

ACC1/21-030

May 13, 2021

Subject: Management Discussion and Analysis Quarter 1 Ending March 31, 2021

To: The President
The Stock Exchange of Thailand

Qualitech Public Company Limited and Subsidiaries (the "Company") would like to clarify the Company's operating results of the quarter 1/2021 ended March 31, 2021. The Company had the net loss of 1.70 million Baht, decreased by 9.85 million Baht or 120.90% from the same period of last year as following details.

- In this quarter, the revenue from sales and services was 90.11 million Baht, decreased from the same period of the last year by 22.27 million Baht or 19.82%, as the Company was significantly affected by the situation of the Coronavirus (COVID-19) outbreak in the second wave, which the epicenter is located in Rayong, causing the Company to be unable to provide services in customer's area since January 2021. The situation began to resolve in February. However, the third wave outbreak has started in late March to April, which highly affected the Company, especially the inspection and certification customers in petrochemical and refinery industries, and some projects of non-destructive testing customers in construction projects (fabrication).
- Cost of sale and services, distribution costs and administrative expenses were 91.58 million Baht, decreased from the same period of the last year by 13.40 million Baht or 12.77% due to the implemented cost reduction and administrative expenses programs to achieve optimal manpower plan.

- Net loss was 1.70 million Baht, decreased from the same period of last year by 9.85 million Baht or 120.90% led by a reduction of revenue from sales and services due to the effect of COVID-19 outbreak

Please be informed accordingly.

Yours sincerely,

(Mr.Domdej Sripinproach)
Managing Director