

FAC/23-010

February 27, 2023

Subject: Management Discussion and Analysis Yearly Ending December 31, 2022

To: Director and Managing Director

The Stock Exchange of Thailand

Qualitech Public Company Limited, Subsidiaries and Associate Companies hereafter refer as (the "Company") would like to clarify the Company's operating results for the year ended December 31, 2022. The Company had the net profit of 17.86 million Baht, increased by 11.25 million Baht or 170.32% from the year 2021 as following details.

- The revenue from sales and services was 455.37 million Baht increased from the year 2021 by 65.68 million Baht or 16.85% due to improving Covid-19 situation, the customers are back to business as usual causing to have continuous project resulting the revenue are increased. The revenues have been increased from plant integrity and industrial services. Moreover, the sales revenue was from a subsidiary that operates solar power as a Power Purchase Agreement (PPA), and it has started Commercial Operation Date (COD) in the quarter 4 of 2022.
- Cost of sales & services, distribution costs and administrative expenses of 433.46 million Baht which increased from the year 2021 by 48.47 million Baht or 12.59% because the Company has recognized losses on impairment of investment in associated companies as operating results not in line with the business plan. Furthermore, there were consulting fees for corporate restructuring and business strategy. The others were financial advisory fee, legal consulting fee and reviewing financial statement fee as a special case regarding the purchase of ordinary shares of the Company's associate.
- The Company has recorded share of loss 4.11 million Baht of operating results from an associated company that the Company has invested in the proportion of 49%.

Please be informed accordingly.

Yours sincerely,

(Mr.Thitiwat Teerakulthanyaroj)

The Company's Secretary