

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021



## AUDITOR'S REPORT

To The Shareholders of Qualitech Public Company Limited

### Opinion

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

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Qualitech Public Company Limited and subsidiaries and of Qualitech Public Company Limited as at December 31, 2021, and their 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group 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.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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 revenues from services and contract assets**

As at December 31, 2021, the Group has material amount of unbilled revenues from services of Baht 68.95 million in the consolidated financial statements. The calculation of unbilled services income is complicated procedure because of various rates of services fee and depending on the nature of service rendering of each contract. There is a lot of internal control document for recoding services rendering in each day which result to the collection of such document may incomplete and/or calculation of unbilled revenue from services income may inaccurate. Accordingly, I have addressed as key audit matter.

I have obtained an assurance in respect of the accuracy and completeness of unbilled services income, by included;

- Obtained an understanding of internal control system relating to revenues from services recognition.
- Tested the significant internal control system relating to the accuracy and completeness of revenues from services.
- Checked the details of unbilled services income with document of time record and completed works, the rate of service fee and nature of work as stipulated in engagement contract.
- Tested the calculating amount of details of unbilled services income.

### **Control of equipment and tools on site work**

As stated in notes 11 to financial statements, as at December 31, 2021 the Group has material amount of equipment and tools of Baht 37.71 million (net of accumulated depreciation amount of Baht 175.18 million) in the consolidated financial statements. Such tools and equipment are main assets used for providing services rendering to customers since the Group has many service sites and have to take such assets to perform the work at the site as stipulated by customers. Such assets, therefore, may easily lost. Accordingly, I have addressed the existing of such assets as key audit matter.

I have obtained an assurance in respect of the existing of tools and equipment, by included;

- Obtained an understanding of internal control system relating to tools and equipment.
- Performed of the physical count stock of tools and equipment as at the end of year as disclosed in details of tools and equipment of each site work.
- Reconciled the details of tools and equipment of each service site as at the end of year and the register of tools and equipment.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group (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 do 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 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 charged with governance for correction of the misstatement appropriately.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management 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 or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement 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 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 am required to draw attention in my auditor's report to the related disclosures in the 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 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.

D I A International Audit Co., Ltd.



(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

February 12, 2022

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	40,888,782.89	27,265,522.09	21,978,323.05	21,665,715.73
Trade and other current receivables	6	79,113,969.72	99,029,961.23	77,344,909.32	97,121,675.48
Contract assets	7	68,956,421.88	66,290,814.88	68,788,893.68	65,857,325.88
Inventories		10,537,814.76	8,835,701.01	6,165,323.87	6,151,373.08
Other current financial assets	8	120,664,562.16	95,763,792.44	120,664,562.16	95,763,792.44
Assets classified as held for sale	9	0.00	13,737,747.24	0.00	10,249,385.00
<b>Total current assets</b>		<b>320,161,551.41</b>	<b>310,923,538.89</b>	<b>294,942,012.08</b>	<b>296,809,267.61</b>
<b>Non-current assets</b>					
Investment in subsidiaries	10	0.00	0.00	24,914,893.20	18,513,100.00
Property, plant and equipment	11	159,227,303.08	177,244,444.08	157,686,229.96	175,547,070.42
Right-of-use assets	12	14,104,203.64	14,924,254.27	14,104,203.64	14,924,254.27
Goodwill	13	4,844,339.37	4,844,339.37	0.00	0.00
Other intangible assets other than goodwill	14	1,837,962.42	2,260,027.37	1,837,962.42	2,260,027.37
Deferred tax assets	15	3,229,321.88	2,813,692.50	3,432,703.84	2,654,169.65
Income tax for refund		3,127,975.31	3,359,198.15	3,119,382.07	3,341,124.10
Others non-current assets	16	351,615.00	328,213.38	290,475.00	1,491,073.38
<b>Total non-current assets</b>		<b>186,722,720.70</b>	<b>205,774,169.12</b>	<b>205,385,850.13</b>	<b>218,730,819.19</b>
<b>Total assets</b>		<b>506,884,272.11</b>	<b>516,697,708.01</b>	<b>500,327,862.21</b>	<b>515,540,086.80</b>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
<b>Liabilities and shareholders' equity</b>					
Current liabilities					
Trade and other current payables	17	39,351,735.72	32,929,927.26	40,123,013.84	32,842,146.49
Current portion of lease liabilities	18	2,931,238.07	3,003,458.44	2,931,238.07	3,003,458.44
Liabilities included with asset classified					
as held for sale	9	0.00	276,817.55	0.00	0.00
<b>Total current liabilities</b>		<b>42,282,973.79</b>	<b>36,210,203.25</b>	<b>43,054,251.91</b>	<b>35,845,604.93</b>
<b>Non-current liabilities</b>					
Lease liabilities	18	3,745,482.42	6,028,058.87	3,745,482.42	6,028,058.87
Non-current provisions for employee					
benefit	19	23,706,061.70	27,309,774.24	23,627,748.24	27,183,438.07
<b>Total non-current liabilities</b>		<b>27,451,544.12</b>	<b>33,337,833.11</b>	<b>27,373,230.66</b>	<b>33,211,496.94</b>
<b>Total liabilities</b>		<b>69,734,517.91</b>	<b>69,548,036.36</b>	<b>70,427,482.57</b>	<b>69,057,101.87</b>

Notes to financial statements are parts of these financial statements



QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)		
		2021	2020	2021	2020	
<b>Liabilities and shareholders' equity</b>						
<b>Shareholders' equity</b>						
Share capital						
Authorized share capital						
98,568,485 common shares of						
		Baht 1 each	98,568,485.00	98,568,485.00	98,568,485.00	98,568,485.00
Issued and paid-up share capital						
98,568,485 common shares of						
		Baht 1 each	98,568,485.00	98,568,485.00	98,568,485.00	98,568,485.00
		Share premium on ordinary shares	75,175,543.40	75,175,543.40	75,175,543.40	75,175,543.40
		Equity-settled share-based payment reserve	10,680,188.03	10,680,188.03	10,680,188.03	10,680,188.03
Retained earnings						
		Appropriated - legal reserve	10,346,848.50	10,346,848.50	10,346,848.50	10,346,848.50
	21	Unappropriated	238,587,773.18	252,559,198.09	235,129,314.71	251,711,920.00
		<b>Total owners of the Company</b>	<b>433,358,838.11</b>	<b>447,330,263.02</b>	<b>429,900,379.64</b>	<b>446,482,984.93</b>
		Non-controlling interests	3,790,916.09	(180,591.37)	0.00	0.00
		<b>Total shareholders' equity</b>	<b>437,149,754.20</b>	<b>447,149,671.65</b>	<b>429,900,379.64</b>	<b>446,482,984.93</b>
		<b>Total liabilities and shareholders' equity</b>	<b>506,884,272.11</b>	<b>516,697,708.01</b>	<b>500,327,862.21</b>	<b>515,540,086.80</b>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
Sales and services income		389,686,839.00	421,521,312.64	374,681,559.34	413,472,530.53
Cost of sale and services		(305,989,601.08)	(315,396,467.53)	(299,045,721.16)	(310,232,552.20)
Gross profit		83,697,237.92	106,124,845.11	75,635,838.18	103,239,978.33
Other income					
Dividend income	10	0.00	0.00	0.00	8,999,460.00
Gains (losses) on dissolution of subsidiary		(38,434.21)	0.00	3,136,890.59	0.00
Others		2,465,385.64	3,032,560.34	3,494,482.13	4,024,109.64
Distribution costs		(10,384,183.18)	(11,263,538.33)	(9,294,357.43)	(10,581,386.70)
Administrative expenses		(68,617,265.57)	(65,744,134.30)	(69,253,508.38)	(64,053,592.90)
Profit from operating activities		7,122,740.60	32,149,732.82	3,719,345.09	41,628,568.37
Finance costs		(697,166.10)	(752,285.03)	(695,185.27)	(752,285.03)
Profit before income tax expense		6,425,574.50	31,397,447.79	3,024,159.82	40,876,283.34
Tax (expense) income	22	105,859.68	(121,167.80)	1,039,562.51	(267,769.90)
Profit for the year from continuing operations		6,531,434.18	31,276,279.99	4,063,722.33	40,608,513.44
Profit for the year from discontinued operations	9	0.00	336,963.83	0.00	0.00
Profit for the year		6,531,434.18	31,613,243.82	4,063,722.33	40,608,513.44
Other comprehensive income					
Components of other comprehensive income					
that will not be reclassified to profit or loss					
- (Gains)Losses on remeasuments of defined benefit plans		4,343,503.55	(569,619.53)	4,256,821.95	(569,619.53)
- Income tax of other comprehensive income					
that will not be reclassified to profit or loss		(278,364.63)	40,602.48	(261,028.32)	40,602.48
Total components of other comprehensive income					
that will not be reclassified to profit or loss		4,065,138.92	(529,017.05)	3,995,793.63	(529,017.05)
Other comprehensive income(expense)					
for the year - net of tax	22	4,065,138.92	(529,017.05)	3,995,793.63	(529,017.05)
Total comprehensive income for the year		10,596,573.10	31,084,226.77	8,059,515.96	40,079,496.39

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
Profit (loss) attributable to :					
Owners of the Company					
From continuing operations		6,605,564.35	31,495,606.85	4,063,722.33	40,608,513.44
From discontinued operations		0.00	336,930.13	0.00	0.00
Total		<u>6,605,564.35</u>	<u>31,832,536.98</u>	<u>4,063,722.33</u>	<u>40,608,513.44</u>
Non-controlling interests					
From continuing operations		(74,130.17)	(219,326.86)	0.00	0.00
From discontinued operations		0.00	33.70	0.00	0.00
Total		<u>(74,130.17)</u>	<u>(219,293.16)</u>	<u>0.00</u>	<u>0.00</u>
Grand total		<u><u>6,531,434.18</u></u>	<u><u>31,613,243.82</u></u>	<u><u>4,063,722.33</u></u>	<u><u>40,608,513.44</u></u>
Total comprehensive income (expense) attributable to :					
Owners of the Company		10,670,696.34	31,303,519.93	8,059,515.96	40,079,496.39
Non-controlling interests		(74,123.24)	(219,293.16)	0.00	0.00
Total		<u><u>10,596,573.10</u></u>	<u><u>31,084,226.77</u></u>	<u><u>8,059,515.96</u></u>	<u><u>40,079,496.39</u></u>
Earnings per share					
Basic earnings per share					
Profit from continuing operations		0.067	0.320	0.041	0.412
Profit from discontinued operations		0.000	0.003	0.000	0.000
		<u>0.067</u>	<u>0.323</u>	<u>0.041</u>	<u>0.412</u>
Weighted average number of common shares		98,568,485	98,568,485	98,568,485	98,568,485

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
 FOR THE YEAR ENDED DECEMBER 31, 2021

		Consolidated financial statements (Baht)								
Note	Owners of the Company					Total owners of the Company	Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Retained earnings						
				Appropriated	Unappropriated					
	Beginning balance of the year 2021	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	252,559,198.09	447,330,263.02	(180,591.37)	447,149,671.65	
	Changes in shareholders' equity for the year:									
	Ordinary shares	10	0.00	0.00	0.00	0.00	0.00	4,048,517.00	4,048,517.00	
	Subsidiary's dissolution	9	0.00	0.00	0.00	0.00	0.00	(2,886.30)	(2,886.30)	
	Dividend paid	21	0.00	0.00	0.00	(24,642,121.25)	(24,642,121.25)	0.00	(24,642,121.25)	
	Profit (loss) for the year		0.00	0.00	0.00	6,605,564.35	6,605,564.35	(74,130.17)	6,531,434.18	
	Other comprehensive expense for the year		0.00	0.00	0.00	4,065,131.99	4,065,131.99	6.93	4,065,138.92	
	Ending balance of the year 2021		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>238,587,773.18</u>	<u>433,358,838.11</u>	<u>3,790,916.09</u>	<u>437,149,754.20</u>
	Beginning balance of the year 2020, restated		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	255,754,647.91	450,525,712.84	33,690.51	450,559,403.35
	Changes in shareholders' equity for the year:									
	Ordinary shares	10	0.00	0.00	0.00	0.00	0.00	5,551.28	5,551.28	
	Dividend paid	21	0.00	0.00	0.00	0.00	(34,498,969.75)	(34,498,969.75)	(540.00)	(34,499,509.75)
	Profit (loss) for the year		0.00	0.00	0.00	0.00	31,832,536.98	31,832,536.98	(219,293.16)	31,613,243.82
	Other comprehensive expense for the year		0.00	0.00	0.00	0.00	(529,017.05)	(529,017.05)	0.00	(529,017.05)
	Ending balance of the year 2020		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>252,559,198.09</u>	<u>447,330,263.02</u>	<u>(180,591.37)</u>	<u>447,149,671.65</u>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Separate financial statements (Baht)					Total shareholders' equity
		Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Retained earnings		
					Appropriated	Unappropriated	
Beginning balance of the year 2021		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	251,711,920.00	446,482,984.93
Changes in shareholders' equity for the year:							
Dividend paid	21	0.00	0.00	0.00	0.00	(24,642,121.25)	(24,642,121.25)
Profit for the year		0.00	0.00	0.00	0.00	4,063,722.33	4,063,722.33
Other comprehensive expense for the year		0.00	0.00	0.00	0.00	3,995,793.63	3,995,793.63
Ending balance of the year 2021		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>235,129,314.71</u>	<u>429,900,379.64</u>
Beginning balance of the year 2020, restated		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	246,131,393.36	440,902,458.29
Changes in shareholders' equity for the year:							
Dividend paid	21	0.00	0.00	0.00	0.00	(34,498,969.75)	(34,498,969.75)
Profit for the year		0.00	0.00	0.00	0.00	40,608,513.44	40,608,513.44
Other comprehensive expense for the year		0.00	0.00	0.00	0.00	(529,017.05)	(529,017.05)
Ending balance of the year 2020		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>251,711,920.00</u>	<u>446,482,984.93</u>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	Consolidated financial statements (Baht)		Separate financial statements (Baht)		
	Note	2021	2020	2021	2020
<b>Cash flows from operating activities</b>					
Profit for the year		6,531,434.18	31,613,243.82	4,063,722.33	40,608,513.44
Adjustments					
Gain on revaluation of fair value		(400,769.72)	(508,219.61)	(400,769.72)	(446,900.10)
Unrealized gain on exchange rate		(1,632.94)	6,049.56	(1,732.94)	6,114.41
Expected credit losses (reversed)		1,321,647.65	85,379.40	1,321,647.65	85,379.40
(Increase) decrease in unbilled service income		(3,410,993.21)	22,349,043.62	(3,676,954.01)	22,979,204.76
(Gains) losses on dissolution of subsidiary		38,434.21	0.00	(3,136,890.59)	0.00
Impairment loss of investment in subsidiaries		0.00	0.00	3,572,156.80	0.00
Depreciation		26,130,847.28	27,629,584.54	25,735,819.78	27,188,377.16
(Gains) loss on sale of equipment		849,084.98	(346,054.38)	849,083.98	(246,227.34)
Loss on impairment of properties foreclosed		498.38	3,450.55	498.38	3,450.55
Amortized other intangible assets other than goodwill		422,064.95	439,389.46	422,064.95	439,389.46
Amortized other assets		18,074.05	104,040.46	0.00	0.00
Provisions for employee benefits		329,008.09	2,482,800.76	292,330.03	2,370,192.39
Dividend income		0.00	0.00	0.00	(8,999,460.00)
Interest expenses		697,166.10	751,640.06	695,185.27	752,285.03
Tax expenses (income)		(105,859.68)	208,330.50	(1,039,562.51)	267,769.90
		<u>32,419,004.32</u>	<u>84,818,678.74</u>	<u>28,696,599.40</u>	<u>85,008,089.06</u>
(Increase) Decrease in portion of operating assets					
Trade and other current receivables		19,549,556.49	6,682,193.29	19,260,714.14	6,298,826.13
Inventories		(1,702,113.75)	2,272,686.70	(13,950.79)	522,794.94
Deposit at bank pledged as collateral		0.00	66,660.00	0.00	0.00
Other assets		(12,712.35)	1,238,466.87	(12,712.35)	1,299,606.87
Increase (Decrease) in portion of operating liabilities					
Trade and other current payables		5,966,393.11	(19,819,024.23)	6,973,689.81	(19,202,314.97)
Cash generated (paid) from operation		<u>56,220,127.82</u>	<u>75,259,661.37</u>	<u>54,904,340.21</u>	<u>73,927,002.03</u>
Employee benefit paid		0.00	(3,380,408.47)	0.00	(1,789,132.00)
Interest paid		(286,383.18)	(302,128.05)	(286,383.18)	(302,128.05)
Income tax paid		(3,419,121.83)	(3,536,794.30)	(3,119,382.07)	(3,434,695.13)
Income tax refunded		3,341,124.10	9,466,306.44	3,341,124.10	9,466,306.44
<b>Net cash provided by (used in) operating activities</b>		<u>55,855,746.91</u>	<u>77,506,636.99</u>	<u>54,839,699.06</u>	<u>77,867,353.29</u>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2021	2020	2021	2020
<b>Cash flows from investing activities</b>					
Proceeds from equity securities of other parties		48,000,000.00	96,602,586.87	48,000,000.00	87,602,586.87
Payments for acquire of equity securities of other parties		(72,500,000.00)	(118,114,107.15)	(72,500,000.00)	(118,114,107.15)
Payments for loans to related parties		0.00	0.00	0.00	(3,000,000.00)
Proceeds from loans to subsidiary		0.00	0.00	0.00	3,000,000.00
Proceeds from dissolution of subsidiary					
net of cash paid		13,422,495.48	0.00	13,386,275.59	0.00
Payments for acquire of subsidiary net of cash received		0.00	(3,878,094.62)	0.00	(5,483,500.00)
Payments for acquire of investment in subsidiaries		0.00	0.00	(8,749,950.00)	(10,154,000.00)
Proceeds from sales of equipment		655,285.35	2,183,114.75	655,285.35	676,428.41
Payments for equipment acquisition		(7,512,522.07)	(26,460,023.44)	(7,273,794.11)	(24,737,786.78)
Payments for right-of-use assets		(212,878.50)	(1,795,434.57)	(212,878.50)	(1,795,434.57)
Payments for other intangible assets acquisition					
other than goodwill		0.00	(555,000.00)	0.00	(555,000.00)
Dividend received from subsidiary		0.00	0.00	0.00	8,999,460.00
<b>Net cash provided by (used in) investing activities</b>		<b>(18,147,619.74)</b>	<b>(52,016,958.16)</b>	<b>(26,695,061.67)</b>	<b>(63,561,353.22)</b>
<b>Cash flows from financing activities</b>					
Payments for short-term borrowings		0.00	(2,900,000.00)	0.00	0.00
Payments for lease liabilities		(3,189,908.82)	(2,660,460.70)	(3,189,908.82)	(2,660,460.70)
Payments for dividend		(24,642,121.25)	(34,468,051.50)	(24,642,121.25)	(34,467,511.50)
Proceeds from non-controlling interests		3,750,050.00	0.00	0.00	0.00
Payments for non-controlling interests		(2,886.30)	0.00	0.00	0.00
<b>Net cash provided by (used in) financing activities</b>		<b>(24,084,866.37)</b>	<b>(40,028,512.20)</b>	<b>(27,832,030.07)</b>	<b>(37,127,972.20)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>13,623,260.80</b>	<b>(14,538,833.37)</b>	<b>312,607.32</b>	<b>(22,821,972.13)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>		<b>27,265,522.09</b>	<b>50,103,286.48</b>	<b>21,665,715.73</b>	<b>44,487,687.86</b>
<b>Transfer cash and cash equivalents of subsidiaries</b>					
to assets classified as held for sale	9	0.00	(8,298,931.02)	0.00	0.00
<b>Cash and cash equivalents as at the end of the year</b>	5	<b>40,888,782.89</b>	<b>27,265,522.09</b>	<b>21,978,323.05</b>	<b>21,665,715.73</b>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

**1. GENERAL INFORMATION**

1.1 The Company was registered as a company limited on February 11, 1991, with registration No. 0105534013647 and on December 12, 2007, the Company has changed its status to public company limited with registration No. 0107550000220 and is listed company in the Market for Alternative Investment (MAI) on June 9, 2009.

1.2 Head office is located at 21/3 Banplong Road, Maptaphut, Muang, Rayong and three branches office are located at 1/37 Moo 1, Nongchak, Banbueng, Chonburi, at 50, Soi Pattanakarn 57, Prawet, Bangkok, and at 83/50 Moo 10, Nongkham, Siracha, Chonburi.

1.3 The Company engaged in business of provides the technical services testing, inspection and certification for operation safety of industry equipment, pressure vessel, industrial boiler, piping and steel structures which is important for the production process, storage, transport of the products in power generating, petrochemical industry and construction to comply with industrial standard and the government laws.

1.4 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing situation and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

**2. PREPARATION OF FINANCIAL STATEMENTS BASIS**

2.1 These financial statement have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Professions Act B.E. 2547 and presented in accordance with the Notification of the Department of Business Development by the Ministry of Commerce dated December 26, 2019, regarding the condensed form should be included in the financial statements (No. 3) B.E. 2562 and the relevant regulations and announcements of the Securities and Exchange Commission.

The Company's financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.



## 2.2 New Financial Reporting Standards

### 2.2.1 Financial reporting standards that became effective in the current year

The revised financial reporting standards and interpretations, which are effective for the financial statements for fiscal year 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 clarifying accounting treatment and providing accounting guidance for users of the standards that included in amendments to references to the Conceptual Framework in Financial Reporting Standards, Definition of a business, Definition of material, and Interest Rate Benchmark Reforms.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### 2.2.2 Financial reporting standards that will become effective for fiscal year beginning on or after January 1, 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

### 3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

3.1 The consolidated financial statements incorporate the financial statements of the Company and subsidiaries which called as "the Group".

3.2 The consolidated financial statements have been prepared by including the financial statements of subsidiaries on which Qualitech Public Company Limited has ability to control in making financial and operating decisions until the controllable is ceased as below :

	Registration in	Percentage of investment %		Type of business
		2021	2020	
QLT International Company Limited	Thailand	0.00	99.99	Providing materials for engineering services, inspection
Qualitech Myanmar Company Limited	Republic of the Union of Myanmar	80.00	80.00	Providing safety engineering services in Myanmar and engage in relevant business
Duwell Intertrade Company Limited	Thailand	99.99	99.99	Providing materials and equipment for engineering services, inspection
Qualitech Solution Energy Company Limited	Thailand	70.00	0.00	Producing and distributing electricity from solar power or other sources of energy

3.3 The consolidated financial statements have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.

3.4 The balance of accounts and transactions between Qualitech Public Company Limited and subsidiaries, unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the consolidated financial statements.

3.5 According to the minutes of the Board of directors' meeting No. 6/2020 held on August 12, 2020, passed the resolution to dissolve the operation of subsidiary (QLT International Co., Ltd.). The management of the Company believe that the subsidiary will able to liquidate the dissolution to be completed in the year 2020. Therefore, in the year 2020, in the consolidated financial statements preparation, the Company has reclassified assets and liabilities in such subsidiary to present as assets classified as held for sale and liabilities included with assets classified as held for sale and reclassified revenues and expenses in subsidiary to present as gains (losses) on discontinued operations (note 9).

On November 17, 2020, the subsidiary has already registered for dissolution and on April 8, 2021, and has completely registered the liquidation.

#### 4. SUMMARY SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Income and expenses recognition

4.1.1 Revenues from services, the Group satisfied a performance obligation for the most of service contracts which recognized revenues from services on over time based on the period or completed work.

4.1.2 Revenues from sales based on the consideration to which the Group expects to be entitled in a contract, are recognized when it satisfies a performance obligation, therefore revenues from sales are recognized at a point in time when the power of control of goods have been transferred to the customers.

4.1.3 Dividend income is recognized when the shareholder's right to receive payment.

4.1.4 Other income and expenses are recognized on an accrual basis.

##### 4.2 Cash and cash equivalents

Cash and cash equivalents included cash on hand and at bank of which the maturity is less than three months from the deposit date and without restriction on withdrawal.

##### 4.3 Trade receivables/contract assets

4.3.1 Trade receivables are stated at net realizable value/invoice less allowance for loss on financial assets.

4.3.2 The Group recognized the expected credit losses on its financial assets which measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition which a simplified approach to determine the lifetime expected credit losses.

4.3.3 Accounting Treatment Guidance regarding the "Temporary relief measures on accounting alternatives in response to the impacts of COVID-19 situation" had been announced in the Royal Gazette on April 22, 2020 which is effective for the financial statements preparation for the reporting period ended from January 1, 2020 to December 31, 2020.

The Group has elected to apply the temporary relief measures on accounting alternatives which do not take into forward looking information to determine expected credit losses in the case where the Group uses a simplified approach to measure the expected credit losses.

As the accounting guidance already expired on December 31, 2020, the Group has assessed the impact from such temporary relief measures, there was no material impact on the financial statements

##### 4.4 Other current financial assets

Investment in equity securities are measured at fair value through profit or loss, presented in statement of financial position at fair value. Changes in net fair value are recognized in profit of loss.

#### 4.5 Inventory

Supplies are valued at the lower of cost on a first - in first - out (FIFO) basis or net realizable value.

#### 4.6 Assets classified as held for sale / Liabilities included with assets classified as held for sale

In the consolidated financial statements preparation, assets and liabilities in the subsidiary in which the Company intends to discontinue operation in total within 1 year, were reclassified to be assets classified as held for sale and liabilities included with assets classified as held for sale and in the separate financial statements, investment in subsidiary was reclassified to assets classified as held for sale.

Net assets of discontinued operations as held for sale are stated at cost or fair value less selling expenses whichever is lower.

#### 4.7 Investment in subsidiaries

Investment in subsidiaries is stated at cost net of provision for impairment (if any).

#### 4.8 Property, plant and equipment

4.8.1 Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and provision for impairment of assets (if any). Cost of assets including the dismantlement, removal and restoration the site on which it is located, the obligation for which the Company incurs.

4.8.2 Building and equipment are depreciation on a straight-line basis over the estimated useful lives of the assets, and the depreciation charge has to be determined separately for each significant parts of property, plant and equipment with the cost that is significant in relation to the total cost of assets item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

The estimated useful lives of the assets are as follows :

	<u>Number of years</u>
Building	20
Building improvement	20
Office furniture and fixture	5
Tools and technical equipment	5
Office equipment	3, 5
Utilities system	5
Vehicles	5

Except for parts of tools and technical equipment were depreciated on double declining balance method since such tools and technical equipment are made up of technology component. Such technology has greatly developed to be raised the efficiency all the time and the Company must use such tools and technical equipment for performing its work in the customers' office, thus, the tools and technical equipment may possible be obsolete or damage from the performance.

Land and works under construction were not depreciated.

#### 4.9 Right-of-use assets / lease liabilities

##### Right-of-use assets

- 1) The Group recognized right-of-use assets at the commencement date. Right-of-use assets are stated at cost less any accumulated depreciation, provision for accumulated impairment, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and the lease payments made at or before the commencement date, less any lease incentives received.
- 2) If it is reasonably certain to be exercised that the ownership of reference assets will be transferred the Group when the lease term is terminated. Depreciation of right-of-use is calculated by a straight-line basis from the commencement date until the termination date of the useful live of right-of-use assets or lease term termination date whichever is earlier.
- 3) The Group depreciated right-of-use assets by a straight-line basis on over the useful live of the right-of-use assets or the lease period as follows:

	<u>Number of years</u>
Vehicles	5

##### Lease liabilities

At the commencement date of the lease, the Group recognized lease liabilities at the present value of lease payments payable over the lease term, discounted by the interest rate implicit in the lease present value or the Group's incremental borrowing rate. The amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

#### Short-term leases and leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

#### 4.10 Goodwill

4.10.1 The Group initially recorded goodwill at cost, which equals to the excess of cost of business over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination the excess is immediately recognized as gain in profit or loss.

4.10.2 The Group carried goodwill at cost less any accumulated impairment losses and tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

#### 4.11 Other intangible assets other than goodwill

Intangible assets are valued at cost less accumulated amortization and provision for impairment of assets (if any).

Amortization is determined on a straight-line basis 10 years.

#### 4.12 Impairment of assets - non-financial assets

The Group has considered the impairment of assets whenever events or changes indicated that the carrying amount of an assets exceeds its recoverable value (net selling price of the assets under current operation or its utilization value whichever is higher). The Group will consider the impairment for each asset item or each assets unit generating cash flows, whichever is practical. In case of the carrying amount of an asset exceeds its recoverable value, the Company will recognize an impairment in the statements of comprehensive income for the period. The Group will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment except for impairment loss recognized for goodwill is not reversed in a subsequent period.

#### 4.13 Transactions in foreign currencies

The Group records their transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates. The outstanding balances of accounts in foreign currencies as at the statements of financial position date are converted into Thai Baht by using the exchange rates ruling on the same date.

Gains or Loss on exchange rate are taken into income or expense in the results of operation.

#### 4.14 Financial instruments

##### Classification and measurement

- 1) The Group classifies financial assets, at the initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.
- 2) The Group classifies financial liabilities, at the initial recognition, as to be measured at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using effective interest rate method. Gains or losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process. In determining amortized cost, the Group takes into account any fees or costs that are an integral part of the effective interest rate. The amortization of effective interest rate is included in finance costs in profit or loss.

##### Impairment of financial assets

The Group recognizes expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Group applied a simplified approach to determine the lifetime expected credit losses.

#### 4.15 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### 4.16 Employee benefits

##### 4.16.1 Provident Fund

The Group has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

##### 4.16.2 Post-employee benefits

The Group provide for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method of which calculated by the Independent Actuary by using Actuarial Technique. The calculation was made from determining the present value of future cash flows expected to be required to settle and determines discount rate by reference to market yield of government bonds should have terms to maturity approximately equal to the terms of such obligations. In determine the future cash flows expected to be required to settle is used from employees' salaries, turnover, length of services and other factors. Changes in actuarial gains or losses are recognized in the period in which they are incurred in other comprehensive income. Expenses related to employee benefits shall be recorded in profit or loss for sharing such expenses throughout the period of services rendering.

#### 4.17 Income tax and deferred tax

4.17.1 Income tax expense for the period comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income

- Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized that it is probable that they will not utilize in the foreseeable future.

4.17.2 Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.



4.17.3 In determining the amount of current and deferred tax, the Group take into account the impact of uncertain tax positions and whether additional taxes and interest may be settled. The Group believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

4.17.4 Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.17.5 A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### 4.18 Provisions

The Group recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Group settle the obligation. The amount recognized should not exceed the amount of the provision.

#### 4.19 Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

When measuring the fair value of an asset or a liability, the Group use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. observable prices).
- Level 3 : inputs are unobservable for the asset or liability.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### 4.20 Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

##### Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

Depreciation of plant and equipment / right-of-use assets

In determining depreciation of plant and equipment / right-of-use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment / right-of-use assets and to review estimate useful lives and residual values when there are any changes.

Allowance of impairment of assets

In testing of impairment of assets, the management requires to make judgment in estimating future cash flows or cash generating unit of assets including discount rate selection which are appropriate in calculating the valuation of that current cash flows.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.21 Earnings per share

Basic earnings per share is determined by dividing the profit (loss) for the year by the weighted average number of common shares issued and paid-up during the year.

## 5. ADDITION DISCLOSURE OF STATEMENTS OF CASH FLOWS

### 5.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Cash	1,294,877.03	1,349,968.42	1,140,606.78	1,394,739.30
Cash at bank - current accounts	135,899.08	1,545,533.66	34,000.00	34,000.00
Cash at bank - savings deposit	39,458,006.78	24,370,020.01	20,803,716.27	20,236,976.43
Total	40,888,782.89	27,265,522.09	21,978,323.05	21,665,715.73

### 5.2 Non-cash transaction

	Consolidated and Separate financial statements (Baht)	
	2021	2020
Transfer right-of-use assets to be property, plant and equipment	829,178.20	1,230,169.39
Right-of-use assets under lease liabilities	776,635.52	5,927,303.77
Payables from acquire of property, plant and equipment	307,177.54	1,963,844.57

6. TRADE AND OTHER CURRENT RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Trade accounts receivable	88,701,320.69	97,239,522.96	87,288,615.35	96,133,677.15
Other current receivables				
Retention receivable under				
contracts (Note 7)	2,395,300.89	10,779,219.13	2,395,300.89	10,779,219.13
Prepaid expenses	4,166,890.84	4,458,669.42	4,101,379.22	4,458,669.42
Others	3,241,222.34	5,367,053.32	2,950,378.90	4,564,613.38
Total	98,504,734.76	117,844,464.83	96,735,674.36	115,936,179.08
Less Allowance for expected credit loss				
- Trade accounts receivable	(19,390,765.04)	(18,814,503.60)	(19,390,765.04)	(18,814,503.60)
Net	79,113,969.72	99,029,961.23	77,344,909.32	97,121,675.48

Billed trade accounts receivable separated on aging are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Undue trade accounts receivable	41,819,134.16	45,753,736.41	41,142,059.93	45,235,765.91
Overdue trade accounts receivable				
- Less than 3 months	26,717,836.88	29,835,986.08	26,236,941.27	29,280,279.30
- Over 3 months to 6 months	996,760.85	2,454,186.14	990,820.85	2,437,392.61
- Over 6 months to 9 months	509,066.70	2,170,677.51	281,424.20	2,170,677.51
- Over 9 months to 12 months	1,597,765.60	78,000.00	1,597,765.60	78,000.00
- Over 12 months	17,060,756.50	16,946,936.82	17,039,603.50	16,931,561.82
Total	88,701,320.69	97,239,522.96	87,288,615.35	96,133,677.15

## 7. CONTRACT ASSETS

### 7.1 Balance under contracts

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Unbilled services income	74,547,208.59	71,136,215.38	74,379,680.39	70,702,726.38
Less Allowance for expected credit loss	(5,590,786.71)	(4,845,400.50)	(5,590,786.71)	(4,845,400.50)
Net	<u>68,956,421.88</u>	<u>66,290,814.88</u>	<u>68,788,893.68</u>	<u>65,857,325.88</u>
Retention receivable under contracts (Note 6, 16)	6,017,864.96	14,401,783.20	6,017,864.96	14,401,783.20
Less Allowance for expected credit loss	(3,622,564.07)	(3,622,564.07)	(3,622,564.07)	(3,622,564.07)
Net	<u>2,395,300.89</u>	<u>10,779,219.13</u>	<u>2,395,300.89</u>	<u>10,779,219.13</u>

### 7.2 Revenues expected to recognize for incomplete performance obligations

As at December 31, 2021 and 2020, the Group expects to have revenues to be recognize in the future for unsatisfied performance obligations (or partial) of contracts with customers in the amount of Baht 188.22 million and Baht 106.98 million respectively (Separate : Baht 187.58 million and Baht 104.32 million respectively). The Group expects to satisfy this performance obligation to be completed within 1 year (Separate : 1 year).

## 8. OTHER CURRENT FINANCIAL ASSETS

	Consolidated and Separate financial statements (Baht)	
	2021	2020
Investment in open-end fund :-		
KTPLUS	48,013,003.59	87,763,792.44
TCMF-M	72,651,558.57	0.00
Cash at bank	0.00	8,000,000.00
Total	<u>120,664,562.16</u>	<u>95,763,792.44</u>

## 9. DISCONTINUED OPERATIONS OF COMPANY

9.1 According to the minutes of the Board of directors' meeting No. 6/2020 held on August 12, 2020, passed the resolution to dissolve the operation of subsidiary (QLT International Co., Ltd.). The management of the Company believe that the subsidiary will able to liquidate the dissolution to be completed in the year 2020. Therefore, the Company has reclassified assets and liabilities in such subsidiary to present as assets classified as held for sale and liabilities included with assets classified as held for sale and reclassified revenues and expenses to present as gains on discontinued operations.

On November 17, 2020, the subsidiary has already registered for dissolution and on April 8, 2021, the subsidiary has completely registered the liquidation.

9.2 Net assets of discontinued operations classified as held for sale as at December 31, 2020 are detailed as follows :

	Consolidated financial statements (Baht)	Separate financial statements (Baht)
<u>Assets classified as held for sale</u>		
Cash and cash equivalents	8,298,931.02	0.00
Trade and other current receivables	730,552.18	0.00
Other current financial assets	4,642,930.16	0.00
Investment in subsidiaries	0.00	10,249,385.00
Others non-current assets	65,333.88	0.00
Total assets classified as held for sale	13,737,747.24	10,249,385.00
<u>Liabilities included with assets classified as held for sale</u>		
Trade and other current payables	263,621.72	0.00
Corporate income tax payable	13,195.83	0.00
Total liabilities included with assets classified as held for sale	276,817.55	0.00
Net	13,460,929.69	10,249,385.00

9.3 Statements of comprehensive income for the year ended December 31, 2020 of discontinued operations are as follows :

	<b>Consolidated financial statements (Baht)</b>
	<b>2020</b>
Total revenues	6,129,632.09
Total costs	(3,708,134.77)
Total other income	193,143.11
Total expenses	(2,190,513.90)
Gain before income tax	424,126.53
Tax expense	(87,162.70)
Profit for the year from discontinued operations	<u>336,963.83</u>
Basic earnings per share	3.29

9.4 Statements of cash flows for the year ended December 31, 2020 of discontinued operations are as follows :

	<b>Consolidated financial statements (Baht)</b>
	<b>2020</b>
Net cash provided by (used in) operating activities	2,938,568.12
Net cash provided by (used in) investing activities	10,500,796.37
Net cash provided by (used in) financing activities	(9,000,000.00)
Net increase (decrease) in cash and cash equivalents	4,439,364.49
Cash and cash equivalents as at January 1	<u>3,859,566.53</u>
Cash and cash equivalents as at December 31	<u>8,298,931.02</u>



10. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital	Percentage of shareholding		Separate financial statements (Baht)			
						Cost price		Dividend received	
				2021	2020	2021	2020	2021	2020
QLT International Company Limited	Providing material for engineering services, inspection	The Company held 99.99% share capital, has common director and management	10,250,000 Baht	0.00	99.99	0.00	10,249,385.00	0.00	8,999,460.00
Qualitech Myanmar Company Limited	Providing safety engineering services in Myanmar and engage in relevant business	The Company held 80.00% share capital, has common director and management	150,000 USD	80.00	80.00	5,323,600.00	4,099,600.00	0.00	0.00
Duwell Intertrade Company Limited	Sales of materials and equipment use in engineering services, inspection	The Company held 99.99% share capital, has common director and management	9,930,000 Baht	99.99	99.99	14,413,500.00	14,413,500.00	0.00	0.00
Qualitech Solution Energy Company Limited	Producing and distributing electricity from solar power or other sources of energy	The Company held 70.00% share capital, has common director and management	12,500,000 Baht	70.00	0.00	8,749,950.00	0.00	0.00	0.00
Total						28,487,050.00	28,762,485.00	0.00	8,999,460.00
Less Transfer to assets classified as held for sale						0.00	(10,249,385.00)	0.00	0.00
Less Provision for impairment of investment in Qualitech Myanmar Company Limited						(3,572,156.80)	0.00	0.00	0.00
Net						24,914,893.20	18,513,100.00	0.00	8,999,460.00

10.1 QLT International Company Limited

- According to the minutes of the Board of directors' meeting No. 6/2020 held on August 12, 2020, passed the resolution to dissolve the operation of subsidiary. The management of the Company believe that the subsidiary will able to liquidate the dissolution to be completed in the year 2020. The Company has reclassified investment in such subsidiary to present as assets classified as held for sale. On November 17, 2020, the subsidiary has already registered the dissolution and on April 8, 2021, the liquidation has been completely registered.

10.2 Qualitech Myanmar Company Limited

- During the first quarter of 2021, a subsidiary has called for and received the payment for increase share capital amount of USD 50,000, total paid-up share capital amount of USD 200,000 (2,000 ordinary shares of USD 100 each). The subsidiary has registered the paid-up share capital on January 8, 2021.

10.3 Duwell Intertrade Company Limited

- On January 3, 2020, the Company entered into agreement to purchase of ordinary shares of Duwell Intertrade Co., Ltd. from the shareholders of such company in compliance with the Board of directors' meeting No. 6/2019 held on November 9, 2019, approved to purchase ordinary shares of such company for 1,000 shares (at par value of Baht 1,000.00 each) equivalent to 100% of total share capital in the price of Baht 5,500 each total amount of Baht 5.50 million. On February 11, 2020, the Company has fully made payment for such share capital and sold 3 shares to the Company's director total amount of Baht 0.02 million.

- On September 21, 2020, a subsidiary has registered the increase share capital from Baht 1 million to Baht 20 million (divided into 20,000 ordinary shares at par value of Baht 1,000 each) and called for and received the increase share capital payment amount of Baht 8.93 million (equal to 47% of the increased share capital).

10.4 Qualitech Solution Energy Company Limited

- During the second quarter of 2021, a subsidiary was established on April 9, 2021 with the registered share capital amount of Baht 50 million (divided into 500,000 ordinary shares at par value of Baht 100 each) by calling for and receiving the shares payment for company establishment at 25% of the par value of shares. The Company has held 349,998 shares or equal to the proportion of investment at 70% of total share capital.

10.5 The financial statements for the year ended December 31, 2021 and 2020 of above subsidiaries have been taken for preparing the consolidated financial statements were audited by the auditor.

11. PROPERTY, PLANT AND EQUIPMENT

	Consolidated financial statements (Baht)									
	Land	Building	Building improvement	Office furniture and fixtures	Tools and technical equipment	Office equipment	Utilities system	Vehicles	Assets under construction	Total
Assets - cost :										
As at January 1, 2020	47,981,180.48	56,851,858.52	19,970,710.31	10,838,818.95	205,114,011.24	16,434,843.61	2,226,683.78	48,795,857.81	789,320.00	409,003,284.70
Acquisition	0.00	0.00	303,360.55	343,084.94	16,635,693.96	1,859,523.14	0.00	727,645.64	4,757,505.00	24,626,813.23
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,970,000.00	0.00	1,970,000.00
Disposal	0.00	0.00	0.00	(247,181.37)	(8,867,286.39)	(2,130,003.10)	0.00	(3,200,225.22)	(125,000.00)	(14,569,696.08)
As at December 31, 2020	47,981,180.48	56,851,858.52	20,274,070.86	10,934,722.52	212,882,418.81	16,164,363.65	2,226,683.78	48,293,278.23	5,421,825.00	421,030,401.85
Acquisition	0.00	0.00	0.00	308,111.59	4,206,660.59	1,231,037.01	0.00	130,100.00	1,997,365.42	7,873,274.61
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,249,000.00	0.00	1,249,000.00
Disposal	0.00	0.00	0.00	(266,470.49)	(4,253,304.86)	(1,157,567.23)	0.00	(3,412,297.22)	(53,575.00)	(9,143,214.80)
Inter-transaction transfer	0.00	5,386,046.39	0.00	0.00	49,226.00	0.00	520,000.00	0.00	(5,955,272.39)	0.00
As at December 31, 2021	47,981,180.48	62,237,904.91	20,274,070.86	10,976,363.62	212,885,000.54	16,237,833.43	2,746,683.78	46,260,081.01	1,410,343.03	421,009,461.66
Accumulated depreciation :										
As at January 1, 2020	0.00	20,609,711.31	6,235,974.20	9,502,780.87	149,901,662.78	13,110,522.89	1,801,968.45	27,636,943.10	0.00	228,799,563.60
Depreciation for the year	0.00	2,842,591.72	997,678.94	661,830.76	19,145,909.50	1,664,271.24	187,111.52	1,227,965.52	0.00	26,727,359.20
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	739,830.61	0.00	739,830.61
Depreciation - write off	0.00	0.00	0.00	(215,559.90)	(7,536,577.24)	(1,981,605.57)	0.00	(2,747,052.93)	0.00	(12,480,795.64)
As at December 31, 2020	0.00	23,452,303.03	7,233,653.14	9,949,051.73	161,510,995.04	12,793,188.56	1,989,079.97	26,857,686.30	0.00	243,785,957.77
Depreciation for the year	0.00	2,833,898.84	997,003.66	559,771.86	17,853,747.26	1,764,885.53	274,137.09	867,016.59	0.00	25,150,460.83
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	419,821.80	0.00	419,821.80
Depreciation - write off	0.00	0.00	0.00	(250,346.14)	(4,188,236.53)	(1,112,616.12)	0.00	(2,022,883.03)	0.00	(7,574,081.82)
As at December 31, 2021	0.00	26,286,201.87	8,230,656.80	10,258,477.45	175,176,505.77	13,445,457.97	2,263,217.06	26,121,641.66	0.00	261,782,158.58
Net book value										
As at December 31, 2020	47,981,180.48	33,399,555.49	13,040,417.72	985,670.79	51,371,423.77	3,371,175.09	237,603.81	21,435,591.93	5,421,825.00	177,244,444.08
As at December 31, 2021	47,981,180.48	35,951,703.04	12,043,414.06	717,886.17	37,708,494.77	2,792,375.46	483,466.72	20,138,439.35	1,410,343.03	159,227,303.08

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Separate financial statements (Baht)									
	Land	Building	Building improvement	Office furniture and fixtures	Tools and technical equipment	Office equipment	Utilities system	Vehicles	Assets under construction	Total
Assets - cost :										
As at January 1, 2020	47,981,180.48	56,851,858.52	19,686,565.78	10,772,684.03	203,265,277.07	16,138,962.54	2,226,683.78	48,206,857.81	789,320.00	405,919,390.01
Acquisition	0.00	0.00	303,360.55	298,741.00	15,482,410.93	1,739,153.40	0.00	277,813.12	4,757,505.00	22,858,984.00
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,970,000.00	0.00	1,970,000.00
Disposal	0.00	0.00	0.00	(191,576.25)	(7,021,562.25)	(1,874,355.87)	0.00	(2,611,225.22)	(125,000.00)	(11,823,719.59)
As at December 31, 2020	47,981,180.48	56,851,858.52	19,989,926.33	10,879,848.78	211,726,125.75	16,003,760.07	2,226,683.78	47,843,445.71	5,421,825.00	418,924,654.42
Acquisition	0.00	0.00	0.00	306,625.61	4,032,268.40	1,168,187.22	0.00	130,100.00	1,997,365.42	7,634,546.65
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,249,000.00	0.00	1,249,000.00
Disposal	0.00	0.00	0.00	(264,694.79)	(4,253,304.86)	(1,157,567.23)	0.00	(3,412,297.22)	(53,575.00)	(9,141,439.10)
Inter-transaction transfer	0.00	5,386,046.39	0.00	0.00	49,226.00	0.00	520,000.00	0.00	(5,955,272.39)	0.00
As at December 31, 2021	47,981,180.48	62,237,904.91	19,989,926.33	10,921,779.60	211,554,315.29	16,014,380.06	2,746,683.78	45,810,248.49	1,410,343.03	418,666,761.97
Accumulated depreciation :										
As at January 1, 2020	0.00	20,609,711.31	5,959,902.30	9,454,265.78	149,329,913.40	12,848,813.99	1,801,968.45	27,527,052.52	0.00	227,531,627.75
Depreciation for the year	0.00	2,842,591.72	989,607.31	653,980.60	18,813,156.48	1,627,872.24	187,111.52	1,171,831.95	0.00	26,286,151.82
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	739,830.61	0.00	739,830.61
Depreciation - write off	0.00	0.00	0.00	(170,704.10)	(6,675,193.00)	(1,737,614.30)	0.00	(2,596,514.78)	0.00	(11,180,026.18)
As at December 31, 2020	0.00	23,452,303.03	6,949,509.61	9,937,542.28	161,467,876.88	12,739,071.93	1,989,079.97	26,842,200.30	0.00	243,377,584.00
Depreciation for the year	0.00	2,833,898.84	997,003.66	548,664.38	17,597,342.04	1,727,337.03	274,137.09	777,050.29	0.00	24,755,433.33
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	419,821.80	0.00	419,821.80
Depreciation - write off	0.00	0.00	0.00	(248,571.44)	(4,188,236.53)	(1,112,616.12)	0.00	(2,022,883.03)	0.00	(7,572,307.12)
As at December 31, 2021	0.00	26,286,201.87	7,946,513.27	10,237,635.22	174,876,982.39	13,353,792.84	2,263,217.06	26,016,189.36	0.00	260,980,532.01
Net book value										
As at December 31, 2020	47,981,180.48	33,399,555.49	13,040,416.72	942,306.50	50,258,248.87	3,264,688.14	237,603.81	21,001,245.41	5,421,825.00	175,547,070.42
As at December 31, 2021	47,981,180.48	35,951,703.04	12,043,413.06	684,144.38	36,677,332.90	2,660,587.22	483,466.72	19,794,059.13	1,410,343.03	157,686,229.96

As at December 31, 2021 and 2020, land and building at cost of Baht 36.94 million in the consolidated and separate financial statements are mortgaged as collateral against overdrafts line amount of Baht 30 million and letter of guarantee line amount of Baht 30 million.

12. RIGHT-OF-USE ASSETS

	<b>Consolidated and Separate financial statements (Baht)</b>
	<u>Vehicles</u>
Assets - cost :	
As at January 1, 2020	10,519,196.27
Acquisition	7,722,738.34
Transfer to property, plant and equipment	<u>(1,970,000.00)</u>
As at December 31, 2020	16,271,934.61
Acquisition	989,514.02
Transfer to property, plant and equipment	<u>(1,249,000.00)</u>
As at December 31, 2021	<u>16,012,448.63</u>
Accumulated depreciation :	
As at January 1, 2020	1,185,285.61
Depreciation for the year	902,225.34
Transfer to property, plant and equipment	<u>(739,830.61)</u>
As at December 31, 2020	1,347,680.34
Depreciation for the year	980,386.45
Transfer to property, plant and equipment	<u>(419,821.80)</u>
As at December 31, 2021	<u>1,908,244.99</u>
Net book value	
As at December 31, 2020	<u>14,924,254.27</u>
As at December 31, 2021	<u>14,104,203.64</u>

As at December 31, 2021 and 2020 vehicles at cost of Baht 16.01 million and Baht 16.27 million in the consolidated and separate financial statements which is still pending the payment under the leases (note 18).

### 13. GOODWILL

13.1 On January 3, 2020, the Company entered into agreement to acquire ordinary shares of Duwell Intertrade Co., Ltd. from the shareholders of such company in accordance with the resolution of the Board of directors' meeting No. 6/2019 held on November 9, 2019 passed to acquire ordinary shares of such company for 1,000 shares (at par value of Baht 1,000.00 each) equal to 100% of total shares in the price of Baht 5,500.00 each, total amount of Baht 5.50 million.

13.2 During the 1st quarter of 2020, the Company has paid for the acquisition of such company ordinary share and offered such ordinary shares to the Company's directors for 3 shares of Baht 5,500.00 each, total amount of Baht 0.02 million.

13.3 Fair value and book value of net assets of Duwell Intertrade Co., Ltd. as at the acquisition date are as follows :

	(Unit : Baht)	
	Fair value	Book value
<b>Assets</b>		
Cash and cash equivalents	1,605,405.38	1,605,405.38
Trade and other current receivables	1,963,409.62	1,963,409.62
Inventories	1,625,450.00	1,001,140.87
Equipment	45,592.57	45,592.57
Non-current tax assets	22,833.70	264,732.84
Total assets	5,262,691.27	4,880,281.28
<b>Liabilities</b>		
Trade and other current payable	129,853.39	129,853.39
Short-term borrowings	2,900,000.00	2,900,000.00
Non-current provisions for employee benefit	1,591,754.00	0.00
Total liabilities	4,621,607.39	3,029,853.39
Total net assets	641,083.88	1,850,427.89
Percentage of investment (%)	99.70	
Net assets in investment proportion	639,160.63	
Acquisition price higher than net assets	4,844,339.37	
Acquisition price	5,483,500.00	
Less : Cash and cash equivalents	(1,605,405.38)	
Net payment for acquisition	3,878,094.62	

Details of acquisition price for Duwell Intertrade Co., Ltd. are as follows :

	(Unit : Baht)
<b>Acquisition price</b>	
Payments	5,483,500.00
Fair value of net assets acquired	(639,160.63)
Goodwill	<u>4,844,339.37</u>

#### 14. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

	<b>Consolidated and</b>	
	<b>Separate financial statements (Baht)</b>	
	<b>2021</b>	<b>2020</b>
	<u>Computer software</u>	
Intangible assets - cost :		
Beginning balance	4,589,959.05	3,929,898.96
Increase	0.00	680,000.00
Disposal	(22,200.00)	(19,939.91)
Ending balance	<u>4,567,759.05</u>	<u>4,589,959.05</u>
Accumulated amortization :		
Beginning balance	2,329,931.68	1,910,482.13
Amortization for the year	399,864.95	419,449.55
Ending balance	<u>2,729,796.63</u>	<u>2,329,931.68</u>
Net intangible assets value		
Beginning balance	<u>2,260,027.37</u>	<u>2,019,416.83</u>
Ending balance	<u>1,837,962.42</u>	<u>2,260,027.37</u>

15. DEFERRED TAX ASSETS

Consolidated financial statements (Baht)							
	As at January	Recognize as (expenses) income in		As at December	Recognize as (expenses) income in		As at December
	1, 2020	profit or loss	other comprehensive	31, 2020	profit or loss	other comprehensive	31, 2021
		(Note 22.2)	income (Note 22.4)		(Note 22.2)	income (Note 22.4)	
Trade accounts receivable (allowance for expected credit loss)	213,516.94	157,426.67	0.00	370,943.61	(16,495.84)	0.00	354,447.77
Contract assets (allowance for expected credit loss )	324,023.91	21,356.24	0.00	345,380.15	(2,553.11)	0.00	342,827.04
Other non-current assets (provision for impairment)	0.00	210.42	0.00	210.42	475.61	0.00	686.03
Provisions for employee benefit	1,438,558.08	483,742.14	40,602.48	1,962,902.70	(220,021.85)	(278,364.63)	1,464,516.22
Deficit from operations	0.00	134,255.62	0.00	134,255.62	932,589.20	0.00	1,066,844.82
<b>Total</b>	<b>1,976,098.93</b>	<b>796,991.09</b>	<b>40,602.48</b>	<b>2,813,692.50</b>	<b>693,994.01</b>	<b>(278,364.63)</b>	<b>3,229,321.88</b>

Separate financial statements (Baht)							
	As at January	Recognize as (expenses) income in		As at December	Recognize as (expenses) income in		As at December
	1, 2020	profit or loss	other comprehensive	31, 2020	profit or loss	other comprehensive	31, 2021
		(Note 22.2)	income (Note 22.4)		(Note 22.2)	income (Note 22.4)	
Trade accounts receivable (allowance for expected credit loss)	213,516.94	157,426.67	0.00	370,943.61	(16,495.84)	0.00	354,447.77
Contract assets (allowance for expected credit loss )	324,023.91	21,356.24	0.00	345,380.15	(2,553.11)	0.00	342,827.04
Investments in subsidiaries (provision for impairment)	0.00	0.00	0.00	0.00	219,044.65	0.00	219,044.65
Other non-current assets (provision for impairment)	0.00	210.42	0.00	210.42	475.61	0.00	686.03
Provisions for employee benefit	1,435,695.58	461,337.41	40,602.48	1,937,635.47	(227,753.62)	(261,028.32)	1,448,853.53
Deficit from operations	0.00	0.00	0.00	0.00	1,066,844.82	0.00	1,066,844.82
<b>Total</b>	<b>1,973,236.43</b>	<b>640,330.74</b>	<b>40,602.48</b>	<b>2,654,169.65</b>	<b>1,039,562.51</b>	<b>(261,028.32)</b>	<b>3,432,703.84</b>

**16. OTHER NON-CURRENT ASSETS**

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Deposit receivable under contract	3,622,564.07	3,622,564.07	3,622,564.07	3,622,564.07
Others	362,802.65	331,165.55	301,662.65	1,494,025.55
<b>Total</b>	<b>3,985,366.72</b>	<b>3,953,729.62</b>	<b>3,924,226.72</b>	<b>5,116,589.62</b>
Less Allowance for expected credit loss	(3,622,564.07)	(3,622,564.07)	(3,622,564.07)	(3,622,564.07)
Less Provisions for impairment of assets	(11,187.65)	(2,952.17)	(11,187.65)	(2,952.17)
<b>Net</b>	<b>351,615.00</b>	<b>328,213.38</b>	<b>290,475.00</b>	<b>1,491,073.38</b>

**17. TRADE AND OTHER CURRENT PAYABLES**

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Trade accounts payable	15,730,316.96	9,693,615.33	16,865,751.45	10,297,867.07
Other current payables				
Accrued expenses	19,500,184.37	18,894,301.13	18,863,549.87	18,455,076.87
Assets payables	47,515.04	387,623.30	694,800.84	387,623.30
Others	4,073,719.35	3,954,387.50	3,698,911.68	3,701,579.25
<b>Total</b>	<b>39,351,735.72</b>	<b>32,929,927.26</b>	<b>40,123,013.84</b>	<b>32,842,146.49</b>



**18. LEASE LIABILITIES**

18.1 Lease liabilities excluded future interest expenses as follows :

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>2021</b>	<b>2020</b>
Hire purchase payable	6,953,770.00	9,536,206.00
Less Future interest expenses of financial lease	(277,049.51)	(504,688.69)
Total	6,676,720.49	9,031,517.31
Less Current portion of long-term liabilities	(2,931,238.07)	(3,003,458.44)
Net	<u>3,745,482.42</u>	<u>6,028,058.87</u>

18.2 The Group's right-of-use assets at cost are being made the payment under the aforementioned lease as follows:

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>2021</b>	<b>2020</b>
Vehicles	<u>16,012,448.63</u>	<u>16,271,934.61</u>

**19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT**

19.1 The Group had an employee benefit obligation based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long-term service awards.

19.2 The defined benefit plans expose the Company and subsidiaries to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

19.3 Non-current provisions for employee benefit in statement of financial position are as follows:

	Consolidated		Separate	
	financial statements (Baht)		financial statements (Baht)	
	2021	2020	2021	2020
Beginning balance	27,309,774.24	25,601,271.67	27,183,438.07	25,582,601.17
Recognized in other comprehensive income				
Losses on remeasurment				
of defined benefit plan	(4,343,503.55)	569,619.53	(4,256,821.95)	569,619.53
Recognized in profit or loss				
Current service costs and interest	2,996,173.51	2,928,015.04	2,957,514.62	2,820,349.37
Past service costs	(2,256,382.50)	0.00	(2,256,382.50)	0.00
Employee benefits decrease	0.00	(1,789,132.00)	0.00	(1,789,132.00)
Ending balance	23,706,061.70	27,309,774.24	23,627,748.24	27,183,438.07

19.4 Principal actuarial assumptions at the reporting date are as follows:

	Consolidated		Separate	
	financial statements (%)		financial statements (%)	
	2021	2020	2021	2020
Discount rate	2.16 - 2.68	1.50	2.16	1.50
Salary increase rate	3 - 4.5	3 - 4.5	3 - 4.5	3 - 4.5

19.5 Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2017 (“TMO17”).

## 19.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as at December 31, 2021 and 2020 by the amounts shown below :

	Consolidated financial statements (Baht)			
	2021		2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1,703,943.62)	1,859,764.91	(1,942,341.81)	2,129,482.98
Salary increase rate (0.5% movement)	1,660,962.78	(1,540,426.52)	1,893,279.02	(1,749,608.27)
Turnover rate (10% movement)	(1,490,365.67)	1,655,288.24	(1,745,699.20)	1,952,961.78

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 20. LEGAL RESERVE

By virtue of the Public Company Limited Act, the Company is required to set aside the reserve as a legal reserve at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve reach 10% of authorized share capital. The reserve is not available for dividend distribution.

## 21. DIVIDEND PAID

### For the year 2021

#### Parent company

According to the annual general shareholders' meeting for the year 2021 held on April 8, 2021, passed the resolution to pay dividend from profit for the year 2020 to the shareholders at Baht 0.30 per share, amount of Baht 29.57 million which was already paid interim dividend at Baht 0.05 per share amount of Baht 4.93 million, the remaining to be paid at Baht 0.25 per share amount of Baht 24.64 million in which the Company has fully paid such dividend on April 30, 2021.

**For the year 2020**

**Parent company**

According to the minutes of Board of directors' meeting No. 3/2020 held on March 31, 2020, unanimously passed the resolution to indefinitely postpone the 2020 Annual General Meeting of shareholders which will be held on April 9, 2020 caused by the Coronavirus disease 2019 (COVID-19) pandemic situation which is unpredictable and is not looking up at this moment, and unanimously passed to pay interim dividend to the shareholders at the existing rate of Baht 0.30 per share, totally Baht 29.57 million. The payment of dividend is determined on April 29, 2020. After the reporting period, in accordance with the Annual General Meeting of the shareholders for the year 2020 held on July 15, 2020, passed the resolution to pay dividend to the shareholders in compliance with the resolution of the aforementioned Board of directors' meeting.

According to the minutes of the Board of directors' meeting No. 6/2020 held on August 12, 2020, passed to approve the interim dividend payment from profit for the six-month periods of 2020 to the shareholders at Baht 0.05 per share, totally Baht 4.93 million. The dividend payment will be made on September 8, 2020.

**Subsidiaries**

According to the minutes of the Board of directors' meeting No. 3/2020 held on September 8, 2020, passed to approve the interim dividend payment to shareholders at Baht 45 per share, totally Baht 9 million. The subsidiary has paid such dividend on September 10, 2020.

**22. INCOME TAX**

22.1 The calculation of current income taxes

For the year 2021 and 2020, the Company and its subsidiaries calculated corporate income tax at the rate of 20% of profit (loss) before deducting with tax expenses for the year and added back other expenses which shall not be allowed as expenses in tax calculation (if any) except the exempted profit derived from promoted activities (note 27).

22.2 Income tax recognized in profit or loss

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2021	2020	2021	2020
<b>Current income tax</b>				
For the current year	588,134.33	1,005,321.59	0.00	908,100.64
<b>Deferred tax</b>				
Changes in temporary differences	(693,994.01)	(796,991.09)	(1,039,562.51)	(640,330.74)
Total	(105,859.68)	208,330.50	(1,039,562.51)	267,769.90
Income tax from discontinued operations	0.00	(87,162.70)	0.00	0.00
Total tax expense (income)	(105,859.68)	121,167.80	(1,039,562.51)	267,769.90

22.3 Reconciliation for effective income tax rate

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Profit before income tax from				
Continuing operations	6,425,574.50	31,397,447.79	3,024,159.82	40,876,283.34
Discontinued operations	0.00	424,126.53	0.00	0.00
Profit before income tax	6,425,574.50	31,821,574.32	3,024,159.82	40,876,283.34
Income tax rate (%)	20	20	20	20
Income tax	1,285,114.90	6,364,314.86	604,831.96	8,175,256.67
Prohibited taxable expenses	1,431,325.65	508,434.46	1,727,069.76	172,631.43
Additional taxable expenses	(318,002.60)	(756,777.71)	(208,234.47)	(372,585.09)
Exempted income	0.00	0.00	0.00	(1,799,892.00)
Effects from elimination with				
subsidiaries	658,932.13	0.00	0.00	0.00
Promoted profit	(3,163,229.76)	(5,907,641.11)	(3,163,229.76)	(5,907,641.11)
Total income tax	(105,859.68)	208,330.50	(1,039,562.51)	267,769.90
Income tax rate (%)	(2)	1	(34)	1

22.4 Income tax recognized in other comprehensive income

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
(Gains)Losses on remeasurement of				
defined benefit plans	(4,343,503.55)	569,619.53	(4,256,821.95)	569,619.53
Tax (income)expenses	278,364.63	(40,602.48)	261,028.32	(40,602.48)
Net of tax	(4,065,138.92)	529,017.05	(3,995,793.63)	529,017.05

### 23. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Group's assets, liabilities, revenues and expenses arose from transaction with persons and related parties. Those transactions are based on the conditions as the group of companies concerned and in the normal course of business as detailed following :

#### 23.1 General information

Name	Relationship	Description	Pricing policy
Subsidiary			
QLT International Company Limited	The Company held 99.99% share capital, has common director and management	Income - sale of material	At agreed price
		Income - rental	At agreed price
		Income - management service fee	At agreed price
		Materials supply	At agreed price
Qualitech Myanmar Company Limited	The Company held 80% share capital, has common director and management	Income - wages	Close to market value
		Income - management service fee	At agreed price
		Income - rental	At agreed price
Duwell Intertrade Company Limited	The Company held 99.99% share capital, has common director and management	Income - wages	Close to market value
		Income - rental	At agreed price
		Income - management service fee	At agreed price
		Income - materials supply	At agreed price
		Income - other service charges	At agreed price
		Interest received	At the interest rate of 5.50% per annum
		Materials supply	Close to market value
		Contractor wages	Close to market value
		Other service charges	Close to market value
		Purchase of fixed assets	At agreed price
Qualitech Solution Energy Company Limited	The Company held 70.00% share capital, has common director and management	Income - rental	At agreed price

23.2 Assets and liabilities transaction with related persons and parties are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	2021	2020	2021	2020
QLT International Company Limited				
Trade and other current receivables	0.00	0.00	0.00	60,000.00
Trade and other current payables	0.00	0.00	0.00	32,153.50
Qualitech Myanmar Company Limited				
Trade and other current receivables	0.00	0.00	9,974.07	197,803.09
Contract assets	0.00	0.00	45,000.00	355,000.00
Duwell Intertrade Company Limited				
Trade and other current receivables	0.00	0.00	215,256.04	105,569.03
Contract assets	0.00	0.00	6,000.00	4,800.00
Trade and other current payables	0.00	0.00	2,276,943.95	1,281,094.96
The increase and decrease of short-term loans are as follows :				
			<b>Separate financial</b>	
			<b>statements (Baht)</b>	
			<u>0.00</u>	
Balance as at December 31, 2019			0.00	
Additional loans during the period			3,000,000.00	
Proceeds during the period			<u>(3,000,000.00)</u>	
Balance as at December 31, 2020			<u><u>0.00</u></u>	
Qualitech Solution Energy Company Limited				
Trade and other current receivables	0.00	0.00	3,000.00	0.00

23.3 Revenues and expenses transaction with related persons and parties are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
QLT International Company Limited				
Revenue - sales	0.00	0.00	0.00	6,760.00
Other income - rental	0.00	0.00	0.00	44,859.80
Other income - management fee	0.00	0.00	0.00	336,448.56
Cost of sales and services - material				
supply	0.00	0.00	0.00	1,534,984.00
Administrative expenses - material				
supply	0.00	0.00	0.00	22,815.00
Qualitech Myanmar Company Limited				
Service income - wages	0.00	0.00	1,299,451.39	414,500.00
Other income - management fee	0.00	0.00	115,096.35	297,115.61
Other income - tools rental	0.00	0.00	55,000.00	26,000.00
Duwell Intertrade Company Limited				
Service income - wages	0.00	0.00	62,000.00	20,000.00
Other income - rental	0.00	0.00	261,526.93	196,387.77
Other income - management fee	0.00	0.00	906,542.04	373,831.76
Other income - material supply	0.00	0.00	0.00	206,364.82
Other income - other service charges	0.00	0.00	82,925.24	0.00
Other income - interest received				
from loans	0.00	0.00	0.00	87,698.63
Cost of sales and services - material				
supply	0.00	0.00	9,287,048.75	5,885,481.00
Cost of sales and services - contractor				
wages	0.00	0.00	181,625.00	18,200.00
Cost of sales and services - other				
service charges	0.00	0.00	11,363.80	0.00
Qualitech Solution Energy Company Limited				
Other income - rental	0.00	0.00	27,000.00	0.00

23.4 Other transaction with related persons and parties are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Duwell Intertrade Company Limited				
Fixed assets - equipment	0.00	0.00	946,030.00	93,500.00



## 24. DIRECTORS' REMUNERATION

Directors' remuneration represent the benefits paid to the Company's directors in accordance with section 90 of the Public Companies Act, excluding salaries and related benefits payable to executive directors.

## 25. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses relating salaries, remunerations and other benefits paid to the directors and management, in accordance with the definitions of the Office of Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels. Some of management benefit expenses are included in cost of services.

## 26. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2021	2020	2021	2020
Changes in inventories	(1,847,826.60)	(766,422.30)	0.00	0.00
Employee benefit expenses	226,767,153.26	237,577,326.01	223,332,182.58	233,397,976.20
Depreciation	26,130,847.28	27,287,663.95	25,735,819.78	27,190,281.20
Supplies used	21,414,884.55	26,313,102.98	30,561,448.40	33,678,370.61
Contractor wage	33,134,831.92	32,545,518.66	33,284,427.17	32,556,289.03
Travelling and accommodation expenses	8,447,489.93	7,957,858.81	8,146,707.43	7,668,221.18
Office expenses	10,183,291.35	10,076,790.88	9,835,583.15	9,918,395.81
Fee and consulting fee	3,119,602.80	3,772,477.62	2,801,651.77	3,511,700.35
Repairs and maintenance expenses	3,532,912.62	3,055,349.66	3,528,388.91	3,036,932.39
Directors' remuneration	2,032,000.00	2,326,500.00	2,032,000.00	2,326,500.00
Management benefit expenses	20,145,713.21	20,251,522.50	19,945,713.21	19,936,522.50

## 27. PROMOTIONAL PRIVILEGES

27.1 The Group was granted certain right and privileges as a promoted industry under the Promotion of Investment Act B.E. 2520 and the Board of Investment approved the activities under six promotion certificate for services providing of testing of welding and metal identification as the scientific testing, the certificate No. 1 dated December 28, 2005, No. 2 dated June 18, 2007, No. 3 dated August 4, 2008, No. 4 dated March 4, 2013, No. 5 dated March 21, 2016 and No. 6 dated March 27, 2017. The significant privileges are as follows:

27.1.1 To exempt the customs duties for imported machinery as approved by the Board of Investment.

27.1.2 To exempt the corporate income tax from net profit for the period of 8 years from the date of income earnings derives from the promoted activity. In the case where a loss has been incurred during the period of receiving exemption, the annual loss was granted permission to deduct with net profit accrued after the expiration of the period of exemption of income tax for a period of 5 years.

27.1.3 The Company's shareholders will be exempted the corporate income tax for dividend received from the Company all duration of income tax exemption of the Company.

The Company must to comply with the certain conditions and terms as stipulated in promotional certificate.

27.2 The results of operation of the Group for the year ended December 31, 2021 and 2020 separated into promoted business and non-promoted business as follows:

	Consolidated financial statements (Baht)					
	Promoted business		Non-promoted business		Total	
	2021	2020	2021	2020	2021	2020
Sales and services income	255,450,967.62	266,104,149.72	134,235,871.38	155,417,162.92	389,686,839.00	421,521,312.64
Cost of sales of services	(192,200,380.26)	(190,907,897.67)	(113,789,220.82)	(124,488,569.86)	(305,989,601.08)	(315,396,467.53)
Gross profit	63,250,587.36	75,196,252.05	20,446,650.56	30,928,593.06	83,697,237.92	106,124,845.11
Other income						
Gains (losses) on dissolution						
of subsidiary	0.00	0.00	(38,434.21)	0.00	(38,434.21)	0.00
Others	47,041.71	297,637.66	2,418,343.93	2,734,922.68	2,465,385.64	3,032,560.34
Distribution costs	(6,227,919.44)	(6,609,134.13)	(4,156,263.74)	(4,654,404.20)	(10,384,183.18)	(11,263,538.33)
Administrative expenses	(46,842,228.76)	(40,206,986.20)	(21,775,036.81)	(25,537,148.10)	(68,617,265.57)	(65,744,134.30)
Profit (loss) from operating						
activities	10,227,480.87	28,677,769.38	(3,104,740.27)	3,471,963.44	7,122,740.60	32,149,732.82
Finance costs	(496,099.56)	(435,309.96)	(201,066.54)	(316,975.07)	(697,166.10)	(752,285.03)
Profit (loss) before income						
tax expense	9,731,381.31	28,242,459.42	(3,305,806.81)	3,154,988.37	6,425,574.50	31,397,447.79
Tax expense	0.00	0.00	105,859.68	(121,167.80)	105,859.68	(121,167.80)
Profit (loss) for the year from						
continuing operations	9,731,381.31	28,242,459.42	(3,199,947.13)	3,033,820.57	6,531,434.18	31,276,279.99
Profit (loss) for the year from						
discontinued operations	0.00	0.00	0.00	336,963.83	0.00	336,963.83
Profit (loss) for the year	9,731,381.31	28,242,459.42	(3,199,947.13)	3,370,784.40	6,531,434.18	31,613,243.82

Unidentifiable cost of sales and services, distribution costs, administrative expenses and finance costs were allocated to the separately income segment.

## 28. OPERATING SEGMENTS

28.1 Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance. The chief operating decision maker of the Company has been identified as the President of executive directors.

28.2 The Group' operations involve virtually in a single in services providing for nondestructive testing and inspect, testing and certification of welding work, metal work and equipment in both domestic and an overseas geographical segment since the overseas segment had services income less than 10% of services volume, therefore, the financial information by geographical segment has not been presented.

28.3 Revenues separated by nature of services are as follows:

	Consolidated financial statements	
	(Million Baht)	
	2021	2020
Non-Destructive Testing	200.22	184.80
Inspection and certificate	154.55	204.01
Others	31.91	32.71
Total	386.68	421.52

28.4 For the year ended December 31, 2021 and 2020, the Group has revenues from five major customers in the amount of Baht 164.82 million and Baht 123.02 million respectively.

## 29. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

### 29.1 Accounting policy

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements No. 4.14.

### 29.2 Credit risk

Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company. The Group has policy to hedge this credit risk by reviewing the financial status of customers and collecting based on the percentage of completion. Financial assets shown in statements of financial position at the book value deducted by allowance for expected credit loss is maximum value of credit risk.

### 29.3 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Group operations and cash flows. The Group exposed the interest rate risk due to its deposits at bank and financial lease liabilities. The Group do not use derivative financial instruments to hedge such risk.

As at December 31, 2021 and 2020, the significant financial assets and liabilities can be classified by interest rate as follows :

Unit : Million Baht

<b>Consolidated financial statements</b>											
	Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate		
Note	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
<b>Financial assets</b>											
Cash and cash equivalents	5	39.46	24.37	0.00	0.00	1.43	2.90	40.89	27.27	0.05%-0.25%	0.05%-0.25%
Trade and other current receivables	6	0.00	0.00	0.00	0.00	79.11	99.00	79.11	99.00	-	-
Assets classified as held for sale	8	0.00	0.00	0.00	8.00	120.66	87.76	120.66	95.76	-	0.30%
<b>Financial liabilities</b>											
Trade and other current payables	17	0.00	0.00	0.00	0.00	39.35	32.87	39.35	32.87	-	-
Lease liabilities	18	0.00	0.00	6.68	9.54	0.00	0.00	6.68	9.54	0.00%-5.40%	0.00%-5.40%

Unit : Million Baht

<b>Separate financial statements</b>											
	Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate		
Note	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
<b>Financial assets</b>											
Cash and cash equivalents	5	20.80	20.24	0.00	0.00	1.17	1.43	21.97	21.67	0.125%-0.25%	0.05%-0.25%
Trade and other current receivables	6	0.00	0.00	0.00	0.00	77.34	97.12	77.34	97.12	-	-
Assets classified as held for sale	8	0.00	0.00	0.00	8.00	120.66	87.76	120.66	95.76	-	0.30%
<b>Financial liabilities</b>											
Trade and other current payables	17	0.00	0.00	0.00	0.00	40.12	32.84	40.12	32.84	-	-
Lease liabilities	18	0.00	0.00	6.95	9.54	0.00	0.00	6.95	9.54	0.00%-5.40%	0.00%-5.40%

#### 29.4 Liquidity risk

The Group has liquidity risk management by maintaining adequate reserves cash and cash equivalents and high liquid investment in equity securities for the Group's operation and in order to reduce of effects from cash flows fluctuation.

As at December 31, 2021 and 2020, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

<b>Consolidated financial statements (Baht)</b>				
	Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at December 31, 2021</b>				
Trade and other current payables	39,351,735.72	0.00	0.00	39,351,735.72
Lease liabilities	3,026,654.61	3,650,065.88	0.00	6,676,720.49
Total	<u>42,378,390.33</u>	<u>3,650,065.88</u>	<u>0.00</u>	<u>46,028,456.21</u>
<b>As at December 31, 2020</b>				
Trade and other current payables	32,869,927.26	0.00	0.00	32,869,927.26
Lease liabilities	3,364,560.00	5,315,752.00	855,894.00	9,536,206.00
Total	<u>36,234,487.26</u>	<u>5,315,752.00</u>	<u>855,894.00</u>	<u>42,406,133.26</u>
<b>Separate financial statements (Baht)</b>				
	Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at December 31, 2021</b>				
Trade and other current payables	40,123,013.84	0.00	0.00	40,123,013.84
Lease liabilities	3,026,654.61	3,650,065.88	0.00	6,676,720.49
Total	<u>43,149,668.45</u>	<u>3,650,065.88</u>	<u>0.00</u>	<u>46,799,734.33</u>
<b>As at December 31, 2020</b>				
Trade and other current payables	32,842,146.49	0.00	0.00	32,842,146.49
Lease liabilities	3,364,560.00	5,315,752.00	855,894.00	9,536,206.00
Total	<u>36,206,706.49</u>	<u>5,315,752.00</u>	<u>855,894.00</u>	<u>42,378,352.49</u>

## 29.5 Fair value of financial instrument

The most of financial instruments of the Group are classified in short-term or has the interest rate closed to market rate. The Group, therefore, estimates fair value of financial instruments close to the carrying value as presented in statements of financial position.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2021 and 2020 are presented below.

<b>Consolidated financial statements (Baht)</b>					
		Carrying value			Fair value
		Fair value through	Amortized cost	Total	
Note	profit of loss				
<b>As at December 31, 2021</b>					
<b>Financial assets</b>					
	0.00	40,888,782.89	40,888,782.89	40,888,782.89	40,888,782.89
	0.00	79,113,969.72	79,113,969.72	79,113,969.72	79,113,969.72
8	120,664,562.16	0.00	120,664,562.16	120,664,562.16	120,664,562.16
	120,664,562.16	120,002,752.61	240,667,314.77	240,667,314.77	240,667,314.77
<b>Financial liabilities</b>					
	0.00	39,357,735.72	39,357,735.72	39,357,735.72	39,357,735.72
18	0.00	6,676,720.49	6,676,720.49	6,676,720.49	6,676,720.49
	0.00	46,034,456.21	46,034,456.21	46,034,456.21	46,034,456.21
<b>As at December 31, 2020</b>					
<b>Financial assets</b>					
	0.00	27,265,522.09	27,265,522.09	27,265,522.09	27,265,522.09
	0.00	99,029,961.23	99,029,961.23	99,029,961.23	99,029,961.23
8	87,763,792.44	8,000,000.00	95,763,792.44	95,763,792.44	95,763,792.44
	87,763,792.44	134,295,483.32	222,059,275.76	222,059,275.76	222,059,275.76
<b>Financial liabilities</b>					
	0.00	32,929,927.26	32,929,927.26	32,929,927.26	32,929,927.26
18	0.00	9,031,517.31	9,031,517.31	9,031,517.31	9,031,517.31
	0.00	41,961,444.57	41,961,444.57	41,961,444.57	41,961,444.57

<b>Separate financial statements (Baht)</b>					
		Carrying value			Fair value
		Fair value through	Amortized cost	Total	
		profit of loss			
Note					
<b>As at December 31, 2021</b>					
<b>Financial assets</b>					
	Cash and cash equivalents	0.00	21,978,323.05	21,978,323.05	21,978,323.05
	Trade and other current receivables	0.00	77,344,909.32	77,344,909.32	77,344,909.32
8	Other current financial assets	120,664,562.16	0.00	120,664,562.16	120,664,562.16
	Total financial assets	<u>120,664,562.16</u>	<u>99,323,232.37</u>	<u>219,987,794.53</u>	<u>219,987,794.53</u>
<b>Financial liabilities</b>					
	Trade and other current payables	0.00	40,123,013.84	40,123,013.84	40,123,013.84
18	Lease liabilities	0.00	6,676,720.49	6,676,720.49	6,676,720.49
	Total financial liabilities	<u>0.00</u>	<u>46,799,734.33</u>	<u>46,799,734.33</u>	<u>46,799,734.33</u>
<b>As at December 31, 2020</b>					
<b>Financial assets</b>					
	Cash and cash equivalents	0.00	21,665,715.73	21,665,715.73	21,665,715.73
	Trade and other current receivables	0.00	97,121,675.48	97,121,675.48	97,121,675.48
8	Other current financial assets	87,763,792.44	8,000,000.00	95,763,792.44	95,763,792.44
	Total financial assets	<u>87,763,792.44</u>	<u>126,787,391.21</u>	<u>214,551,183.65</u>	<u>214,551,183.65</u>
<b>Financial liabilities</b>					
	Trade and other current payables	0.00	32,842,146.49	32,842,146.49	32,842,146.49
18	Lease liabilities	0.00	9,031,517.31	9,031,517.31	9,031,517.31
	Total financial liabilities	<u>0.00</u>	<u>41,873,663.80</u>	<u>41,873,663.80</u>	<u>41,873,663.80</u>

### 30. HIERARCHY LEVELS OF FAIR VALUE

The Group presented carrying value of assets which measured at fair value separating by hierarchy of fair value as follows :

<b>Consolidated and Separate financial statements (Baht)</b>					
Note	Level 1	Level 2	Level 3	Total	
<b>As at December 31, 2021</b>					
<b>Assets measured at fair value</b>					
	Other current financial assets				
8	Investment in equity instruments	120,664,562.16	0.00	0.00	120,664,562.16
<b>As at December 31, 2020</b>					
<b>Assets measured at fair value</b>					
	Other current financial assets				
8	Investment in equity instruments	87,763,792.44	0.00	0.00	87,763,792.44

### 31. COMMITMENT AND CONTINGENT LIABILITIES

31.1 As at December 31, 2021 and 2020, the Group has commitment under purchase and hire agreement with several seller in the amount of Baht 21.99 million and Baht 22.30 million respectively in the consolidated financial statements and in the amount of Baht 24.73 million and Baht 21.56 million in the separate financial statements respectively.

31.2 The subsidiary has commitment under lease office building agreement as at December 31, 2021 for the amount of Baht 0.15 million.

31.3 The Company has contingent liabilities from a local bank's issuance of letter of guarantee for the results of work to customers of the Company and guarantee the electricity usage to government agency, as at and December 31, 2021 and 2020 total amount of Baht 10.59 million and Baht 22.60 million respectively. Contingent liabilities are guaranteed by mortgaging land with its construction (note 11) and bank deposits.

31.4 On October 26, 2021, there is a flame erupted around the chemical tank, resulting the damages to property of the employer which is the area of the Company's sub-contractor performance. At present, the Company is investigating the cause of such incidents and assessing the value of the damaged property by the employer. The management of the Company is unable to assess the contingent damages value that may occur.

31.5 The Company has a litigation arising from the employment of workers as at December 31, 2021 amounting to Baht 1.87 million. The case is currently under trial by the Court, which the Company's management believes that it will not have a significant impact on the Company's financial position.

### 32. PROVIDENT FUND

On February 8, 2006, the Group has joined to be a member of provident fund named "K Master Pooled Registered Provident fund" which registered in accordance with the Provident Fund Act B.E. 2530 and the amendment by appointing the fund management to be fund manager. The fund is contributed to both by the employees and the Group at the same rate of 3-9% based on length of works. The accumulation and benefits will be paid to the members upon their retirement, death or resignation.

This fund is managed by Kasikorn Thai Assets Management Company Limited. For the year 2021 and 2020, the Group has contribution expenses in the amount of Baht 2.51 million and Baht 3.40 million respectively.



### **33. CAPITAL MANAGEMENT**

The Group's objective in financial management is to maintain the ability to continue its operation and maintain the appropriate capital structure. As at December 31, 2021 and 2020, the Group has debt-to-equity ratios at 0.40 : 1 and 0.40 : 1 in the consolidated financial statements and debt-to-equity ratios at 0.41 : 1 and 0.40 : 1 in the separate financial statements, respectively.

### **34. EVENTS AFTER THE REPORTING PERIOD**

According to the minutes of Board of directors' meeting No. 2/2022 held on February 12, 2022, passed the resolution to submit to the shareholders' general meeting for approval the dividend payment from profit for the year 2021 to the shareholders at Baht 0.20 per share, amounting to Baht 19.71 million.

### **35. FINANCIAL STATEMENTS APPROVAL**

These financial statements were approved and authorized for issue by the Board of directors of the Company on February 12, 2022.