141,376,373.77	(1,276,585,171.06)	-	9,620,000.00	(1,072,994,416.43)	106,099,823.28

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOW

For the year ended December 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
		(Adjusted)		
Cash flow from operating activities				
Loss for the year	(19,996,074.77)	(74,313,712.35)	(23,926,516.41)	(79,435,136.98)
Adjustments to reconcile loss for the year for cash received (used) from operations				
Unrealized gain on exchange rate	-	8,744.00	-	8,744.00
Expected credit losses of other current receivables - person and related parties	-	11,211,696.60	3,328,064.77	13,199,043.89
Expected credit losses of other current receivables - other party	4,904,242.85	5,294,491.94	1,103,801.48	-
Expected credit losses of short-term loans to other party	500,000.00	-	500,000.00	-
Depreciation - equipment	1,667,199.24	817,655.35	1,620,862.92	808,252.07
Depreciation - right of use assets	3,737,664.30	2,587,219.73	2,784,777.66	1,662,058.71
Amortisation of intangible assets	74,637.56	106,095.36	54,637.54	86,040.55
Loss on sales of investment in associate	-	-	360,000.00	-
Reversal impairment loss on investment in associate	-	-	(400,000.00)	-
Loss on asset impairment	-	3,244,610.41	-	4,244,610.41
Gain (loss) from the sale of equipment	(15,799.82)	5,736.90	(14,427.32)	4,033.90
Gain from disposal of non-current assets as held for sale	(7,459,108.14)	-	(7,459,108.14)	-
Reversal provision for warranty	(1,137,045.80)	(1,291,647.66)	(1,137,045.80)	(1,291,647.66)
Reversal provision for construction losses	-	(3,028,549.21)	-	(3,028,549.21)
Provisions for employee benefits	661,824.64	888,186.02	661,824.64	888,186.02
Interest income	(34,953.97)	(834,599.34)	(921,686.94)	(969,164.98)
Interest expenses	14,300,644.08	12,614,869.94	9,996,662.66	13,975,706.83
Interest paid on lease liabilities	351,887.55	-	299,649.46	-
Income tax expense	1,044,148.13	309,273.32	-	90,000.00
Loss from operation before changes in operating assets and liabilities	(1,400,734.15)	(42,379,928.99)	(13,148,503.48)	(49,757,822.45)
Operating assets (increase) decrease				
Other current receivables - related parties	(7,644.92)	(113,807.23)	(99,070,403.46)	(8,468,266.74)
Trade and other current receivables - other parties	(166,494.62)	3,914,548.77	(10,559,630.58)	71,934,827.25
Contractual assets	(38,555,467.34)	(19,451,657.56)	(275,506.75)	8,670,895.04
Suspend input vat	(701,265.95)	209,640.88	371,311.55	2,163,828.34
Construction materials	(8,415,566.72)	5,361,317.64	(170,754.41)	-
Other non-current assets	2,293,581.44	(610,101.98)	(41,052.63)	192,639.99
Operating liabilities increase (decrease)				
Other current payables - person and related parties	(6,790.00)	392,869.45	(1,965,205.85)	232,187.96
Trade and other current payables - other parties	(41,417,853.50)	(38,190,660.48)	(19,865,087.85)	(57,491,654.67)
Contractual liabilities	(38,736,526.93)	38,454,686.47	88,555.28	(8,262,715.56)
Unbilled output tax	(687,303.99)	(1,924,920.24)	348,610.71	(2,086,777.01)
Provision for warranty	(1,197,470.13)	-	(1,197,470.13)	-
Other non-current liabilities	3,600,161.34	4,355,998.86	(125,496.54)	(207,302.74)
Cash paid from operating	(125,399,375.47)	(49,982,014.41)	(145,610,634.14)	(43,080,160.59)
Cash paid for employee benefits	(917,439.33)	-	(917,439.33)	-
Cash paid for income tax	(6,941,734.33)	(4,454,290.57)	(842,358.60)	(827,387.44)
Net cash used in operating activities	(133,258,549.13)	(54,436,304.98)	(147,370,432.07)	(43,907,548.03)

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOW

For the year ended December 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
		(Adjusted)		
Cash flow from investing activities				
Cash received from sales of investment in associate	-	-	40,000.00	-
Cash paid for short-term loans to related parties	-	-	(26,000,000.00)	(5,000,000.00)
Cash received from short-term loans to related parties	-	-	26,000,000.00	-
Cash paid for short-term loans to other party	(500,000.00)	-	(500,000.00)	-
Decrease (increase) in other current financial assets	1,225,905.24	(406,068.48)	1,225,905.24	(406,068.48)
Decrease (increase) in other non-current financial assets	30,551,099.46	(18,439.42)	30,551,099.46	(18,439.42)
Cash paid for purchase of equipment	(4,244,543.80)	(400,499.07)	(3,889,901.08)	(305,699.08)
Cash received from disposal of equipment	111,715.62	17,906.54	99,715.62	17,906.54
Cash received from disposal of non-current assets held for sale	15,141,980.00	-	15,141,980.00	-
Cash paid for purchase of right-of-use assets	-	(707,158.88)	-	(707,158.88)
Cash paid for purchase of intangible assets	-	(126,430.00)	-	(126,430.00)
Cash received from interest	77,503.85	1,827,831.77	537,788.74	1,579,950.25
Net cash received from (used in) investing activities	42,363,660.37	187,142.46	43,206,587.98	(4,965,939.07)
Cash flow from financing activities				
Decrease in bank overdeaft and short-term loans from financial institutions	(15,359,725.64)	(16,354,551.46)	(15,359,725.64)	(16,354,551.46)
Cash received from short-term loan from person and related parties	80,000,000.00	1,217,029.53	-	1,217,029.53
Cash paid for short-term loan from person and related parties	(80,000,000.00)	(9,867,029.53)	(906,039.80)	(18,044,721.81)
Cash paid for lease liabilities	(3,836,746.99)	(2,675,971.61)	(2,845,799.59)	(1,751,697.72)
Cash payment in interest expenses	(5,461,465.43)	(3,785,770.36)	(2,134,195.53)	(4,525,977.84)
Cash received from increment of capital	138,280,982.22	69,358,353.40	138,280,982.22	69,358,353.40
Cash received in advance for shares	-	35,849,770.32	-	35,849,770.32
Expenses of issuing shares	-	(450,000.00)	-	(450,000.00)
Net cash received from financing activities	113,623,044.16	73,291,830.29	117,035,221.66	65,298,204.42
Effects of exchange rate change on the balance of cash and cash equivalents	176,804.79	367.10	-	-
Cash and cash equivalent items increase - net	22,904,960.19	19,043,034.87	12,871,377.57	16,424,717.32
Cash and cash equivalent at the beginning of the year	44,778,099.47	25,735,064.60	36,352,766.89	19,928,049.57
Cash and cash equivalent at the end of the year	67,683,059.66	44,778,099.47	49,224,144.46	36,352,766.89

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2021

1.1 General information

Hydrotek Public Company Limited ("the Company") is a public limited company and is incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company's registered office is 14th Floor, TP&T Tower 1 Soi Vibhavadee-Rangsit 19, Chatuchak, Chatuchak, Bangkok.

The principal business operations of the Company and subsidiaries ("the Group") are construction and management of water treatment and wastewater treatment system, waste management system and selling of related supplies.

2.1 Basis of financial statements preparation

2.1 The financial statements are issued for reporting purposes to be used in Thailand are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

2.2 The consolidated and the separate financial statements were prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543, which include the already announced accounting standards, financial reporting standards and their interpretation including accounting guidance issued by the Federation of Accounting Professionals ("TFAC") established under the Accounting Professions Act B.E. 2547 and regulations in accordance with the determination of the Office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

The presentation of financial statements is in accordance with the determination stated in the Notification of the Department of Business Development dated December 26, 2019, issued under the Accounting Act, B.E. 2543.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates. Although the management has most.

2.3 New financial reporting standards

2.3.1 New and revised financial reporting standards that became effective in the current year

During the year, the Group has adopted the revized accounting standards, financial reporting standards, accounting standard interpretations and financial reporting interpretations including the conceptual framework for financial reporting (new), which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.3.2 Financial reporting standard that will become effective in the future

The Federation of Accounting Professions issued a number of revised financial reporting standards, which will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users. The Group's management believes that the revized financial reporting standards will not have any significant impact on the financial statements when they are adopted.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected the significant estimates and assumptions are as follows:-

Right-of-use assets and lease liabilities

In estimating the right-of-use assets and lease liabilities, the management needs to make judgement and estimated of the purchase option or renewal option exercised including review estimate useful lives and residual values of underlying asset when there are any changes.

In addition, the management is required to review right-of-use assets for impairment on a periodical basis and record impairment losses in period when it is determined that their recoverable amount is lower then the carrying amount. This requires judgments regarding forecast of future revenues and expanses relating to the assets subject to the review.

Lease

Lease-where the Group is the lessor, in determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding significant risk and rewards of ownership of the leased assets have been transferred, taking into consideration terms and conditions of the arrangements.

Expected credit loss

In determining the expected credit loss, the management needs to use judgment in estimating the expected loss and forecasts for the future about economic factors affecting credit risk of financial assets.

Estimated on construction

The estimate on construction is estimate from the calculating of quantity and amount of material in construction including labor and overhead that necessary in construction service, also forecasting based on trend changing that may occur. Estimate reviewed on an ongoing basis and estimates are revised and in any that the actual cost is differ from these estimate.

Investment property, land and equipment and depreciation

In determining depreciation of investment property, property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment property, property, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment property, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Estimate on employee benefit obligations

The obligation under the post-employment benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate and staff turnover rate.

Litigation

Contingent liabilities as a result of the litigation. The management has used judgment to assess of the results of the litigation and estimated contingent damage.

Other estimates are disclosed under related caption in these notes to financial statements.

Adjustment for prior year financial statements

Some items in the financial statements as at December 31, 2020 and statements of comprehensive income for the year ended December 31, 2020 have been adjustment/reclassified in line to be consistent with the presentation of the financial statements as at December 31, 2021, there was no impact to the shareholders' equity as reported which can be summarise as following :-

(Unit : Baht)

	Consolidated financial statements		
	Before Adjustment	Adjustment/reclassified Increase (Decrease)	After Adjustment
Statements of financial position as at January 1, 2020			
Assets			
Contractual assets	38,773,137.83	(12,863,784.02)	25,909,353.81
Construction materials	-	12,863,784.02	12,863,784.02
Liabilities			
Trade and other current payables - other parties	184,837,649.89	(822,343.30)	184,015,306.59
Other non-current liabilities	3,771,532.22	822,343.30	4,593,875.52
Statements of financial position as at December 31, 2020			
Assets			
Contractual assets	56,448,054.05	(7,501,466.38)	48,946,587.67
Construction materials	-	7,501,466.38	7,501,466.38
Liabilities			
Trade and other current payables - other parties	160,930,246.35	(4,256,312.05)	156,673,934.30
Other non-current liabilities	4,693,562.33	4,256,312.05	8,949,874.38
Statements of comprehensive income			
For the year ended December 31, 2020			
Revenues from construction	161,843,069.76	(7,501,466.38)	154,341,603.38
Cost of construction	159,368,946.55	(8,217,417.65)	151,151,528.90
Administrative expenses	65,352,912.62	715,951.27	66,068,863.89

3 Going concern

The Group and the Company faces losses from continued operation over several years. The Group and the Company incurred a net loss for the year ended December 31, 2021 in the consolidated financial statements amount of Baht 19.99 million and in the separate financial statements amount of Baht 23.93 million. (For the year ended December 31, 2020, the Group and the Company incurred a net loss in the consolidated financial statements amount of Baht 74.31 million and in the separate financial statements amount of Baht 79.43 million) respectively. These conditions, along with litigations matters as set forth as mentioned in the note to financial statements No.38 indicate the existence of a material uncertainty that may cast significant doubt about the Group and the Company's ability to continue as a going concern and therefore the Group and the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. However, During the year 2021, the Company was able to increase its share capital amount of Baht 138.28 million, to provide sufficient working capital for its operations. Moreover, the Group's management plans to reduce expenses to incremental of the Group's liquidity. Including, the Company considers to bid for various projects to make a profit, requesting credit facilities from financial institutions and other source of funds. The management believes that it will be able to rectify situation and leads the Company has ability to continue as a going concern. Therefore, the management has decided that it is correct and appropriate to prepare the Group's and the Company's financial statements based on the assumption that the Group will continue its operations as a going concern. Accordingly, such financial statements do not include any adjustments to present assets at their realisable values and liabilities at their settlement amounts, and to make the reclassifications that may be required in the event that the Group is unable to continue its operations as a going concern.

4 Basis of the consolidated financial statements preparation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries, which are those entities in which the Group has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration transferred for acquisition is measured at the sum of the fair value of the assets given, the liabilities incurred, and equity instruments issued by the Group at the date of exchange. Acquisition-related costs are accounted as expenses in the period in which the costs are incurred. The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the fair value of the net identifiable assets of the subsidiary acquired is recognized as goodwill and to be tested for impairment annually. If, after reassessment, the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) is less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

As at December 31, 2021 and 2020 have been prepared by including the financial statements of Hydrotek Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The percentage directly and indirectly owned by the Company as follows:-

Companies	Nature of business	Country of incorporation	Percentage of shareholding As at December 31,	
			2021	2020
Hydrotek-Chaisarit Joint Venture	Construction of water treatment	Thailand	100.00	100.00
Hydrotek Utilities Co., Ltd.	Investment project, which produce and supply water and related businesses	Thailand	100.00	100.00
Hydrotek Supreme Mandalay Co.,Ltd.	Production and management wastewater treatment and wastewater collection system.	Myanmar	80.00	80.00
Sahahydro Joint Venture	Construction of the expansion of water	Thailand	100.00	100.00
Sahahydro Pathumthani 2 Joint Venture	Construction of the expansion of water	Thailand	100.00	100.00
Hydro–Rinrat Joint Venture	Construction of the expansion of water	Thailand	100.00	100.00

The financial statements of the subsidiaries are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

Non-controlling interests measured at net asset value of the proportion of shares held by non-controlling interest in it.

The assets and liabilities in the financial statements of overseas subsidiaries company is translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses are translated using monthly average exchange rate. The resulting differences are shown under the caption of "Other components of equity" in the statements of changes in shareholders' equity.

5. Summary of significant accounting policies

5.1 Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less and free from restrictions.

5.2 Non-current assets or disposal group classified as held for sale

A non-current asset or disposal group is classified as held for sale if it carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A non-current asset or disposal group classified as held for sale is measured at the lower of it carrying amount and fair value less costs to sell. (The incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense).

The Group does not depreciate or amortize a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

5.3 Contractual assets / Contractual liabilities

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Contract assets are transferred to receivables when the rights become unconditional (i. e. services are completed and delivered to the customer).

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

5.4 Contract cost assets

Contract cost assets are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs. However, the incremental costs of obtaining a contract are expensed when incurred, if the expected amortisation period is one year or less.

Contract cost assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on systematic basis over the term of the contract it relates to, consistent with the related revenue recognition.

5.5 Financial assets and liabilities

Financial assets

The Group recognizes a financial asset in its statements of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or the Group transfers the contractual rights to receive the cash flows of the financial asset and transfers substantially all the risks and rewards of ownership of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. The Group measures trade receivables at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer if the trade receivables do not contain a significant financing component.

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group subsequently measures financial assets when the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at amortized cost by using the effective interest method in calculation of the interest revenue.

The Group recognizes a gain or loss on a financial asset that is measured at amortized cost in profit or loss when the financial asset is amortized, impaired or de-recognized.

The Group subsequently measures financial assets when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at fair value through other comprehensive income.

The Group recognizes interest income calculated using the effective interest method, impairment gains or losses and foreign exchange gains or losses in profit or loss and recognizes a gain or loss on subsequent changes in fair value in other comprehensive income. When the financial asset is de-recognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The Group subsequently measures all other financial assets other than the financial assets described above at fair value through profit or loss.

The Group recognizes an interest income, dividend income and gain or loss on subsequent changes in fair value in profit or loss.

Financial liabilities

The Group recognizes a financial liability in its statements of financial position when the Group becomes party to the contractual provisions of the instrument and removes a financial liability or a part of a financial liability from its statements of financial position when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Group classifies financial liabilities as subsequently measured at amortized cost by using the effective interest method or at fair value through profit or loss.

The Group recognizes a gain or loss for a financial liability measured at amortized cost in profit or loss when the financial liability is amortized and recognizes a gain or loss for a financial liability measured at fair value through profit or loss on subsequent changes in fair value in profit or loss.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost or at fair value through other comprehensive income, a trade receivable, a contract asset and a lease receivable.

The Group measures the loss allowance by applying the simplified approach for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. The Group uses a provision matrix based on the historical credit loss experience adjusted to reflect factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction in the calculation of the expected credit losses.

The Group measures the loss allowance by applying the general approach for other financial instrument that is measured at amortized cost or at fair value through other comprehensive income at an amount equal to 12 month expected credit losses if the credit risk on a financial instrument has not increased significantly since initial recognition and at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

5.6 Construction materials

Construction materials are stated at cost or net realizable value, whichever is the lower. The cost of goods is calculated by FIFO method.

Cost comprises both purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable.

5.7 Investments

Investment in associates

Investments in associates are accounting for using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any). And investments in associates are accounted for using the equity method in the consolidated financial statements.

Investments in subsidiaries

Investments in subsidiaries are reported by using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any).

5.8 Investment properties

Investment property is defined as land or a building or part of a building, or both, held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods and services, for administrative purposes, or for making sales in the ordinary course of business.

Investment property of the Group are measured initially at cost. Subsequent to initial recognition, investment property are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

5.9 Land and equipment

Land and assets under construction held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statements of financial position at their historical cost less accumulated impairment losses (if any).

Building and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statements of financial position at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The Group depreciation is calculated on the straight-line method to write off the cost of each asset, except for land and assets under construction, to their residual values over their estimated useful life as follows:

Land improvement	8	Years
Building improvement	5-10	Years
Tools and equipment	2-30	Years
Office equipments and furniture	2-5	Years
Vehicles	5-10	Years

The residual value, the useful life and the depreciation method of an asset will be reviewed at least at each financial year-end.

The gain or loss arising on the disposal or retirement of an item of land and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

5.10 Leases

Where the Group is the lessee

At inception of a contract, the Group assesses that the contract is or contains a lease if the contract conveys to the Group the right to control the use of an identified asset for a period of time in exchange for consideration. The contract that conveys to the Group the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset is treated as the contract conveys the right to control the use of an identified asset.

At the commencement date, The Group recognizes a right-of-use asset and a lease liability for all lease contracts except for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value. The right-of-use asset is measured at cost and the lease liability is measured at the present value of the lease payments that are not paid at that date discounted by using the interest rate implicit in the lease. For the lease payments for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value, the Group recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories (The obligation for those of costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period).

The lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable, the variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, the amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and the payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate the lease. For the variable lease payments not included in the measurement of the lease liability, the Group recognizes as an expense relating to those payments in profit or loss in the period in which the event or condition that triggers those payments occurs.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The Group depreciates the right-of-use assets on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a change in the lease term, there is a change in the assessment of an option to purchase the underlying asset.

The Group re-measures the lease liability by discounting the revised lease payments using an unchanged discount rate when there is a change in the amounts expected to be payable under a residual value guarantee, and there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments (Unless the change in lease payments results from a change in floating interest rates. In that case a revised discount rate that reflects the change in the interest rate is used).

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a lease modification that is not accounted for as a separate lease.

Where the Group is the lessor

The Group classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and classifies a lease as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognizes assets held under a finance lease in its statements of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognizes finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The Group recognizes lease payments from operating leases as income on a straight-line basis and adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the straight-line basis.

5.11 Intangible assets

The Intangible assets that are acquired by the Group, which have finite useful livessuch as computer software, are stated at cost less accumulated amortization and amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives (5 years).

The intangible asset incurred from the recognition of revenue from the construction of the wastewater treatment system. The payment is received in the form of the right to charge for the wastewater treatment system usage; depending on the operator's wastewater treatment volume as stipulated in the service concession arrangement. It is shown in the statements of financial position at cost net of accumulated amortization and allowance for impairment (if any) the straight-line amortization of the service concession arrangement.

5.12 Impairment of non-financial assets

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in. An impairment loss is recognized when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Other intangible assets with indefinite useful lives, and intangible assets not yet available for use, are tested for impairment annually, even though there is no indicator of impairment are identified.

Impairment loss is recognized as expenses in profit or loss immediately.

Calculation of recoverable amount

The recoverable amount is the asset's fair value less cost to sell of asset or the cash-generating unit and its value in use, whichever is higher.

In assessing value in use of an asset, the estimated future cash flows are discounted to their present value which using a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset.

The asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment loss

The loss on impairment of assets excluding goodwill recognized in the prior period will be reversed if the estimation of net realizable value changes since the last impairment loss was recognized. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortization), if no impairment loss had been recognized.

Reversals of impairment loss will be recognized as income in profit or loss immediately.

5.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as an expense in the period in which they are incurred.

5.14 Provision of liabilities

The Group are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. the Group will record the recovered payment as asset separately but the amount so recorded must be more than the amount of related liability estimate and the related expense with the liability estimate will be shown in the statement of income in the net amount after recovered expense already recognized.

5.15 Retirement benefit costs

Defined contribution plan

The Group operates a provident fund which is funded by payments from employees and by the Group. The assets for which are held in a separate trust fund. Contributions to the provident fund are recognized in profit or loss in the period in which they are incurred.

Defined benefit plan

The Group has the employee benefit obligation in case of retirement or termination under the labor law. The Group hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, current service cost and related interest expense. The current service cost and interest expense are recognized in profit or loss. Actuarial gains and losses arising from re-measurement of the employee benefit obligation are recognized in other comprehensive income and transferred in retained earnings, respectively without reclassification of those amounts to profit or loss in a subsequent period.

5.16 Revenue recognition

5.16.1 The Group recognizes revenue from construction of waste water system, revenue from construction supervision, revenue from design and procurement contracts which identified as a single performance obligation satisfied by over time. The Group measures the progress towards complete satisfaction of the performance obligation with the input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion for the satisfaction of that performance obligation.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

5.16.2 Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

5.16.3 Dividends are recognised when the right to receive the dividends is established.

5.16.4 Interest income is calculated using the effective interest method and recognised on an accrual basis.

5.16.5 Other income are recognized on an accrual basis.

5.17 Expenses recognition.

5.17.1 The cost of project construction service related to satisfying performance obligations under the contracts is recognized in the profit and loss when the cost incurred and when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in profit and loss immediately.

5.17.2 Finance costs such as interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

5.17.3 Other expenses are recognized by accrual basis.

5.18 Income tax

Income tax comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

<u>Current income tax</u>

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognizes deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5.19 Basic earnings (loss) per share

5.19.1 Basic earnings (loss) per share is calculated by dividing net profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) with weighted average number of issued and paid-up shares.

5.19.2 Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares in issue during the period plus the weighted average number of common shares which would need to be issued to convert all dilutive potential common shares into common shares. The calculation assumes that such conversion took place either at beginning of the year or on the date the potential common shares were issued.

5.20 Foreign currency transactions

The Group translates foreign currency transactions into Baht using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities at the end of the reporting period denominated in foreign currencies are translated into Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss as incurred.

5.21 The related persons and related companies

The related persons and related companies with the Group meant individuals or enterprises which have the controlling power over the Group or are controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related persons or related companies also meant the associated companies and the persons whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Group, important management, directors or the employees of the Group who have the power to plan and control the operations of the Group including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.

5.22 Segment reporting

The sectoral business operation is disclosed under the separate business sectors of the Group, by the business sector that source products or provide services which have different risks and return from the risks and return of the products or services provide by other business sectors.

5.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:-

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3 Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Inter-transaction with related companies

The Company has business transactions with subsidiary and related entities, which have the same group of shareholders or mutual directors. Such transaction which have been concluded on commercial terms and based agreed up on between the Company and related parties and are in ordinary course of business which can be summarized as follow :-

6.1 Inter-assets and liabilities

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Other current receivables				
Advances to subcontractors				
SUT Global Co.,Ltd.	-	3,369,627.71	-	3,369,627.71
Less Allowance for expected credit loss	-	(3,369,627.71)	-	(3,369,627.71)
Net	-	-	-	-
Accrued interest receivable				
Sahahydro Joint Venture	-	-	633,230.16	107,891.78
SUT Global Co.,Ltd.	-	94,069.96	-	94,069.96
Total	-	94,069.96	633,230.16	201,961.74
Less Allowance for expected credit loss	-	(94,069.96)	-	(94,069.96)
Net	-	-	633,230.16	107,891.78
Other receivables				
Hydrotek-Chaisarit Joint Venture	-	-	-	341,814.85
Hydrotek-Utilities Co., Ltd.	-	-	121,833.76	30,775.54
Hydrotek Supreme Mandalay Co.,Ltd.	-	-	272,411.68	-
Sahahydro Joint Venture	-	-	58,932,269.66	11,318,462.32
Hydro–Rinrat Joint Venture	-	-	52,511,286.19	1,178,260.00
Sahahydro Pathumthani 2 Joint Venture	-	-	200.00	-
Prime Road Power Public Co., Ltd.	37,382.19	29,737.27	37,382.19	29,737.27
SUT Global Co.,Ltd.	-	20,311,525.81	-	20,311,525.81
CFO Co.,Ltd.	150,000.00	150,000.00	150,000.00	150,000.00
Total	187,382.19	20,491,263.08	112,025,383.48	33,360,575.79
Less Allowance for expected credit loss	(150,000.00)	(20,461,525.81)	(10,850,000.00)	(27,833,461.04)
Net	37,382.19	29,737.27	101,175,383.48	5,527,114.75
Total other current receivable	37,382.19	29,737.27	101,808,613.64	5,635,006.53

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Short-term loans to related parties				
Sahahydro Joint Venture				
Beginning balance	-	-	5,004,844.90	-
Loans in during the year	-	-	10,000,000.00	5,004,844.90
Repayment in during the year	-	-	(10,000,000.00)	-
Adjustment in during the year	-	-	(4,844.90)	-
Ending balance	-	-	5,000,000.00	5,004,844.90
Hydro–Rinrat Joint Venture				
Beginning balance	-	-	-	-
Loans in during the year	-	-	16,000,000.00	-
Repayment in during the year	-	-	(16,000,000.00)	-
Ending balance	-	-	-	-
Total	-	-	5,000,000.00	5,004,844.90
Long-term loans to related parties				
SUT Global Co.,Ltd.				
Beginning balance	13,527,636.99	13,527,636.99	13,527,636.99	13,527,636.99
Less Allowance for expected credit loss	-	(13,527,636.99)	-	(13,527,636.99)
Classify long-term loans to other party	(13,527,636.99)	-	(13,527,636.99)	-
Net	-	-	-	-
Other current payables				
Other payables				
Hydro–Rinrat Joint Venture	-	-	1,000,000.00	1,000,000.00
Sahahydro Pathumthani2 Joint Venture	-	-	-	1,000,000.00
Total	-	-	1,000,000.00	2,000,000.00
Accrued expenses				
Directors	-	6,790.00	-	6,790.00
Hydro–Rinrat Joint Venture	-	-	50,718.00	-
Advance payment				
Directors	476,828.94	476,828.94	191,942.50	191,942.50
Deferred income				
Sahahydro Joint Venture	-	-	-	9,489.26

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Accrued interest				
Hydrotek-Chaisarit Joint Venture	-	-	3,334,123.84	3,181,293.06
Sahahydro Joint Venture	-	-	103,494.70	103,494.70
Total other current payables	476,828.94	483,618.94	3,680,279.04	3,493,009.52
Total	476,828.94	483,618.94	4,680,279.04	5,493,009.52
Short-term loans from person and related parties				
Directors				
Beginning balance	-	8,650,000.00	-	8,650,000.00
Additional in during the year	80,000,000.00	1,217,029.53	-	1,217,029.53
Repayment in during the year	(80,000,000.00)	(9,867,029.53)	-	(9,867,029.53)
Ending balance	-	-	-	-
Hydrotek-Chaisarit Joint Venture				
Beginning balance	-	-	17,802,922.36	18,715,052.87
Impact of changes in accounting policy	-	-	-	137,126.95
Opening balance as restated	-	-	17,802,922.36	18,852,179.82
Repayment in during the year	-	-	(906,039.80)	(1,049,257.46)
Ending balance	-	-	16,896,882.56	17,802,922.36
Sahahydro Joint Venture				
Beginning balance	-	-	-	7,500,000.00
Repayment in during the year	-	-	-	(7,500,000.00)
Ending balance	-	-	-	-
Total	-	-	16,896,882.56	17,802,922.36

As at December 31, 2021, short-term loans to related parties was loan in the form of 6 month promissory notes and interest are carried by the rate of 5.47% per annum. (As at December 31, 2020 : 6.97% per annum).

As of December 31, 2021, advances to subcontractors and long-term loans to SUT Global Co.,Ltd., the Company had classified such transactions to unrelated parties transaction. Since the Company sold its investment in SUT Global Co.,Ltd on September 27, 2019 and sold its investment in SUT Hydro Co.,Ltd on November 30, 2021.

As at December 31, 2021, short-term loans from director and related parties is loan in the form of promissory notes, at call and loans agreements with maturity of 6 months and interest are carried by the rate of 0.50%-4.00% per annum. (As at December 31, 2020 : 5.97%-7.25% per annum).

6.2 Inter-revenues and expenses

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Other income				
Hydrotek-Chaisarit Joint Venture	-	-	120,000.00	120,000.00
Sahahydro Joint Venture	-	-	4,920,414.40	6,665,298.57
Hydro–Rinrat Joint Venture	-	-	4,568,748.05	1,107,000.00
Prime Road Power Public Co., Ltd.	453,065.45	29,627.14	453,065.45	29,627.14
Total	453,065.45	29,627.14	10,062,227.90	7,921,925.71
Interest income				
Hydrotek-Chaisarit Joint Venture	-	-	-	204,741.45
Sahahydro Joint Venture	-	-	529,982.73	103,247.42
Hydro–Rinrat Joint Venture	-	-	363,717.54	-
SUT Global Co.,Ltd.	-	94,069.96	-	94,069.96
Total	-	94,069.96	893,700.27	402,058.83
Interest expense				
Hydrotek-Chaisarit Joint Venture	-	-	152,830.68	1,390,119.87
Sahahydro Joint Venture	-	-	-	205,771.85
Director	4,466,301.37	165,334.70	-	165,334.70
Total	4,466,301.37	165,334.70	152,830.68	1,761,226.42

6.3 Management's benefits

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Short-term employee benefits	6,940,590.00	13,954,187.00	6,940,590.00	13,954,187.00
Post-employment benefits	172,334.00	164,182.21	172,334.00	164,182.21
Total	7,112,924.00	14,118,369.21	7,112,924.00	14,118,369.21

6.4 Pricing policies

Transaction	Pricing Policies
Other income	Based on the agreed price
Interest income	Interest rate of 5.47% - 6.97% per annum (2020 : 6.97% per annum)
Interest expense	Interest rate of 0.50% - 4.00% per annum (2020 : 5.97% - 7.25% per annum)

6.5 Nature of relationship

Name	Relationship
Hydrotek-Chaisarit Joint Venture	Shares held by Company
Hydrotek-Utilities Co., Ltd.	Shares held by Company
Hydrotek Supreme Mandalay Co.,Ltd.	Shares held by Company
Sahahydro Joint Venture	Shares held by Company
Hydro–Rinrat Joint Venture	Shares held by Company
Sahahydro Pathumthani2 Joint Venture	Shares held by Company
Prime Road Power Public Co., Ltd.	Common directors
SUT Hydro Co., Ltd.	Associated company with the Company held in 40% of shares (End of associated company as at November 30, 2021)
SUT Global Co., Ltd	Sharesholders in SUT Hydro Co., Ltd.
CFO Co., Ltd.	Shares held by the Company's director in 2020

7. Financial asset and liabilitie

As at December 31, 2021 and 2020, the Group's management assessed the business model used to manage the Company's financial assets and liabilities held by the Group and categorize significant financial assets and liabilities as follows :-

(Unit : Baht)

	Consolidated financial statements	
	Amortised cost	
	As at December 31,	
	2021	2020
Financial assets		
Cash and cash equivalents	67,683,059.66	44,778,099.47
Other current financial assets	-	1,225,905.24
Other current receivables - person and related parties	37,382.19	29,737.27
Trade and other current receivables - other parties	105,817,826.52	112,209,122.49
Contractual assets	87,502,055.01	48,946,587.67
Suspend input vat	4,258,779.88	3,557,513.93
Other non-current financial assets	19,125,804.02	49,676,903.48
Withholding tax deduted at source	16,191,822.00	8,168,060.76
Total	300,616,729.28	268,591,930.31
Financial liabilities		
Bank overdrafts and short-term loans from financial institutions	-	15,359,725.64
Other current payable - person and related parties	476,828.94	483,618.94
Trade and other current payables - other parties	120,215,259.45	156,673,934.30
Contractual liabilities	62,906,054.16	101,642,581.09
Unbilled output tax	1,789,980.95	2,477,284.94
Long-term loan from other party	125,644,786.50	125,644,786.50
Lease liabilities	8,669,788.42	5,308,545.32
Total	319,702,698.42	407,590,476.73

(Unit : Baht)

	Separate financial statements	
	Amortised cost	
	As at December 31,	
	2021	2020
Financial assets		
Cash and cash equivalents	49,224,144.46	36,352,766.89
Other current financial assets	-	1,225,905.24
Other current receivables - person and related parties	101,808,613.64	5,635,006.53
Trade and other current receivables - other parties	32,567,804.99	23,154,501.21
Contractual assets	5,920,373.80	5,644,867.05
Suspend input vat	907,265.86	1,278,577.41
Short-term loan to person and related parties	5,000,000.00	5,004,844.90
Other non-current financial assets	19,125,804.02	49,676,903.48
Withholding tax deducted at source	4,658,564.54	3,816,205.94
Total	219,212,571.31	131,789,578.65
Financial liabilities		
Bank overdrafts and short-term loans from financial institutions	-	15,359,725.64
Other current payable - person and related parties	4,680,279.04	5,493,009.52
Trade and other current payables - other parties	88,029,117.69	105,064,213.78
Contractual liabilities	9,314,934.72	9,226,379.44
Unbilled output tax	1,773,139.51	1,424,528.80
Short-term loan from person and related parties	16,896,882.56	17,802,922.36
Long-term loan from other party	125,644,786.50	125,644,786.50
Lease liabilities	8,182,124.49	5,151,849.84
Total	254,521,264.51	285,167,415.88

8. Supplemental disclosures of cash flow information

8.1 Cash and cash equivalents consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Cash on hand	169,519.95	98,917.97	48,901.06	20,000.00
Saving deposit	54,322,877.03	42,361,390.85	44,121,389.34	36,248,792.13
Current deposit	10,446,747.55	2,317,790.65	2,309,938.93	83,974.76
Fixed deposit	2,743,915.13	-	2,743,915.13	-
Total	67,683,059.66	44,778,099.47	49,224,144.46	36,352,766.89

8.2 Non-cash items is as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31.			
	2021	2020	2021	2020
Right-of-use assets increased from lease liabilities	6,846,102.54	87,299.99	5,576,424.78	87,299.99
Transfer other non-current assets to right-of-use assets	262,216.00	-	262,216.00	-
Purchases of property, plant and equipment which had not yet been paid	120,000.00	-	120,000.00	-
Transfer advance for share capital to shares capital	35,849,770.32	-	35,849,770.32	-
sales of property, plant and equipment which had not yet been received	47,400.00	-	-	-

9. Other current financial assets

As at December 31, 2020, According to consolidated and separated financial statements, total other current financial assets are fixed deposits for 12 months interest rate at 0.20% - 0.30% per annum.

10. Trade and other current receivables-other parties

Outstanding trade receivable-other parties can be aged as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Trade accounts receivable				
Within credit term	620,130.00	14,669,732.60	620,130.00	850,000.00
Overdue over 12 Months	7,289,488.00	7,289,488.00	7,289,488.00	7,289,488.00
Total	7,909,618.00	21,959,220.60	7,909,618.00	8,139,488.00
Less Allowance for expected credit loss	(7,289,488.00)	(7,289,488.00)	(7,289,488.00)	(7,289,488.00)
Net	620,130.00	14,669,732.60	620,130.00	850,000.00
Other receivables	44,728,315.74	46,666,140.71	36,078,242.26	5,705,088.84
Deposit for purchase of goods	76,888,952.06	36,093,602.85	14,901,589.47	14,908,589.47
Advances to subcontractors	20,149,483.31	23,756,464.55	8,441,964.54	5,372,149.18
Advances check	992,160.00	-	992,160.00	-
Total	142,758,911.11	106,515,208.11	60,413,956.27	25,985,827.49
Less Allowance for expected credit loss	(37,561,214.59)	(8,975,818.22)	(28,466,281.28)	(3,681,326.28)
Net	105,197,696.52	97,539,389.89	31,947,674.99	22,304,501.21
Total trade and other receivables	105,817,826.52	112,209,122.49	32,567,804.99	23,154,501.21

The movement of allowance for expected credit loss - trade receivable other parties for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Beginning balance	(7,289,488.00)	(7,198,136.00)	(7,289,488.00)	(7,198,136.00)
Allowance increased during the year	-	(100,096.00)	-	(100,096.00)
Effective from exchange rate	-	8,744.00	-	8,744.00
Ending balance	(7,289,488.00)	(7,289,488.00)	(7,289,488.00)	(7,289,488.00)

The movement of allowance for expected credit loss - other receivable other parties for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Beginning balance	(8,975,818.22)	(3,681,326.28)	(3,681,326.28)	(3,681,326.28)
Allowance increased during the year	(4,904,242.85)	(5,294,491.94)	(1,103,801.48)	-
Classify from other current receivable from related party	(23,681,153.52)	-	(23,681,153.52)	-
Ending balance	(37,561,214.59)	(8,975,818.22)	(28,466,281.28)	(3,681,326.28)

11. Contract assets / Contract liabilities

11.1 Contract balances

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Contract assets				
Unbilled receivables	80,301,671.21	69,441,429.18	34,278,774.80	34,003,268.05
Retention receivables	35,558,784.80	7,863,559.49	-	-
Total contract assets	115,860,456.01	77,304,988.67	34,278,774.80	34,003,268.05
Less Allowance for expected credit loss	(28,358,401.00)	(28,358,401.00)	(28,358,401.00)	(28,358,401.00)
Total contract assets - net	87,502,055.01	48,946,587.67	5,920,373.80	5,644,867.05
Less Contract assets-non current	(17,586,404.14)	-	-	-
Net	69,915,650.87	48,946,587.67	5,920,373.80	5,644,867.05
Contract liabilities				
Construction revenue received in advance	88,555.28	-	88,555.28	-
Advance received from employers	62,817,498.88	101,642,581.09	9,226,379.44	9,226,379.44
Total contract liabilities	62,906,054.16	101,642,581.09	9,314,934.72	9,226,379.44

As at December 31, 2021 and 2020, retention receivables consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Current assets	17,972,230.66	7,863,559.49	-	-
Non-current assets	17,586,404.14	-	-	-
Total	35,558,784.80	7,863,559.49	-	-

11.2 Revenue recognised in relation to contract balances

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Revenue recognised that was included in contract liabilities at the beginning of the year	38,736,526.93	-	-	-
Revenue recognised from changes in variable considerations of performance obligations satisfied in previous years	-	-	-	-

11.3 Revenue to be recognised for the remaining performance obligations

As at December 31, 2021, the Group revenue totalling amount of Baht 293.34 million (2020 : Baht 582.43 million) and separate financial statements totaling amount of Baht 1.29 million (2020 : Baht 11.49 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied). The Group expects to satisfy these performance obligations within 1-2 years (2020: 1-2 years).

11.4 Contract assets - unbilled receivables

As at December 31, 2021, the balances of unbilled receivables amounted in consolidated financial statements to approximately amount of Baht 51.94 million and separate financial statements to approximately amount of Baht 5.92 million is expected to bill with customers within 1 year (2020 : the balances of unbilled receivables amounted to approximately amount of Baht 41.08 million and separate financial statements approximately a mount of Baht 5.64 million is expected to bill with customers within 1 year).

12. Loans to other party

Consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Short-term loans				
Beginning balance	-	-	-	-
Loans during the year	500,000.00	-	500,000.00	-
Less Allowance for expected credit loss	(500,000.00)	-	(500,000.00)	-
Ending balance	-	-	-	-
Long-term loans				
Beginning balance	-	-	-	-
Classify from long-term loan from related party	13,527,636.99	-	13,527,636.99	-
Less Allowance for expected credit loss	(13,527,636.99)	-	(13,527,636.99)	-
Ending balance	-	-	-	-

As at December 31, 2021, short-term loans to other party (subcontractor) is loan in from of agreement, which has interest rate of 5.47% per annum.

As at December 31, 2021, long-term loans is loans to SUT Co.,Ltd, which former was a subsidiary of the Company. The loan agreement period is carried 10 years and the interest rate of 8.50% per annum. The repayment must be paid interest and principle every 3 mounth. The principal paid the first installment in March 2025 and the last installment in December 2029. The Company has recognized an allowance for expected credit losses for the whole amount.

The movement of allowance for expected credit loss - short-term loans to other party for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Beginning balance	-	-	-	-
Allowance increased during the year	(500,000.00)	-	(500,000.00)	-
Ending balance	(500,000.00)	-	(500,000.00)	-

13. Non-current assest or disposal asset group classified as held for sale

The Board of Directors' Meeting No.4/2020, held on 10 April 2020, resolved to sell land with a book value amount of Bant 11.50 million to a third party o use as working capital in business operations. In May 2020, the Company entered into an sale agreement with an unrelated third party ("the buyer") to sell 2 plots of land with the area of 400 square wah at the price of Baht 20.00 million. The buyer has paid a deposit to the Company on the contract date of Baht 4.00 milllion and the remaining amount of Baht 16.00 million, the buyer agrees to pay on the date of transfer of ownership of the land within June 2020. The Company agrees to complete the transfer of all buildings and equipment prior to the registration of land ownership transfer. As at December 31, 2020, the Company in the process of releasing the mortgaged of land used as collateral with financial institutions. As a result, the Company classified such land as non-current asset as held for sale. Currently, the Company has already transferred ownership of land and has profit from disposal of land amount of Baht 7.46 million.

14. Other non-current financial assets

As at December 31, 2021 other non-current financial assets deposit at bank in amount of Baht 1.58 million (As at December 31, 2020 : Baht 1.58 million) of the Group has pledged to the Electricity Generating Authority of Thailand (EGAT) as the guarantee for the construction work under Idreco S.P.A. Co.,Ltd. and Idreco Asia Corporation Ltd. since 1991. The said amount of bank deposit is not yet cleared of the obligation and the Group has not yet redeemed the said bank deposit since the Electricity Generating Authority of Thailand (EGAT) has sued for the compensation from Idreco S.P.A. Co.,Ltd. Now the lawsuit is ended, The Company is in the process of detach the guarantee from the bank. As at December 31, 2021 the Group has additionally pledged the remaining amount of Baht 17.55 million (As at December 31, 2020 : Baht 48.10 million) as the collateral against the issuance of the letter of guarantee from a commercial bank for the construction project and guarantee against the short-term loan granted by a commercial bank as mentioned in note to financial statements No. 37.2.

15. Investment in associate

The nature and carrying value of investment in associate can be summarized as follows:-

(Unit : Thousand Baht)

Name of Company	Nature of business	Country of incorporation	Paid-up capital		% of holding		Equity Method		Cost Method	
			As at December 31,		As at December 31,		As at December 31,		As at December 31,	
			2021	2020	2021	2020	2021	2020	2021	2020
SUT Hydro Co., Ltd.	Service of treatment wastewater	Thailand	-	1,000	-	40.00	-	-	-	400
Less Allowance for impairment									-	(400)
Net									-	-

The financial information of the associated can be summarized as follows:-

(Unit : Baht)

	For the nine-month period ended September 30, 2021	For the year ended December 31, 2020
Revenues	-	856,047.83
Profit (loss) from continuous operation	(35,636.00)	521,984.06
Other comprehensive income	-	-
Total comprehensive income	(35,636.00)	521,984.06

	As at	
	September 30, 2021	December 31, 2020
Current assets	116,391.58	52,386.62
Non-current assets	-	64,004.96
Current liabilities	(268,822.00)	(233,186.00)
Non-current liabilities	-	-
Net Assets	(152,430.42)	(116,794.42)

The movement of allowance for impairment investment in associates for the years ended December 31, 2021 and 2020 was as follows: -

(Unit : Baht)

	Separate financial statements	
	For the year ended December 31,	
	2021	2020
Beginning balance	(400,000.00)	(400,000.00)
Reversal during the year	(400,000.00)	-
Ending balance	-	(400,000.00)

The reconciliations of each financial information with book value that record by equity method in consolidated financial statements as follows :-

(Unit : Baht)

	As at	
	September 30, 2021	December 31, 2020
Net Assets	(152,430.42)	(116,794.42)
Equity of the Group	40%	40%
Share in net assets of the Group	(60,972.17)	(46,717.77)
Adjustment for equity method		
Impairment loss on investment	-	-
Unrecognised share of profit and loss	(14,254.40)	(46,717.77)
Book value for equity method	-	-

In according with minute of the Company's board of directors meeting No. 11/2021, dated on October 4, 2021, has resolution to approve of the Company to dispose ordinary shares of SUT Hydro Co., Ltd. (the associated company) amount of 4,000 shares with a par value of Bath 10.00 per share, equivalent to amount of Baht 40,000 to SUT Global Co., Ltd., which sold and transferred on November 30, 2021. However, SUT Hydro Co.,Ltd. has important financial information until September 30, 2021. There was no significant transaction up to the date of the sold of ordinary shares.

16. Investment in subsidiaries

The composition of the Group in the consolidated financial statements and the carrying value of investment in subsidiaries in the separate financial statements can be summarized as follows:-

(Unit : Thousand Baht)

Name of Company	Paid-up capital(Thousand Baht)		% of holding		Cost Method		Dividened	
							For the year ended	
	As at December 31		As at December 31		As at December 31		December 31,	
	2021	2020	2021	2020	2021	2020	2021	2020
Subsidiaries don't having non-controlling interests								
Hydrotek-Chaisarit Joint Venture *	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Hydrotek Utilities Co., Ltd.	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Sahahydro Joint Venture **	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Sahahydro Pathumthani 2 Joint Venture****	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Hydro–Rinrat Joint Venture*****	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Total					5,000	5,000	-	-
(Less) Allowance for impairment					(1,000)	(1,000)	-	-
Net					4,000	4,000	-	-

(Unit : Thousand Baht)

Name of Company	Paid-up capital(USD)		% of holding		Cost Method		Dividened	
							For the year ended	
	As at December 31		As at December 31		As at December 31		December 31,	
	2021	2020	2021	2020	2021	2020	2021	2020
Subsidiaries having immaterial non-controlling interests								
Hydrotek Supreme Mandalay Co.,Ltd. ***	281,250	281,250	80.00	80.00	16,262	16,262	-	-
(Less) Allowance for impairment					(16,262)	(16,262)	-	-
Net					-	-	-	-

*October, 2014, the first amendment to the agreement has been entered into, which both parties agreed to, Hydrotek would be solely responsible for the operation of the said joint venture. Thus, Hydrotek Public Company Limited is the sole venturer in Hydrotek-Chaisarit joint venture with the 100. 00% shareholding.

**July, 2018, the first amendment to the agreement has been entered into, which both parties agreed to, Hydrotek would be solely responsible for the operation of the said joint venture. Thus, Hydrotek Public Company Limited is the sole venturer in Sahahydro Joint Venture with the 100.00% shareholding.

***July, 2015, the Company has incorporated Hydrotek Supreme Mandalay Co., Ltd. in Republic of the Union of Myanmar. The Company holds 80% of the registered capital of USD 500,000. 00. This company has been incorporated to obtain permit for the investment to construct the waste water treatment plant and waste collection system in Mandalay industrial zone.

****October 2020, the first amendment to the agreement has been entered into, which both parties agreed to, Hydrotek would be solely responsible for the operation of the said joint venture. Thus, Hydrotek Public Company Limited is the sole venturer in Sahahydro Pathumthani2 joint venture with the 100.00% shareholding.

*****January 2021, the first amendment to the agreement has been entered into, which both parties agreed to, Hydrotek would be solely responsible for the operation of the said joint venture. Thus, Hydrotek Public Company Limited is the sole venturer in Hydro–Rinrat joint venture with the 100.00% shareholding.

17. Receivables under the concession agreement

During October 2015, the Mandalay Region Government, Mandalay City Development Committee (MCDC) has signed the concession agreement granting Hydrotek Supreme Mandalay Co., Ltd. the concession in operating Mandalay Industrial Zone Central Wastewater Treatment Plant and Collecting System Project (CWWTP) by construct the said project within 2 years from the date the approval has been granted from MCDC to commence the construction on the land provided by MCDC (excluding the extension of the construction period, if any) and provide waste water treatment service in exchange of the right to collect service fee from the customers of the said industrial zone for the period of 30 years (the term can be extended for 10 years at a time for not more than 2 times). Furthermore, MCDC shall pay the compensation to the subsidiary if the said operator's wastewater treatment volume is less than the level specified in the service concession arrangement. The said service concession arrangement also stipulated that at the end of the service concession arrangement term, the subsidiary shall transfer the asset ownership of the said project to MCDC without receiving any payment. The Group has recognized one portion of the compensations that the subsidiary received from the construction of the wastewater treatment system under the said service concession arrangement to financial asset and another portion in amount of Baht 4.95 million is recognized as intangible assets under the consolidated financial statements.

In 2019, the Company recognized the entire amount of allowance for expected credit loss of receivables under the concession agreements and loss from impairment of intangible assets under the said concession, including the investment in Hydrotek Supreme Mandalay Co., Ltd. (a subsidiary) Because of the total quality of wastewater outlet from the Mandalay industrial Zone was significant higher when compared

with agreement in the contract. In order to deal with this issue, land requirement and wastewater tariff will be significantly increased. However, MCDC could not either provide additional land area and accept for increasing of wastewater tariff. In case that subsidiary need to continue this project with the same condition in the contract, the return will not be worth. Therefore both parties have a plan to terminate the concession agreement and each others will be agree to no claim any damages agaisnt. At present, the subsidiary has drafted the notice for termination agreement with MCDC. However, the coronavirus disease 2019 pandemic cause both of them to be unable to complete the signing.

18. Investments property

Consisted of:-

(Unit : Baht)

	Consolidated/Separate financial statements	
	2021	2020
Cost:-		
As at January 1,	3,000,000.00	3,000,000.00
Purchase	-	-
As at December 31,	3,000,000.00	3,000,000.00
Allowance for impairment : -		
As at January 1,	(819,250.00)	(26,250.00)
Increase	-	(793,000.00)
As at December 31,	(819,250.00)	(819,250.00)
Net book value :-		
As at December 31,	2,180,750.00	2,180,750.00

As at December 31, 2021 and 2020, the fair value of investment property is amount of Baht 2.18 million which is in accordance the valuation report dated on January 2020. The independent appraiser (Agency for Real Estate Affairs Co., Ltd.) appraises the value of land by applying the market price comparison approach (based on the highest and best use principle) by using the bid price of other land having similar characteristic with the land of Company. The fair value of investment property is hierarchical level 2.

19. Land and equipment

Consisted of:-

(Unit : Baht)

	Consolidated financial statements								
	Land	Land improvement	Building improvement	Tools and equipments	Office equipments and furniture	Vehicles	Construction in progress	Asset during installation	Total
Cost:-									
As at January 1, 2020	11,500,000.00	250,000.00	84,960.00	48,067,531.73	6,392,833.29	9,159,073.36	-	-	75,454,398.38
Purchase	-	-	-	-	213,583.18	-	186,915.89	-	400,499.07
Sales/Written-off	-	-	-	(8,300.00)	(273,639.82)	-	-	-	(281,939.82)
Transfer to asset held for sale	(11,500,000.00)	-	-	-	-	-	-	-	(11,500,000.00)
As at December 31, 2020	-	250,000.00	84,960.00	48,059,231.73	6,332,776.65	9,159,073.36	186,915.89	-	64,072,957.63
Purchase	-	-	-	2,695,189.03	790,850.10	-	-	878,504.67	4,364,543.80
Transfer in	-	-	186,915.89	878,504.67	-	-	-	-	1,065,420.56
Sale/Written-off	-	(250,000.00)	-	(12,000.00)	(273,387.81)	-	-	-	(535,387.81)
Transfer out	-	-	-	-	-	-	(186,915.89)	(878,504.67)	(1,065,420.56)
As at December 31, 2021	-	-	271,875.89	51,620,925.43	6,850,238.94	9,159,073.36	-	-	67,902,113.62
Accumulated depreciation:-									
As at January 1, 2020	-	(33,606.87)	(19,878.08)	(7,287,663.20)	(5,829,846.38)	(5,879,612.02)	-	-	(19,050,606.55)
Depreciation for the year	-	(31,212.50)	(16,991.80)	(504,078.47)	(265,372.58)	-	-	-	(817,655.35)
Sale/Written-off	-	-	-	8,200.00	250,096.38	-	-	-	258,296.38
As at December 31, 2020	-	(64,819.37)	(36,869.88)	(7,783,541.67)	(5,845,122.58)	(5,879,612.02)	-	-	(19,609,965.52)
Depreciation for the year	-	(2,308.77)	(53,657.84)	(1,443,378.81)	(167,854.53)	-	-	-	(1,667,199.24)
Sale/Written-off	-	67,128.14	-	1,242.64	140,829.37	-	-	-	209,200.15
As at December 31, 2021	-	-	(90,527.72)	(9,225,677.84)	(5,872,147.74)	(5,879,612.02)	-	-	(21,067,964.61)
Allowance for impairment :-									
As at January 1, 2020	-	-	-	(22,439,069.89)	-	-	-	-	(22,439,069.89)
Addition during the year	-	-	-	(2,451,610.41)	-	-	-	-	(2,451,610.41)
As at December 31, 2020	-	-	-	(24,890,680.30)	-	-	-	-	(24,890,680.30)
As at December 31, 2021	-	-	-	(24,890,680.30)	-	-	-	-	(24,890,680.30)
Book value net :-									
As at December 31, 2020	-	185,180.63	48,090.12	15,385,009.76	487,654.07	3,279,461.34	186,915.89	-	19,572,311.81
As at December 31, 2021	-	-	181,348.17	17,504,568.00	978,091.20	3,279,461.34	-	-	21,943,468.71
The depreciation in profit or loss									
For the year ended December 31, 2020									817,655.35
For the year ended December 31, 2021									1,667,199.24

(Unit : Baht)

	Separate financial statements								
	Land	Land improvement	Building improvement	Tools and equipments	Office equipments and furniture	Vehicles	Construction in progress	Asset during installation	Total
Cost:-									
As at January 1, 2020	11,500,000.00	250,000.00	84,960.00	48,003,933.37	6,058,848.47	9,159,073.36	-	-	75,056,815.20
Purchase	-	-	-	-	206,083.18	-	186,915.89	-	392,999.07
Sales/Written-off	-	-	-	(8,300.00)	(242,699.82)	-	-	-	(250,999.82)
Transfer to asset held for sale	(11,500,000.00)	-	-	-	-	-	-	-	(11,500,000.00)
As at December 31, 2020	-	250,000.00	84,960.00	47,995,633.37	6,022,231.83	9,159,073.36	186,915.89	-	63,698,814.45
Purchase	-	-	-	2,470,989.03	660,407.38	-	-	878,504.67	4,009,901.08
Transfer in	-	-	186,915.89	878,504.67	-	-	-	-	1,065,420.56
Sale/Written-off	-	(250,000.00)	-	-	(225,987.81)	-	-	-	(475,987.81)
Transfer out	-	-	-	-	-	-	(186,915.89)	(878,504.67)	(1,065,420.56)
As at December 31, 2021	-	-	271,875.89	51,345,127.07	6,456,651.40	9,159,073.36	-	-	67,232,727.72
Accumulated depreciation:-									
As at January 1, 2020	-	(33,606.87)	(19,878.08)	(7,387,145.36)	(5,435,915.67)	(5,879,612.02)	-	-	(18,756,158.00)
Depreciation for the year	-	(31,212.50)	(16,991.80)	(527,121.11)	(232,926.66)	-	-	-	(808,252.07)
Sale/Written-off	-	-	-	8,200.00	220,859.38	-	-	-	229,059.38
As at December 31, 2020	-	(64,819.37)	(36,869.88)	(7,906,066.47)	(5,447,982.95)	(5,879,612.02)	-	-	(19,335,350.69)
Depreciation for the year	-	(2,308.77)	(53,657.84)	(1,411,946.50)	(152,949.81)	-	-	-	(1,620,862.92)
Sale/Written-off	-	67,128.14	-	-	140,699.51	-	-	-	207,827.65
As at December 31, 2021	-	-	(90,527.72)	(10,358,468.04)	(5,460,233.25)	(5,879,612.02)	-	-	(20,748,385.96)
Allowance for impairment :-									
As at January 1, 2020	-	-	-	(22,439,069.89)	-	-	-	-	(22,439,069.89)
Increase	-	-	-	(2,451,610.41)	-	-	-	-	(2,451,610.41)
As at December 31, 2020				(24,890,680.30)	-	-	-	-	(24,890,680.30)
As at December 31, 2021	-	-	-	(24,890,680.30)	-	-	-	-	(24,890,680.30)
Book value net :-									
As at December 31, 2020	-	185,180.63	48,090.12	15,198,886.60	574,248.88	3,279,461.34	186,915.89	-	19,472,783.46
As at December 31, 2021	-	-	181,348.17	17,136,433.80	996,418.15	3,279,461.34	-	-	21,593,661.46
The depreciation in profit or loss									
For the year ended December 31, 2020									808,252.07
For the year ended December 31, 2021									1,620,862.92

As at December 31, 2021, certain equipment of the Group and the Company have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 17.30 million and amount of Baht 17.29 million respectively.

20. Right-of-use assets

Consisted of:-

(Unit : Baht)

	Consolidated financial statements				
	Land	Building	Office equipments	Vehicles	Total
Cost :-					
As at January 1, 2020	49,961.41	4,284,270.10	210,283.53	657,194.04	5,201,709.08
Increase in right-of-use assets	2,765,433.07	1,008,775.48	42,740.42	2,619,457.92	6,436,406.89
Reduce the lease period	-	(2,882,871.57)	-	-	(2,882,871.57)
As at December 31, 2020	2,815,394.48	2,410,174.01	253,023.95	3,276,651.96	8,755,244.40
Increase in right-of-use assets	-	5,855,018.92	-	1,253,299.62	7,108,318.54
As at December 31, 2021	2,815,394.48	8,265,192.93	253,023.95	4,529,951.58	15,863,562.94
Accumulated depreciation :-					
As at January 1, 2020	-	-	-	-	-
Depreciation for the year	(65,104.51)	(1,401,897.36)	(101,650.36)	(1,018,567.50)	(2,587,219.73)
As at December 31, 2020	(65,104.51)	(1,401,897.36)	(101,650.36)	(1,018,567.50)	(2,587,219.73)
Depreciation for the year	(110,544.62)	(2,212,808.58)	(95,890.92)	(1,318,420.18)	(3,737,664.30)
As at December 31, 2021	(175,649.13)	(3,614,705.94)	(197,541.28)	(2,336,987.68)	(6,324,884.03)
Book value :-					
As at December 31, 2020	2,750,289.97	1,008,276.65	151,373.59	2,258,084.46	6,168,024.67
As at December 31, 2021	2,639,745.35	4,650,486.99	55,482.67	2,192,963.90	9,538,678.91
Depreciation was show in profit or loss for the year :-					
Ended on December 31, 2020					2,587,219.73
Ended on December 31, 2021					3,737,664.30

(Unit : Baht)

	Separate financial statements				
	Land	Building	Office equipments	Vehicles	Total
Cost :-					
As at January1, 2020	-	4,088,733.35	210,283.53	-	4,299,016.88
Increase in right-of-use assets	2,765,433.07	830,498.31	42,740.43	2,619,457.92	6,258,129.73
Reduce the lease period	-	(2,882,871.56)	-	-	(2,882,871.56)
As at December 31, 2020	2,765,433.07	2,036,360.10	253,023.96	2,619,457.92	7,674,275.05
Increase in right-of-use assets	-	5,809,640.78	-	29,000.00	5,838,640.78
As at December 31, 2021	2,765,433.07	7,846,000.88	253,023.96	2,648,457.92	13,512,915.83
Accumulated depreciation :-					
As at January1, 2020	-	-	-	-	-
Depreciation for the year	(15,143.10)	(1,183,891.80)	(101,650.37)	(361,373.46)	(1,662,058.73)
As at December 31, 2020	(15,143.10)	(1,183,891.80)	(101,650.37)	(361,373.46)	(1,662,058.73)
Depreciation for the year	(110,544.62)	(2,078,364.00)	(95,890.92)	(499,978.12)	(2,784,777.66)
As at December 31, 2021	(125,687.72)	(3,262,255.80)	(197,541.29)	(861,351.58)	(4,446,836.39)
Book value :-					
As at December 31, 2020	2,750,289.97	852,468.30	151,373.59	2,258,084.46	6,012,216.32
As at December 31, 2021	2,639,745.35	4,583,745.08	55,482.67	1,787,106.34	9,066,079.44
Depreciation was show in profit or loss for the year :-					
Ended on December 31, 2020					1,662,058.73
Ended on December 31, 2021					2,784,777.66

21. Intangible assets

Consisted of:-

(Unit : Baht)

	Consolidated financial statements		
	Computer software	Rights under the concession agreement	Total
Cost :-			
As at January 1, 2020	3,757,887.78	113,553,698.48	117,311,586.26
Purchase	126,430.00	-	126,430.00
As at December 31, 2020	3,884,317.78	113,553,698.48	117,438,016.26
As at December 31, 2021	3,884,317.78	113,553,698.48	117,438,016.26
Accumulated amortization :-			
As at January 1, 2020	(3,404,195.74)	-	(3,404,195.74)
Amortization for the year	(106,095.36)	-	(106,095.36)
As at December 31, 2020	(3,510,291.10)	-	(3,510,291.10)
Amortization for the year	(74,637.56)	-	(74,637.56)
As at December 31, 2021	(3,584,928.66)	-	(3,584,928.66)
Allowance for impairment :-			
As at January 1, 2020	-	(4,957,659.96)	(4,957,659.96)
As at December 31, 2020	-	(4,957,659.96)	(4,957,659.96)
As at December 31, 2021	-	(4,957,659.96)	(4,957,659.96)
Net book value :-			
As at December 31, 2020	374,026.68	108,596,038.52	108,970,065.20
As at December 31, 2021	299,389.12	108,596,038.52	108,895,427.64

Amortization was shown in profit or loss the year :-

Ended on December 31, 2020	106,095.36
Ended on December 31, 2021	74,637.56

(Unit : Baht)

	Separate financial statements		
	Computer software	Rights under the concession agreement	Total
Cost :-			
As at January 1, 2020	3,357,280.56	108,596,038.52	111,953,319.08
Purchase	126,430.00	-	126,430.00
As at December 31, 2020	3,483,710.56	108,596,038.52	112,079,749.08
As at December 31, 2021	3,483,710.56	108,596,038.52	112,079,749.08
Accumulated amortization :-			
As at January 1, 2020	(3,077,193.91)	-	(3,077,193.91)
Amortization for the year	(86,040.55)	-	(86,040.55)
As at December 31, 2020	(3,163,234.46)	-	(3,163,234.46)
Amortization for the year	(54,637.54)	-	(54,637.54)
As at December 31, 2021	(3,217,872.00)	-	(3,217,872.00)
Net book value :			
As at December 31, 2020	320,476.10	108,596,038.52	108,916,514.62
As at December 31, 2021	265,838.56	108,596,038.52	108,861,877.08
Amortization was shown in profit or loss the year :-			
Ended on December 31, 2020			86,040.55
Ended on December 31, 2021			54,637.54

During the year 2015, the Company entered into an agreement with a Tambon government sector for the construction of the water treatment plant and distribution of the tap water to water consumers in municipal area for the period of 9 years. Afterward, in January 2019, the Ministry of Natural Resources and Environment entered into the concession agreement for water distribution. It awarded an agreement to Hydrotek Public Company Limited with the commitment to construct the water treatment plant within 24 month from the date the permission has been granted by the Ministry of Natural Resources and Environment, and distribute the tap water to the water consumers in the concession area, which the water tariffs can be charged at the rate stipulated in the said concession agreement, for the period of 25 years. Furthermore, the said concession agreement included the additional conditions for the government sectors to have the option to purchase the entire water supply business from the Company when the concession term expired. The Group Companies recognized the compensation that the Company received from the construction of the water treatment plant under the said concession agreement as intangible asset in the financial statements amounting to Baht 108.60 million. Currently, project is still in progress.

22. Bank overdrafts and short-term loans from financial institution

Consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Bank overdrafts	-	15,359,725.64	-	15,359,725.64
Total	-	15,359,725.64	-	15,359,725.64

As at December 31, 2021, the Group held bank overdraft and short–term loans from financial institutions amounting of Baht 20.00 million. Interest rate is MOR, MLR per annum.

Such credit line of bank overdrafts from financial institutions are secured by bank deposits described in note to financial statements No.14 land and buildings described in note to financial statements No.19.

23. Trade and other current payables-other parties

Consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Trade accounts payable	38,566,237.05	65,234,137.99	13,378,249.05	21,572,295.89
Other payables	7,027,980.68	7,584,079.39	3,289,827.79	2,918,065.58
Retention payables	15,879,419.61	29,165,194.95	12,619,855.00	25,883,330.34
Advances received	-	4,000,000.00	-	4,000,000.00
Post dated cheques	333,411.42	-	333,411.42	-
Accrued interest	58,407,774.43	49,568,595.78	58,407,774.43	49,568,595.78
Others	436.26	1,121,926.19	-	1,121,926.19
Total	120,215,259.45	156,673,934.30	88,029,117.69	105,064,213.78

24. Provision for warranty

As at December 31, 2021 and 2020 the provision has been recognized for expected warranty claims on construction contracts.The Group is expected that the majority of this expenditure will be incurred in the next financial year, and all will be incurred within 1-2 years of statements of financial position date.

The movement of provision for warranty for the year ended December 31, 2021 and 2020, are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
As at January 1,	2,914,809.76	4,206,457.42	2,914,809.76	4,206,457.42
Increase during the year	-	2,254,813.96	-	2,254,813.96
Utilized during the year	(197,470.13)	(1,553,887.53)	(197,470.13)	(1,553,887.53)
Unused amount reversed during the year	(2,137,045.80)	(1,992,574.09)	(2,137,045.80)	(1,992,574.09)
As at December 31,	580,293.83	2,914,809.76	580,293.83	2,914,809.76

Provision for warranty consisted of :-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Current liabilities	580,293.83	1,000,000.00	580,293.83	1,000,000.00
Non-current liabilities	-	1,914,809.76	-	1,914,809.76
Total	580,293.83	2,914,809.76	580,293.83	2,914,809.76

25. Lease liabilities

Changes in the lease liabilities are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Lease liabilities at the beginning of year	5,308,545.32	5,201,709.08	5,151,849.84	4,299,016.88
Increase contract during the year	6,846,102.54	2,782,807.85	5,576,424.78	2,604,530.68
Repayment during the year	(3,484,859.44)	(2,675,971.61)	(2,546,150.13)	(1,751,697.72)
Lease liabilities at the end of year	8,669,788.42	5,308,545.32	8,182,124.49	5,151,849.84

A maturity analysis of lease payment are as follows:-

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	As at December 31, 2021					
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	3,048,356.90	(379,930.76)	2,668,426.14	2,552,883.20	(372,120.99)	2,180,762.21
Later than 1 year but not later than 5 years	4,225,281.66	(716,538.35)	3,508,743.31	4,225,281.66	(716,538.35)	3,508,743.31
Later than 5 year	4,107,859.98	(1,615,241.01)	2,492,618.97	4,107,859.98	(1,615,241.01)	2,492,618.97
Total	11,381,498.54	(2,577,379.75)	8,669,788.42	10,886,024.84	(2,703,900.35)	8,182,124.49

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	As at December 31, 2020					
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	1,840,712.95	(219,648.79)	1,621,064.16	1,701,765.55	(214,396.36)	1,487,369.19
Later than 1 year but not later than 5 years	1,758,491.93	(601,444.49)	1,157,047.44	1,735,334.03	(601,287.10)	1,134,046.93
Later than 5 year	4,286,720.19	(1,756,286.47)	2,530,433.72	4,286,720.19	(1,756,286.47)	2,530,433.72
Total	7,885,925.07	(2,577,379.75)	5,308,545.32	7,723,819.77	(2,571,969.93)	5,151,849.84

The Group and the Company has entered into the contract of leases with several lessor companies so as to lease land, buildings, vehicles and office equipment. The leased contracts determine leased fee repayment as monthly installment from Baht 2,500.00 to Baht 142,680.00 per month. The leased period is carried 1-4 years and Baht 155,530.62 per year. The leased period is carried 25 years.

For the year ended December 31, 2021 for transactions relates to lease are as follows :-

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
	For the year ended December 31,	
	2021	2020
Finance cost relating to leases	351,887.55	299,649.46
Cash out flow for leases	3,836,746.99	2,845,799.59

26. Long-term loans from other party

Consisted of :-

(Unit : Baht)

	Consolidated/Separate financial statements	
	As at December 31,	
	2021	2020
Long-term loans	125,644,786.50	125,644,786.50
Less Current portion of debt due through in one year.	-	-
Net	125,644,786.50	125,644,786.50

Long-term loans from financial institutions – minimum payments:-

(Unit : Baht)

	Consolidated/Separate financial statements	
	As at December 31,	
	2021	2020
Within 1 years	-	-
Within 2 years to 5 years	125,644,786.50	125,644,786.50
Total	125,644,786.50	125,644,786.50

As at December 31, 2021 and 2020, the whole amount was long term loans due to Yunnan Water (Hong Kong) Company Limited, which was incorporated in Hong Kong, in order to construct water treatment project in Chiangmai province. The interest was charged at 6.75% per annum, an annually repayment for 5 years from commercial operation date. Furthermore, such loan agreement granted the option to Yunnan Water (Hong Kong) Company Limited, to convert the loan to investment in 49% of the registered share capital of Hydrotek Utility Co., Ltd., a subsidiary, that will provide water management service when the construction of such project is completed and both parties will jointly control the Subsidiary.

27. Employee benefit obligations

Changes in the present value of the employee benefit obligation in case of retirement or termination under the labor law for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated/Separate financial statements	
	2021	2020
As at January 1,	4,654,381.40	4,857,599.04
Current service cost	616,554.64	818,511.91
Interest cost	45,270.00	69,674.11
Actuarial losses arising from change in financial assumption	-	95,139.30
Actuarial gains arising from change in experience adjustment	-	(1,186,542.96)
Benefit obligation paid	(917,439.33)	-
As at December 31,	4,398,766.71	4,654,381.40

Principal actuarial assumptions as at December 31, 2021 and 2020 are as follows:-

	Consolidated/Separate financial statements	
	2021	2020
Discount rate at end of year	1.09%	1.09%
Future salary growth	4.00%	4.00%
Proportion of employees opting for early retirement	3.82% - 45.84%	3.82% - 45.84%

Changes in the actuarial assumption as at December 31, 2021 and 2020 are will affect to the employee benefit obligation as follows:-

(Unit : Baht)

	Consolidated/Separate financial statements
	As at December 31, 2020
Discount rate increase 1%	(233,711.61)
Discount rate decrease 1%	256,773.27
Future salary growth increase 1%	236,158.55
Future salary growth decrease 1%	(219,722.89)
Employees turnover increase 20%	(268,151.06)
Employees turnover decrease 20%	318,104.65

Currently, the Group has been evaluating employee benefit oblingation.

28. Share capital

	Number of shares	Amount
	(Unit : Share)	(Unit : Baht)
Registered share capital (Baht 1.00 per share)		
As at January 1, 2020	1,197,077,359	1,197,077,359.00
Reduction of capital	(313,987,504)	(313,987,504.00)
Increment of capital	784,968,760	784,968,760.00
As at December 31, 2020	1,668,058,615	1,668,058,615.00
Reduction of capital	(33,487,136)	(33,487,136.00)
Increment of capital	768,227,679	768,227,679.00
As at December 31, 2021	2,402,799,158	2,402,799,158.00

	Number of shares (Unit : Shares)	Ordinary shares (Unit : Baht)	Premium on ordinary share (Unit : Baht)	Discount on ordinary share (Unit : Baht)	Total (Unit : Baht)
Paid-up capital (Baht 1.00 per share)					
As at January 1, 2020	784,968,760	784,968,760.00	141,376,373.77	-	926,345,133.77
Increment of capital	495,416,810	495,416,810.00	-	(426,058,456.60)	69,358,353.40
Expenses concerning of ordinary shares	-	-	-	(360,000.00)	(360,000.00)
As at December 31, 2020	1,280,385,570	1,280,385,570.00	141,376,373.77	(426,418,456.60)	995,343,487.17
Increment of capital	1,024,297,467	1,024,297,467.00	-	(850,166,714.46)	174,130,752.54
As at December 31, 2021	2,304,683,037	2,304,683,037.00	141,376,373.77	(1,276,585,171.06)	1,169,474,239.71

The Board of Directors meeting No.2/2020 held on January 31, 2020, has approved the allocation for newly issued ordinary shares by general mandate as follows:-

- To allocate the newly-issued ordinary shares not exceeding 156,993,752 shares with the par value at Baht 1.00 per share, to offered the existing shareholders of the Company in proportion to their holding (Right Offering) at the ratio of 5 existing ordinary shares to 1 newly-issued ordinary shares during March 9-13, 2020;
- To allocate 78,496,876 new ordinary shares with a par value of 1.00 Baht per share for sale to Mrs Parutai Shinawatra (Private Placement) during February 17, 2020 to March 13, 2020; and
- To set the offering price to the existing shareholders of the Company according to the proportion of shareholding and the private placement at the price of Baht 0.29 per share.

On March 13, 2020, the Company has received the refusal of the subscription for the newly issued ordinary shares to Private Placement (Private Placement: PP).

The Board of Directors' Meeting No.4/2020, held on 10 April 2020, resolved to cancle the capital increase via General Mandate, which allocated to existing shareholders (Right Offering: RO), distributed on March 9 - 13, 2020, in amount of 2,325 shares.

The Extraordinary General Meeting of Shareholders No.1/2020 with held on May 20, 2020, has resolved the following details:-

- To approve the decrease of the registered capital from the existing registered capital of Baht 1,197,077,359.00 to Baht 883,089,855.00 by canceling the unallocated ordinary shares in the amount of Baht 78,496,876.00 and unsold ordinary shares in the amount of Baht 235,490,628.00 at a par value of Baht 1.00.

- To approve the increase of the registered capital of Baht 784,968,760.00 from Baht 883,089,855.00 of the previous registered capital to Baht 1,668,058,615.00 by issuing 784,968,760 new ordinary shares with a par value of Baht 1.00.
- To approve the allotment of the capital increase shares in the number of 784,968,760 shares with a par value of Baht 1.00 per share to existing shareholders in propotion to their shareholding (Rights Offering) at the ratio of 1 existing share to 1 new share, with a fraction of shares to be disregarded at the offering price of Baht 0.14 per share. In case there are remaining new ordinary shares from the subscription by existing shareholders, the Board of Directors shall have the power and discretion to allot such remaining new ordinary shares to existing shareholders of the Company proportionately to their shareholding. In case that there are shares remaining from the allocation to the existing shareholders in proportion to their shareholding in the first round the Company will allocate the remaining shares to the existing shareholders who have expressed intention to subscribe for the newly issued ordinary shares in excess of their rights. (Exceeding their shareholding proportion) according to their shareholding proportion. Until selling the newly issued ordinary shares in whole amount at the same price as the allotted shares except in case that it cannot be allocated because it is a fraction of shares or no shareholder wishes to subscribe to the said shares anymore.

The Company had registered the capital with the Department of Business Development, Ministry of Commerce, effective on May 28, 2020 for reduction of capital and on May 29, 2020 for increment of capital.

On June 15-19, 2020, the Company offers ordinary shares by number of 495,416,810 shares to existing shareholders. Such ordinary shares comprise par value of Baht 1.00 per share. Shares are offered in the price of Baht 0.14 per share aggregating to total amount of Baht 69,358,353.40. The Company recorded expenses in respect of shares distribution net of income tax by amount of Baht 360,000.00 as deducted transactions in the discount on share capital.

The shares increment is registered for paid-up from Baht 784,968,760.00 to Baht 1,280,385,570.00 equivalent to ordinary shares by number of 1,280,385,570 shares in the par value of Baht 1.00 per share at the Ministry of Commerce on June 29, 2020.

On December 21-25, 2020, the Company offers ordinary shares by number of 289,069,788 shares to existing shareholders. Such ordinary shares comprise par valuc of Baht 1.00 per share. Shares are offered in the price of Baht 0.14 per share aggregating to total amount of Baht 35,849,770.32.

The shares increment is registered for paid-up from Baht 1,280,385,570.00 to Baht 1,536,455,358.00 equivalent to ordinary shares by number of 1,536,455,358 shares in the par value of Baht 1.00 per share at the Ministry of Commerce on January 6, 2021.

In according with minute of the Extraordinary General Meeting of Shareholders No. 1/2021 dated on November 15, 2021, approved to propose as follows:

- For approval the reduction of the registered capital of the Company in the amount of Baht 33,487,136.00 from the original registered capital Baht 1,668,058,615.00 as registered capital Baht 1,634,571,479.00 by eliminating the number of unsold registered shares 33,487,136 shares with a par value of Baht 1.00 per share, which are shares that support the issuance of shares to the existing shareholders in proportion to the Company's existing shareholders (Rights Offering), which has expired after the allocation period, and approve the amendment of the Company's Memorandum of Association Clause.
- For approval the increase of the registered capital of the Company in the amount of Baht 768,227,679.00 from the original registered capital Baht 1,634,571,479.00, registered capital Baht 2,402,799,158.00 by issuing new ordinary shares 768,227,679 shares with a par value of Baht 1.00 per share to be used as funds for the project and used as working capital of the Company.

  In this regard, the Company has reserved shares in the amount of Baht 98,116,121.00, arranged to support the exercise of the warrants (HYDRO-W1), with the next exercise schedule being on December 1, 2021.
- For approval the allocation of newly issued ordinary shares in the amount of not more than 768,227,679 shares, with a par value of Baht 1.00 per share for offering to the existing shareholders of the Company in proportion to the number of shares held by each person (Rights Offering) in the share allocation ratio 2 existing ordinary shares to 1 newly-issued ordinary shares the offering price per share is Baht 0.18, with fractions of shares being discarded.
- For approval the reduction of the registered capital and paid-up capital of the Company by reducing the number of shares 1,728,512,277 shares, the par value of Baht 1.00 per share, according to the shareholding proportion of each shareholder. in the ratio of the existing shares before the capital reduction 1,728,512,277 shares to the remaining shares after the capital reduction of 4 existing ordinary share per 1 ordinary share equal to the number of shares after the reduction amount of 674,286,881 shares to clear the accumulated loss of the Company.

On December 8-15, 2021, the Company sold 768,227,679 ordinary shares to the Company's existing shareholders, totaling a amount of Baht 138,280,982.22 and has a discount on ordinary shares amount of Baht 629,946,696.78. The Company had registered the incremental share capital with the Department of Business Development, Ministry of Commerce on December 21, 2021.

Warrant (HYDRO-W1)

On February 11, 2020, the Company disposed warrants to the existing shareholders (Warrant RO), at no cost, in the number of 98,116,121 units. The warrants (HYDRO-W1) the detail by summation as follows:

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The date the warrants are issued on February 11, 2020.
- The rate of warrants right exercise is one unit over one ordinary share.
- The exercised price is Baht 1.00 per share.
- The exercise dates are the first business day of every three months (March, June, September and December) of each year.
- The first exercise date is March 2, 2020 and the last exercise date is February 10, 2022.

The Company adjusts the exercise price and exercise ratio of the rights to purchase new ordinary shares of the Company no. 1 (HYDRO-W1) because the Company offered new ordinary shares to existing shareholders in proportion to their shareholding (Rights Offering) according to the resolution of the Extraordinary General Meeting of Shareholders No.1/2020 on May 20, 2020 by the average price per share of the newly issued ordinary shares is lower than 90 percent of the market price per share of the Company's ordinary shares as follows: .

	Exercise price	Exercise ratio
Original exercise price and exercise ratio	Baht 1.00 per share	1 unit of warrant entitlement the right to purchase 1 ordinary share
Adjusted exercise price and exercise ratio (Effective on May 26, 2020)	Baht 1.00 per share	1 unit of warrant entitlement the right to purchase 0.5 ordinary share
Adjusted exercise price and exercise ratio (Effective on December 22, 2021)	Baht 1.00 per share	1 unit of warrant entitlement the right to purchase 1 ordinary share

As at December 31, 2021, the remaining warrants (HYDRO-W1) not yet exercised are 98,116,121 units.

The capital management

The Group constitutes purpose with respect to capital management in order to remain for ability in the continued operation and ability to appropriately provide remuneration to various group of participating interest while the Group will maintain capital in the level with the least risk.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

29. Statutory reserve

Under the provisions of the Public Company Limited Act B.E.2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

30. Income tax expenses

The income tax expenses recognized in profit or loss for the year ended December 31, 2021 and 2020, are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Current tax expense	1,044,148.13	309,273.32	-	90,000.00
Deferred tax expense relating to the origination and reversal of temporary differences	-	-	-	-
Total income tax expense	1,044,148.13	309,273.32	-	90,000.00

The relationship between tax expense and accounting loss for the year ended December 31, 2021 and 2020, are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting loss before income tax	(18,951,926.64)	(74,004,439.03)	(23,926,516.41)	(79,345,136.98)
Tax rate used	20%	20%	20%	20%
Tax at the applicable tax rate	(3,790,385.33)	(14,800,887.81)	(4,785,303.28)	(15,869,027.40)
Income that are not be taxable	-	-	-	-
Expenses that are not deductible in determining taxation profit	692,463.25	193,035.11	617,600.76	132,596.07
Expenses that are deductible at greater amount in taxation profit	(48,880.61)	(10,620.00)	(42,440.19)	(10,620.00)
Income that are be taxable	-	-	-	-
Temporary difference not recognized as a deferred tax asset	1,182,495.26	2,375,238.81	1,039,730.86	4,088,075.77
Previous temporary difference not recognized as a deferred tax asset	-	(1,569,140.20)	-	(1,626,885.00)
Loss from operations not recognized as deferred tax asset	3,008,455.56	14,121,647.41	3,170,411.85	13,375,860.56
Income tax expense	1,044,148.13	309,273.32	-	90,000.00

Applicable tax rate	2021	2020
The Company and subsidiaries	20%	20%
The Company with capital less than 5 million Baht and revenue less than 30 million Baht		
- Net profit between 1-300,000 Baht	-	-
- Net profit between 300,000-1,000,000 Baht	15%	15%
- Net profit from 1,000,001 Baht	20%	20%

The deferred tax assets are not recognized in the statements of financial position consisted of:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Unused tax losses				
- Expire in next 1 year	12,011,908.16	17,799,729.83	12,011,908.16	17,791,077.93
- Expire in next 2 – 5 years	38,263,602.66	47,643,265.78	36,988,240.96	45,053,301.14
Temporary differences	24,025,947.60	21,835,551.69	27,796,343.56	26,824,402.09
Total	74,301,458.42	87,278,547.30	76,796,492.68	89,668,781.16

31. Loss per share

Basic loss per share is calculated by dividing the loss for the year attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year

Diluted earnings per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

As at December 31, 2021, the Company did not include ordinary shares derived from warrants to purchase ordinary shares as diluted equivalent ordinary shares in the computation of diluted earnings per share since the exercise of warrant rights resulted in a dilutived in loss per share.

As at December 31, 2020 the Company did not include ordinary shares derived from warrants to purchase ordinary shares as diluted equivalent ordinary shares in the computation of diluted earnings per share since exercised price obtains the value higher than market price of ordinary shares.

32. Expenses by nature

The following expenditure items of expense have been classified by nature for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Construction material used	151,141,948.84	57,541,559.43	781,037.66	47,306.81
Subcontractor expenses	261,871,438.09	85,602,625.58	4,738,562.62	1,384,794.97
Staff expenses	20,997,808.05	16,896,804.83	19,749,808.05	16,896,804.83
Management benefit expense	7,112,924.00	14,118,369.21	7,112,924.00	14,118,369.21
Depreciation	5,404,863.54	3,404,875.08	4,405,640.58	2,470,310.78
Amortisation of intangible assets	74,637.56	106,095.36	54,637.54	86,040.55
Loss on impairment of asset	-	3,244,610.41	-	4,244,610.41
Loss on disposal of investment	5,404,242.83	11,211,696.60	4,931,866.25	13,299,139.89
Professional fee and other fee	6,903,682.18	13,908,622.52	6,269,200.67	13,132,318.52
Office expenses	2,632,324.10	8,469,648.79	2,067,545.74	7,328,908.13

33. Operating segments

The Group identifies the operating segments on the basis of internal reports that are regularly reviewed by the Group' s chief operating decision maker in order to allocate resources to the segment and assess its performance and shall discloses the amount reported for each operating segment item to be the measure reported to the Group' s chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

The Group classifies the operating segment from the category of service. The Group has four operating segments which are consists of the construction service segment, operation and maintenance service segment, water operator of water treatment plant and wastewater treatment plant and other segments that consist of design and procure equipment.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, gain or loss on exchange rate, other central expenses, finance cost and share of profit or loss in associate.

The segment operation for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements For the year ended December 31,									
	Construction		Services		Water operator of water treatment plant and wastewater recycle plant		Other segments		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external customers	262,401,644.86	154,341,603.38	8,086,577.64	-	-	-	-	2,505,801.66	270,488,222.50	156,847,405.04
Gross profit	21,368,094.21	3,190,074.48	2,566,977.36	-	-	-	-	710,372.96	23,935,071.57	3,900,447.44
Other income									22,523,819.72	4,023,457.77
Loss on impairment of assets									-	(3,244,610.41)
Administrative expenses									(50,758,286.30)	(66,068,863.89)
Finance cost									(14,652,531.63)	(12,614,869.94)
Loss before income tax expense									(18,951,926.64)	(74,004,439.03)

The reconciliations of each segment total assets to the Group's assets and other material items.

(Unit : Baht)

	Consolidated financial statements For the year ended December 31,											
	Construction		Services		Water operator of water treatment plant and wastewater recycle plant		Other segments		Central		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Depreciation	999,222.96	1,088,997.33	-	-	-	-	-	-	4,405,640.58	2,315,877.75	5,404,863.54	3,404,875.08
Amortization	20,000.02	-	-	-	-	-	-	-	54,637.54	106,095.36	74,637.56	106,095.36

Information about geographical areas for the year ended December 31, 2021 and 2020 are as follows:-

(Unit : Baht)

	Consolidated financial statements For the year ended December 31,					
	Thailand		Myanmar		Total	
	2021	2020	2021	2020	2021	2020
Revenues from external customers	270,488,222.50	156,847,405.04	-	-	270,488,222.50	156,847,405.04
Non-current assets (excluding financial instruments and deferred tax assets)	142,558,325.26	135,359,259.58	-	1,531,892.10	142,825,070.35	136,891,151.68

For the year ended December 31, 2021, the Group has the revenue from service to a major customers in the amount of Baht 262.40 million earned by construction segment. (For the year ended December 31, 2020 : a major customers in the amount of Baht 154.34 million earned by construction segment and operation and maintenance segment).

34. Revenue

The relationship between the revenue information disclosed for each reportable segment and a point in time for the year ended on December 31, 2021 and 2020, are as follows:-

(Unit: Million Baht)

	Consolidated financial statements							
	Segment operation							
	Construction		Operation and maintenance service		Other segment		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	262.40	154.34	8.09	-	-	2.51	270.49	156.85
Revenue about geographic areas								
- Thailand	262.40	154.34	8.09	-	-	2.51	270.49	156.85
- Myanmar	-	-	-	-	-	-	-	-
Total	262.40	154.34	8.09	-	-	2.51	270.49	156.85
Revenue recognized when a performance obligation								
- satisfied at a point in time	-	-	-	-	-	-	-	-
- satisfied over time	262.40	154.34	8.09	-	-	2.51	270.49	156.85
Total	262.40	154.34	8.09	-	-	2.51	270.49	156.85

35. Financial instruments

35.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, trade and other payables and other financial assets and liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

35.1.1 Credit risk

The Group is exposed to credit risk primarily with respect to trade receivable, deposits with banks and other financial instruments. The maximum amount that The Group's may incur from credit is book value shown in the statements of financial position.

- Contract assets / Trade and other receivables

The Group manages the risks by adopting appropriate credit control policies including credit limit approval, financial position analysis of customers or counterparties and collection management. Therefore, the Group does not expect any material financial losses from credit risk. Credit approval of the Group's mostly are credited to government entities and private companies with good creditability. However, the Group expect no risk of debt repayment from related receivables due to the debtor has due in normal credit term and ability to pay debts.

An impairment analysis is performed at each reporting date to measure expected credit losses for groups of receivables with similar credit risk characteristics, with the rate of provision for expected credit losses used in the calculation based on age of the outstanding receivables for each group. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Group's policy, when appropriate.

- Deposits and other financial instruments with financial institutions

The Group manages the credit risks regarding deposits and other financial instruments with financial institutions by controlling in place to create an acceptable balance between the cost of risks and the cost of risk management. The credit risk on deposits and financial instrument with financial institutions are limited because the counterparties are banks with high credit-ratings.

35.1.2 Foreign currency risk

There is no significant impact on the Group's from the change in foreign currencies. However, the Group will consider to enter into forward exchange contracts to manage the risk as appropriate.

As at December 31, 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarized below.

	Consolidated/Separate financial statements			
	2021		2020	
Foreign currency	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	-	-	80,000.00	-

Analysis of the impact of changes in exchange rates

There is no significant impact on the Group's profit before tax arising from the change in the fair value of monetary assets and liabilities due to the possible change in exchange rates of assets and liabilities that are denominated in foreign currencies.

35.1.3 Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term loans from financial institutions, short-term and long-term loans from related persons and lease liabilities. Most of financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

As at December 31, 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit : Thousand Baht)

	Consolidated financial statements As at December 31, 2021						
	Fixed interest rate						
	Within 1 year	1 years to 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	57,067	10,616	67,683	0.20-0.50
Other current receivables							
- person and related parties	-	-	-	-	37	37	-
Trade and other current receivables							
- other parties	-	-	-	-	105,818	105,818	-
Contractual assets	-	-	-	-	87,502	87,502	-
Suspend input vat	-	-	-	-	4,259	4,259	-
Other non-current financial assets	-	-	-	19,126	-	19,126	0.10-0.20
Withholding tax deducted at source	-	-	-	-	16,192	16,192	-
	-	-	-	76,193	224,424	300,617	
Financial liabilities							
Other current payable-							
person and related parties	-	-	-	-	477	477	-
Trade and other current payables							
- other parties	-	-	-	-	120,215	120,215	-
Contractual liabilities	-	-	-	-	62,906	62,906	-
Unbilled output tax	-	-	-	-	1,790	1,790	-
Accrued income tax	-	-	-	-	572	572	-
Long-term loan from other party	-	125,645	-	-	-	125,645	6.75
Lease liabilities	2,668	3,509	2,493	-	-	8,670	5.47-6.00
	2,668	129,154	2,493	-	185,960	320,275	

(Unit : Thousand Baht)

	Consolidated financial statements As at December 31, 2020						
	Fixed interest rate						
	Within 1 year	1 years to 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	42,361	2,417	44,778	0.05-0.50
Other current financial assets	1,226	-	-		-	1,226	0.20-0.30
Other current receivables							
- person and related parties	-	-	-	-	30	30	-
Trade and other current receivables							
- other parties	-	-	-	-	112,209	112,209	-
Contractual assets	-	-	-	-	48,947	48,947	-
Suspend input vat	-	-	-	-	3,558	3,558	-
Other non-current financial assets	-	-	-	49,677	-	49,677	0.80-0.90
Withholding tax deducted at source	-	-	-	-	8,168	8,168	-
	1,226	-	-	92,038	220,107	313,371	
Financial liabilities							
Bank overdrafts and short-term							
loans from financial institutions	15,360	-	-	-	-	15,360	5.84-6.87
Other current payable-							
person and related parties	-	-	-	-	484	484	-
Trade and other current payables							
- other parties	-	-	-	-	156,674	156,674	-
Contractual liabilities	-	-	-	-	101,643	101,643	-
Unbilled output tax	-	-	-	-	2,477	2,477	-
Accrued income tax					104	104	-
Long-term loan from other party	-	125,645	-	-	-	125,645	6.75
Lease liabilities	1,621	1,157	2,531	-	-	5,309	5.47-6.00
	16,981	126,802	2,531	-	261,382	407,696	

(Unit : Thousand Baht)

	Separate financial statements As at December 31, 2021						
	Fixed interest rate						
	Within 1 year	1 years to 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	5,054	44,170	49,224	0.20-0.50
Other current receivables							
- person and related parties	-	-	-	-	101,809	101,809	-
Trade and other current receivables							
- other parties	-	-	-	-	32,568	32,568	-
Contractual assets	-	-	-	-	5,920	5,920	-
Suspend input vat	-	-	-	-	907	907	-
Short-term loan to person							
and related parties	5,000	-	-	-	-	5,000	6.97
Other non-current financial assets	-	-	-	19,126	-	19,126	0.10-0.20
Withholding tax deducted at source	-	-	-	-	4,659	4,659	-
	5,000	-	-	24,180	190,033	219,213	
Financial liabilities							
Other current payable-							
person and related parties	-	-	-	-	4,680	4,680	-
Trade and other current payables							
- other parties	-	-	-	-	88,029	88,029	-
Contractual liabilities	-	-	-	-	9,315	9,315	-
Unbilled output tax	-	-	-	-	1,773	1,773	-
Short-term loan to person							
and related parties	16,897	-	-	-	-	16,897	0.50-2.00
Long-term loan from other party	-	125,645	-	-	-	125,645	6.75
Lease liabilities	2,181	3,509	2,492	-	-	8,182	5.47-6.00
	19,078	129,154	2,492	-	103,797	254,521	

(Unit : Thousand Baht)

	Separate financial statements As at December 31, 2020						
	Fixed interest rate						
	Within 1 year	1 years to 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	36,249	104	36,353	0.05-0.50
Other current financial assets	1,226	-	-	-	-	1,226	0.20-0.30
Other current receivables							
- person and related parties	-	-	-	-	5,635	5,635	-
Trade and other current receivables							
- other parties	-	-	-	-	23,155	23,155	-
Contractual assets	-	-	-	-	5,645	5,645	-
Suspend input vat	-	-	-	-	1,279	1,279	-
Short-term loans from person and related parties	5,000	-	-	-	-	5,000	6.97
Other non-current financial assets	-	-	-	49,677	-	49,677	0.80-0.90
Withholding tax deducted at source	-	-	-	-	3,816	3,816	-
	6,226	-	-	85,926	39,634	131,786	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	15,360	-	-	-	-	15,360	-
Other current payable- person and related parties	-	-	-	-	5,493	5,493	-
Trade and other current payables							
- other parties	-	-	-	-	105,064	105,064	-
Contractual liabilities	-	-	-	-	9,226	9,226	-
Unbilled output tax	-	-	-	-	1,425	1,425	-
Short-term loans from person and related parties	17,803	-	-	-	-	17,803	7.25
Long-term loan from other party	-	125,645	-	-	-	125,645	6.75
Lease liabilities	1,487	1,134	2,531	-	-	5,152	5.47-6.00
	34,650	126,779	2,531	-	121,208	285,168	

Analysis of the impact of changes in interest rates

The Group has no significant impact on profit before tax due to changes in interest rates on contingent financial assets and liabilities.

35.1.4 Liquidity risk

The Group monitors the risk of a shortage of liquidity by assessing the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarizes the maturity profile of the Group' s financial liabilities as at December 31, 2021 and 2020, based on contractual undiscounted cash flows :-

(Unit : Thousand Baht)

	Consolidated financial statements As at December 31, 2021				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives					
Other current payable - person and related parties	-	477	-	-	477
Trade and other current payables - other parties	-	120,215	-	-	120,215
Contractual liabilities	-	62,906	-	-	62,906
Unbilled output tax	-	1,790	-	-	1,790
Accrued income tax	-	572	-	-	572
Long-term loan from other party	-	-	125,645	-	125,645
Lease liabilities	-	2,668	3,509	2,493	8,670
Total non-derivatives	-	188,628	129,154	2,493	320,275

(Unit : Thousand Baht)

	Consolidated financial statements As at December 31, 2020				
	On demand	On demand	On demand	On demand	On demand
Non-derivatives					
Bank overdrafts and short-term loans from financial institutions	-	15,360	-	-	15,360
Other current payable - person and related parties	-	484	-	-	484
Trade and other current payables - other parties	-	156,674	-	-	156,674
Contractual liabilities	-	101,643	-	-	101,643
Unbilled output tax	-	2,477	-	-	2,477
Accrued income tax	-	104	-	-	104
Long-term loan from other party	-	-	125,645	-	125,645
Lease liabilities	-	1,621	1,157	2,531	5,309
Total non-derivatives	-	278,363	126,802	2,531	407,696

(Unit : Thousand Baht)

	Separate financial statements				
	As at December 31, 2021				
	On demand	On demand	On demand	On demand	On demand
Non-derivatives					
Other current payable - person and related parties	-	4,680	-	-	4,680
Trade and other current payables - other parties	-	88,029	-	-	88,029
Contractual liabilities	-	9,315	-	-	9,315
Unbilled output tax	-	1,773	-	-	1,773
Short-term loan to person and related parties		16,897			16,897
Long-term loan from other party	-	-	125,645	-	125,645
Lease liabilities	-	2,181	3,509	2,492	8,182
Total non-derivatives	-	122,875	129,154	2,492	254,521

(Unit : Thousand Baht)

	Separate financial statements				
	As at December 31, 2020				
	On demand	On demand	On demand	On demand	On demand
Non-derivatives					
Bank overdrafts and short-term loans from financial institutions	-	15,360	-	-	15,360
Other current payable - person and related parties	-	5,493	-	-	5,493
Trade and other current payables - other parties	-	105,064	-	-	105,064
Contractual liabilities	-	9,226	-	-	9,226
Unbilled output tax	-	1,425	-	-	1,425
Short-term loan to person and related parties	-	17,803	-	-	17,803
Long-term loan from other party	-	-	125,645	-	125,645
Lease liabilities	-	1,487	1,134	2,531	5,152
Total non-derivatives	-	155,858	126,779	2,531	285,168

36. Fair value measurement

TFRS No.13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

The TFRS requires the Group shall disclose about fair value measurement for financial asset and liability in which the other related TFRSs requires or permits fair value measurement or disclosure about fair value.

The financial assets and financial liabilities not measured the fair value in the statements of financial position are as follows:

(Unit : Thousand Baht)

Asstes and liabilities	Consolidated financial statements		
	2021		Fair value
	Carrying amount	Fair value	hierarchy
Financial assets			
Other non-current financial assets	19,126	19,126	Level 2
Non-current contractual assets	17,586	17,520	Level 2
Financial liabilities			
Long-term loan from other party	125,645	131,362	Level 2

(Unit : Thousand Baht)

Asstes and liabilities	Separate financial statements		
	2021		Fair value
	Carrying amount	Fair value	hierarchy
Assets and liabilities			
Other non-current financial assets	19,126	19,126	Level 2
Financial liabilities			
Long-term loan from other party	125,645	131,362	Level 2

(Unit : Thousand Baht)

Asstes and liabilities	Consolidated financial statements		
	2020		Fair value
	Carrying amount	Fair value	hierarchy
Assets and liabilities			
Other non-current financial assets	49,677	49,680	Level 2
Financial liabilities			
Long-term loan from other party	125,645	130,965	Level 2

(Unit : Thousand Baht)

Asstes and liabilities	Separate financial statements		
	2020		Fair value hierarchy
	Carrying amount	Fair value	
Assets and liabilities			
Other non-current financial assets	49,677	49,680	Level 2
Financial liabilities			
Long-term loan from other party	125,645	130,965	Level 2

The carrying amount of cash and cash equivalents, trade receivables, short-term loan and trade payables approximates the fair value.

The fair value of non-current contractual assets and other non-current financial assets are determined by using the discounted cash flow method. The contractual future cash inflows are discounted at the current market interest rate for similar financial instruments adjusted by counterparty risk.

The fair value of long-term loan from other party are determined by using the discounted cashflow method. The contractual future cash outflows are discounted at the current market interest rate for simila financial instruments enhanced by the Company's credit risk.

37. Obligation and contingent liabilities

As at December 31, 2021 and 2020, the Group have obligation are as follows:-

37.1 The commitment of the construction subcontracts are as follows:-

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Total amount of agreement	499,310,257.90	759,900,166.65	3,075,493.56	218,153,437.27
Recognized cost of construction	372,737,812.60	419,995,866.46	2,275,847.76	114,177,405.65
The remaining of non-operating work	126,572,445.30	339,904,300.19	799,645.80	103,976,031.62

37.2 Apart from various liability that reflects in the financial statements, the Group still constitutes obligation commitment contingent liability as follows:-

(Unit : Million Baht)

	Consolidated/Separate financial statements					
	As at December 31,					
	2021			2020		
	Total	Utilized	Available	Total	Utilized	Available
Credit line of letters of guarantee	40.20	25.32	14.89	363.07	(32.54)	330.53
Credit line of bank overdraft	-	-	-	20.00	(13.87)	6.13
Credit line of letters of credit and trust receipts	-	-	-	68.35	-	68.35

The Group pledged bank deposit including transferal of the claimant right to receive the installment payment of project to the bank. The Group's deposit account has been pledged with the bank. When the money is received from the sales of the tap water, the bank would retain the money in the said account at the amount equivalent to the Company's obligation for that particular month. Moveover, the Group has already redeem such land.

37.3 As at December 31, 2021 and 2020 the Group has a commitments with the employer under a contract in the amounting to Baht 580.37 million on behalf of the joint venture where the Group held 20% of such joint venture' share capital. The Group transferred all rights and obligations under the construction contract to the another party.

37.4 The subsidiary has entered construction contracts with two companies with the total contracts amount of MMK 34,605,526.00 and amount of USD 145,000.00. As at September 30, 2021, the subsidiary has outstanding commitments under the contracts in amount of MMK 6,921,105.20 and amount of USD 50,715.00 respectively (As at December 31, 2020 : MMK 6,921,105.20 and USD 50,715.00).

37.5 As at December 31, 2021, the Group has entered into the consultant contract with three companies with the total contract amount of Baht 2.04 million. The Group has outstanding commitment under the contract in the amount of Baht 1.71 million (As at December 31, 2020 : the total contract amount of Baht 3.37 million. The Group has outstanding commitment under the contract in the amount of Baht 2.69 million).

38. Litigations

38.1 In November 2016, the Company has filed a lawsuit to the Central Administrative Court against a contractual party to claims for Baht 52.57 million of construction service fees to be paid to the Company and a release of the guarantee money in accordance to the bank's letter of guarantee at Baht 10.60 million to the Company. The said contractual party has breached the contract for the construction of waste collection and wastewater treatment systems by notifying the termination of the said contract without any default or defect created by the Company. In March 2017, the said counter party has filed a counterclaim to the Central Administrative Court demanding compensation of Baht 52.81 million plus interest at 7.50% per annum from the Company alleging that the construction performed by the Company has been delayed so the counterparty has terminated the contract and demanded compensation from the Company.

On July 22, 2021, the Central Administrative Court has ordered the counterparty partial repayment of the construction service fee to the Company and that the Company pay compensation to the counterparty for the breach of contract with the net result that the Company must repay the counterparty in amount of Baht 23.86 million plus interest rate at 7.50% per annum.

However, the Company disagreed with the Central Administrative Court's judement on both in terms of facts and legal regulation. The Company appeal to the Supreme Administrative Court.

The lawsuit is being considered by the court. However, the management believe that the outcome of the case will be favorable to the Company and therefore, the Company has not recorded provision for the losses that may occur in the financial statements.

38.2 During the year 2020, the Company was sued in the case of breach of sale and service contracts and of subcontract contract in 3 cases amounting to Baht 6.33 million plus interest at 7.50% per annum. The Court ordered the Company to pay the debt according to the lawsuit. The Company has already recognized such liability and is being installment payment to the creditors.

38.3 During the year 2021 the Company was sued in the case of breach of contract of consultation for project acquired in amounting to Baht 2.62 million plus interest at 7.50% per annum. Now the litigation is being considered by the court.

39. Event after the reporting period

39.1 On January 28, 2022, the Company registered the reduction of registered capital and paid-up capital of the Company by reducing the number of ordinary shares 1,728,512,277 shares with a par value of Baht 1.00 per share from the registered capital of Baht 2,402,799,158 to a new registered capital of 674,286,881 shares by reducing the number of shares 1,728,512,277 shares, the par value of Baht 1.00 per share, according to the shareholding proportion of 4 existing ordinary share per 1 ordinary share after reduction to clear the accumulated loss of the Company as well as the Company amending the Memorandum of Association to comply with the reduction of registered and paid-up capital to the Department of Business Development, Ministry of Commerce, according to the minute of the Extraordinary General Meeting of Shareholders No. 1/2021, which held on November 15, 2021.

39.2 On February 10, 2022, the Company's warrants were exercised to purchase ordinary shares (HYDRO-W1) in the amount of Baht 47,680,248 units and 50,435,873 units were not exercised, totaling 98,116,121 units, resulting the Company has registered capital of 674,286,881 shares at the par value of Baht 1.00 per share and paid-up registered capital of 623,851,008 shares with a par value of Baht 1.00 per share. The Company has already amended the Memorandum of Association to comply with the increment of registered and paid-up capital to the Department of Business Development, Ministry of Commerce.

40. Approval of financial statements

These consolidate and separated financial statements were authorized for issue by the Company's board of directors on Fabruary 28, 2022.