

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023  
(UNAUDITED/REVIEWED ONLY)



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D I A INTERNATIONAL AUDIT CO., LTD.

A Member Of  
Moore Stephens  
International Limited

MOORE STEPHENS

## AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of Qualitech Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Qualitech Public Company Limited and subsidiaries and of Qualitech Public Company Limited as at June 30, 2023, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2023, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the six-month periods then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No.34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

### Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on this reviewed interim financial information.

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 Interim Financial Reporting.

### Emphasis of Matter

I draw your attention to notes 8 to financial statements, the Company has determined to set up impairment loss on investment in an associate (Property Aim Solutions Company Limited) for the three-month and six-month periods ended June 30, 2023 in the amount of Baht 121.49 million and Baht 126.47 million in the consolidated and separate financial statements respectively, due to events that affect the associates' inability to continue its business, 1) the associate lacks financial liquidity and is unable to pay salaries to all employees. As a result, some employees complained to the Department of Labor Protection and Welfare for requesting the payment of unpaid salaries and the employees stopped their working. The termination of employee performance may cause the customer to terminate the employment contract and claim damages, prosecution against the associate including non-payment outstanding services fee, 2) three members of the Board of directors of associate had resigned from their position due to conflicts in management, and 3) the associate has ceased to operate its business.

D I A International Audit Co., Ltd.



(Miss Suphaphorn Mangjit)

C.P.A. (Thailand)

Registration No. 8125

August 11, 2023

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		(Unaudited /Reviewed only)	(Audited)	(Unaudited /Reviewed only)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		37,740,686.43	35,252,439.44	24,493,957.77	26,279,941.09
Trade and other current receivables	5	57,236,287.72	98,332,580.35	53,333,457.04	92,754,000.91
Contract assets	6	61,036,169.91	60,177,575.00	61,089,878.54	60,191,788.92
Inventories		10,787,656.74	7,735,226.76	5,583,329.91	4,437,124.64
<b>Total current assets</b>		<b>166,800,800.80</b>	<b>201,497,821.55</b>	<b>144,500,623.26</b>	<b>183,662,855.56</b>
<b>Non-current assets</b>					
Capital lease receivables	7	17,823,558.15	18,158,065.57	0.00	0.00
Investments in associate	8	0.00	122,935,115.86	0.00	126,466,276.77
Investment in subsidiaries	9	0.00	0.00	32,263,430.00	26,663,430.00
Property, plant and equipment	10	144,389,629.14	145,242,935.64	143,311,577.89	144,087,666.32
Right-of-use assets	11	21,216,322.56	14,653,868.09	21,216,322.56	14,653,868.09
Goodwill		4,844,339.37	4,844,339.37	0.00	0.00
Other intangible assets other than goodwill		1,908,861.56	2,085,292.72	1,908,861.56	2,085,292.72
Deferred tax assets		10,232,461.89	3,101,832.46	10,483,057.38	3,404,918.65
Income tax for refund		6,932,172.26	7,475,047.77	6,923,626.64	7,466,491.95
Non-current non-cash financial assets					
pledged as collateral		3,020,401.07	3,010,000.00	3,020,401.07	3,010,000.00
Others non-current assets	12	970,437.63	811,508.66	970,437.63	811,508.66
<b>Total non-current assets</b>		<b>211,338,183.63</b>	<b>322,318,006.14</b>	<b>220,097,714.73</b>	<b>328,649,453.16</b>
<b>Total assets</b>		<b>378,138,984.43</b>	<b>523,815,827.69</b>	<b>364,598,337.99</b>	<b>512,312,308.72</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 JUNE 30, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		(Unaudited	(Audited)	(Unaudited	(Audited)
		/Reviewed only)		/Reviewed only)	
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institution	13	0.00	7,741,711.57	0.00	7,741,711.57
Trade and other current payables	14	31,144,305.64	42,906,337.34	28,326,274.07	43,870,602.18
Current portion of lease liabilities	15	4,479,675.20	3,185,562.40	4,479,675.20	3,185,562.40
Corporate income tax payable		121,714.88	354,741.24	0.00	0.00
<b>Total current liabilities</b>		<b>35,745,695.72</b>	<b>54,188,352.55</b>	<b>32,805,949.27</b>	<b>54,797,876.15</b>
<b>Non-current liabilities</b>					
Lease liabilities	15	8,478,499.60	3,444,016.73	8,478,499.60	3,444,016.73
Non-current provisions for employee benefit	16	21,692,226.78	20,009,067.38	21,552,883.96	19,902,113.23
Others non-current liabilities		2,966,454.69	2,995,000.00	0.00	0.00
<b>Total non-current liabilities</b>		<b>33,137,181.07</b>	<b>26,448,084.11</b>	<b>30,031,383.56</b>	<b>23,346,129.96</b>
<b>Total liabilities</b>		<b>68,882,876.79</b>	<b>80,636,436.66</b>	<b>62,837,332.83</b>	<b>78,144,006.11</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 JUNE 30, 2023

	Consolidated financial statements (Baht)		Separate financial statements (Baht)			
	Note	June 30, 2023 (Unaudited /Reviewed only)	December 31, 2022 (Audited)	June 30, 2023 (Unaudited /Reviewed only)	December 31, 2022 (Audited)	
<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
		Unappropriated	114,623,201.16	242,992,040.47	106,989,940.23	239,397,237.68
		Other components of equity	201,493.95	0.00	0.00	0.00
		<b>Total owners of the Company</b>	<b>309,595,760.04</b>	<b>437,763,105.40</b>	<b>301,761,005.16</b>	<b>434,168,302.61</b>
		Non-controlling interests	(339,652.40)	5,416,285.63	0.00	0.00
		<b>Total shareholders' equity</b>	<b>309,256,107.64</b>	<b>443,179,391.03</b>	<b>301,761,005.16</b>	<b>434,168,302.61</b>
		<b>Total liabilities and shareholders' equity</b>	<b>378,138,984.43</b>	<b>523,815,827.69</b>	<b>364,598,337.99</b>	<b>512,312,308.72</b>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
Sales and services income		89,086,573.21	99,378,733.08	85,541,727.55	97,720,405.62
Cost of sale and services		(68,529,588.74)	(68,317,580.99)	(67,663,571.99)	(67,878,574.60)
Gross profit		20,556,984.47	31,061,152.09	17,878,155.56	29,841,831.02
Other income		1,670,004.73	537,365.52	1,805,461.73	804,081.78
Distribution costs		(2,630,035.99)	(2,153,371.39)	(2,001,473.80)	(1,859,063.18)
Administrative expenses		(151,487,629.41)	(10,259,870.33)	(155,760,263.77)	(9,470,228.14)
Profit (loss) from operating activities		(131,890,676.20)	19,185,275.89	(138,078,120.28)	19,316,621.48
Finance costs		(287,401.03)	(178,498.39)	(286,535.80)	(177,975.22)
Profit (loss) before income tax expense		(132,178,077.23)	19,006,777.50	(138,364,656.08)	19,138,646.26
Tax (expense) income	17	7,261,403.39	(909,668.97)	7,385,545.32	(882,728.15)
Profit (loss) for the period		(124,916,673.84)	18,097,108.53	(130,979,110.76)	18,255,918.11
Other comprehensive income (expense) for the period		0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the period		(124,916,673.84)	18,097,108.53	(130,979,110.76)	18,255,918.11
Profit (loss) attributable to :					
Owners of the Company		(124,999,816.85)	18,127,226.34	(130,979,110.76)	18,255,918.11
Non-controlling interests		83,143.01	(30,117.81)	0.00	0.00
Total		(124,916,673.84)	18,097,108.53	(130,979,110.76)	18,255,918.11
Earnings per share					
Basic earnings (loss) per share		(1.27)	0.18	(1.33)	0.19
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 COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
Sales and services income		195,802,731.87	193,455,480.55	189,237,564.87	186,102,427.11
Cost of sale and services		(142,875,777.44)	(139,404,161.15)	(140,845,076.01)	(136,109,049.23)
Gross profit		52,926,954.43	54,051,319.40	48,392,488.86	49,993,377.88
Other income		2,478,143.13	931,017.77	2,782,709.17	1,505,044.83
Distribution costs		(6,796,543.97)	(4,477,193.63)	(5,221,002.31)	(3,904,964.86)
Administrative expenses		(181,999,485.15)	(28,073,469.61)	(184,956,169.60)	(26,336,893.95)
Profit (loss) from operating activities		(133,390,931.56)	22,431,673.93	(139,001,973.88)	21,256,563.90
Share of loss from investments in associate		(1,441,411.78)	0.00	0.00	0.00
Finance costs		(485,183.26)	(362,433.27)	(483,462.30)	(361,392.69)
Profit (loss) before income tax expense		(135,317,526.60)	22,069,240.66	(139,485,436.18)	20,895,171.21
Tax (expense) income	17	6,994,243.21	(1,176,708.38)	7,078,138.73	(799,653.17)
Profit (loss) for the period		(128,323,283.39)	20,892,532.28	(132,407,297.45)	20,095,518.04
Other comprehensive income (expense) for the period		0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the period		(128,323,283.39)	20,892,532.28	(132,407,297.45)	20,095,518.04
Profit (loss) attributable to :					
Owners of the Company		(128,368,839.31)	20,899,046.46	(132,407,297.45)	20,095,518.04
Non-controlling interests		45,555.92	(6,514.18)	0.00	0.00
Total		(128,323,283.39)	20,892,532.28	(132,407,297.45)	20,095,518.04
Earnings per share					
Basic earnings (loss) per share		(1.30)	0.21	(1.34)	0.20
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 SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

Consolidated financial statements (Baht)

Note	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	Other components of equity	Total owners of the Company			
		Appropriated	Unappropriated	Different of change in percentage of investment in subsidiary					
Beginning balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	242,992,040.47	0.00	437,763,105.40	5,416,285.63	443,179,391.03
Changes in shareholders' equity for the six-month periods:									
Purchase investment in subsidiary	0.00	0.00	0.00	0.00	0.00	0.00	201,493.95	201,493.95	(5,801,493.95)
Loss for the period	0.00	0.00	0.00	0.00	(128,368,839.31)	0.00	(128,368,839.31)	45,555.92	(128,323,283.39)
Ending balance of the year 2023	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	114,623,201.16	0.00	309,595,760.04	(339,652.40)	309,256,107.64
Beginning balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	238,587,773.18	0.00	433,358,838.11	3,790,916.09	437,149,754.20
Changes in shareholders' equity for the six-month periods:									
Ordinary shares-additional paid-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500,020.00	1,500,020.00
Dividend paid	0.00	0.00	0.00	0.00	(19,711,597.00)	0.00	(19,711,597.00)	0.00	(19,711,597.00)
Profit for the period	0.00	0.00	0.00	0.00	20,899,046.46	0.00	20,899,046.46	(6,514.18)	20,892,532.28
Ending balance of the year 2023	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	239,775,222.64	0.00	434,546,287.57	5,284,421.91	439,830,709.48

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

Note	Separate financial statements (Baht)						Total shareholders' equity
	Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Appropriated	Retained earnings	Unappropriated	
Beginning balance of the year 2023	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	239,397,237.68	434,168,302.61	
Changes in shareholders' equity for the six-month periods:							
Loss for the period	0.00	0.00	0.00	0.00	(132,407,297.45)	(132,407,297.45)	
Ending balance of the year 2023	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	106,989,940.23	301,761,005.16	
Beginning balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	235,129,314.71	429,900,379.64	
Changes in shareholders' equity for the six-month periods:							
Dividend paid	0.00	0.00	0.00	0.00	(19,711,597.00)	(19,711,597.00)	
Profit for the period	0.00	0.00	0.00	0.00	20,095,518.04	20,095,518.04	
Ending balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	235,513,235.75	430,284,300.68	

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)		
	Note	2023	2022	2023	2022
<b>Cash flows from operating activities</b>					
Profit (loss) for the period		(128,323,283.39)	20,892,532.28	(132,407,297.45)	20,095,518.04
<b>Adjustments to reconcile profit (loss) to cash received (paid)</b>					
(Gain) loss on revaluation of fair value		0.00	(136,492.75)	0.00	(136,492.75)
Unrealized (gain) loss on exchange rate		(78,558.06)	(76,924.38)	(75,798.58)	(24,944.08)
Expected credit losses (reversed)		4,038,210.11	(9,230,925.63)	4,038,210.11	(9,230,925.63)
Loss on devaluation of inventories (reversed)		(1,238.74)	0.00	(1,238.74)	0.00
(Increase) decrease in contract assets		(526,608.02)	(7,714,978.19)	(566,102.73)	(6,395,859.07)
Impairment loss of investment in associate		121,493,704.08	0.00	126,466,276.77	0.00
Share of loss from investments in associate		1,441,411.78	0.00	0.00	0.00
Depreciation		12,835,646.40	10,877,442.48	12,627,971.50	10,672,521.10
(Gains) loss on sale of equipment		(126,643.94)	259,275.01	(126,643.94)	259,275.01
Loss on impairment of properties foreclosed		(7,476.64)	1,661,783.55	(7,476.64)	1,661,783.55
Amortized other intangible assets other than goodwill		283,631.16	200,208.93	283,631.16	200,208.93
Provisions for employee benefits		1,403,062.92	905,331.96	1,372,395.21	892,169.89
Interest expenses		485,183.26	362,433.27	483,462.30	361,392.69
Tax expenses (income)		(6,994,243.21)	1,176,708.38	(7,078,138.73)	799,653.17
		5,922,797.71	19,176,394.91	5,009,250.24	19,154,300.85
<b>(Increase) Decrease in portion of operating assets</b>					
Trade and other current receivables		36,715,447.93	14,809,175.88	35,236,859.84	15,973,663.97
Inventories		(3,051,191.24)	(2,682,382.96)	(1,144,966.53)	763,916.40
Capital lease receivables		534,427.57	0.00	0.00	0.00
Non-current non-cash financial assets pledged as collateral		(10,401.07)	0.00	(10,401.07)	0.00
Others non-current assets		(158,928.97)	(14,507,727.84)	(158,928.97)	(239,477.84)
<b>Increase (Decrease) in portion of operating liabilities</b>					
Trade and other current payables		(10,361,942.87)	(3,400,578.53)	(14,144,239.28)	(6,893,489.86)
Others non-current liabilities		(28,545.31)	688,750.00	0.00	0.00

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
Cash generated (paid) from operation		29,561,663.75	14,083,631.46	24,787,574.23	28,758,913.52
Interest paid		(205,086.78)	(104,405.15)	(205,086.78)	(104,405.15)
Income tax paid		(2,945,919.14)	(3,444,792.52)	(2,576,516.76)	(3,129,308.81)
Income tax refunded		3,119,382.07	0.00	3,119,382.07	0.00
<b>Net cash provided by (used in) operating activities</b>		<b>29,530,039.90</b>	<b>10,534,433.79</b>	<b>25,125,352.76</b>	<b>25,525,199.56</b>
<b>Cash flows from investing activities</b>					
Proceeds from equity securities of other parties		0.00	25,500,000.00	0.00	25,500,000.00
Payments for acquire of equity securities of other parties		0.00	(10,000,000.00)	0.00	(10,000,000.00)
Payments for acquire of investment in subsidiaries		0.00	0.00	(5,600,000.00)	(3,499,980.00)
Proceeds from sales of equipment		1,231,867.32	4,007,031.14	1,231,867.32	4,007,031.14
Payments for equipment acquisition		(12,194,456.00)	(7,786,836.32)	(12,063,999.17)	(7,747,140.06)
Payments for right-of-use assets		(472,710.28)	(450,250.00)	(472,710.28)	(450,250.00)
Payments for other intangible assets acquisition other than goodwill		(107,200.00)	(6,300.00)	(107,200.00)	(6,300.00)
<b>Net cash provided by (used in) investing activities</b>		<b>(11,542,498.96)</b>	<b>11,263,644.82</b>	<b>(17,012,042.13)</b>	<b>7,803,361.08</b>
<b>Cash flows from financing activities</b>					
Short-term borrowings from financial institutions, increase (decrease)		(7,741,711.57)	0.00	(7,741,711.57)	0.00
Payments for lease liabilities		(2,157,582.38)	(1,614,492.85)	(2,157,582.38)	(1,614,492.85)
Payments for dividend		0.00	(19,711,597.00)	0.00	(19,711,597.00)
Proceeds from non-controlling interests		0.00	1,500,020.00	0.00	0.00
Payments for acquire of non-controlling interests		(5,600,000.00)	0.00	0.00	0.00
<b>Net cash provided by (used in) financing activities</b>		<b>(15,499,293.95)</b>	<b>(19,826,069.85)</b>	<b>(9,899,293.95)</b>	<b>(21,326,089.85)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>2,488,246.99</b>	<b>1,972,008.76</b>	<b>(1,785,983.32)</b>	<b>12,002,470.79</b>
<b>Cash and cash equivalents as at the beginning of the period</b>		<b>35,252,439.44</b>	<b>40,888,782.89</b>	<b>26,279,941.09</b>	<b>21,978,323.05</b>
<b>Cash and cash equivalents as at the end of the period</b>	18	<b>37,740,686.43</b>	<b>42,860,791.65</b>	<b>24,493,957.77</b>	<b>33,980,793.84</b>

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2023

(UNAUDITED/REVIEWED ONLY)

**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 two branches office are located 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.

**2. PREPARATION OF INTERIM FINANCIAL INFORMATION BASIS**

- 2.1 The interim financial information has been prepared and presented the condensed form in conformity with TAS 34 "Interim Financial Reporting", guidelines promulgated by the Federation of Accounting Professions (FAP) and presented in accordance with the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

This interim financial information has been prepared for the purpose to provide the update information on the latest complete set of annual financial statements. Accordingly, it focuses on new activities, events, and circumstances and does not duplicate information previously reported. However, the statements of financial position, statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows are presented the same as previous annual financial statements. Therefore, this interim financial information should access to the most recent annual financial statements.

The interim financial information in Thai language are the official statutory financial information of the Group. The interim financial information in English language have been translated from the Thai language financial information.

## 2.2 New Financial Reporting Standards

Financial reporting standards that became effective in the current year

The revised financial reporting standards, which are effective for the financial statements for fiscal year beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards.

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

## 3. INTERIM CONSOLIDATED FINANCIAL INFORMATION PREPARATION BASIS

3.1 The interim financial information has been prepared by including financial information of Qualitech Public Company Limited and subsidiaries in which Qualitech Public Company Limited has controlled the entire financial policy and operations of subsidiaries since the controllable date until the control is ceased, and recognized investments in associate by using equity method as follows:

	Registration in	Percentage of investment %		Type of business
		June 30, 2023	December 31, 2022	
<u>Subsidiaries</u>				
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 Co., Ltd.	Thailand	99.99	99.99	Providing materials and equipment for engineering services, inspection
Qualitech Solution Energy Company Limited	Thailand	99.99	70.00	Producing and distributing electricity from solar power or other sources of energy
<u>Associates</u>				
Property Aim Solutions Company Limited.	Thailand	49.00	49.00	Providing real estate management services both purchase and sale, rent and related real estate services
NGINDEX Co., Ltd.	Thailand	40.00	40.00	Artificial intelligence computer system Improve of information technology Research, development and design

- 3.2 The interim consolidated financial information has been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.
- 3.3 The balance of accounts and transactions between the Group unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the interim consolidated financial statements.
- 3.4 Non-controlling interests

On May 13, 2023, the Board of directors' meeting No. 5/2023 passed the resolution to purchase additional investment in 149,999 ordinary shares of Quallitech Solution Energy Co., Ltd. at the price of Baht 37.33 per share, totaling Baht 5.60 million, equivalent to 29.99%. As a result, the Company's shareholding proportion in such subsidiary will increase from 70% to 99.99% (note 9).

From the purchase of investment in such subsidiary, as a result, the Company has a difference of changes in the proportion of investment in subsidiary as follows

	Unit: Baht
Net assets of subsidiary	19,338,466.61
Carrying value of net assets acquired (29.99%)	5,801,493.95
Payments for acquired investment from non-controlling interests	(5,600,00.00)
Difference from changes in investment proportion in subsidiary	<u>201,493.95</u>

- 3.5 According to the minutes of the Board of directors' meeting No. 4/2023 held on May 6, 2023, passed the resolution to approve the establishment another subsidiary with registered capital of Baht 10 million, for 100,000 ordinary shares with a par value of Baht 100 each, engaged in real estate management business, in which the Company acquired 99.998%.

On June 3, 2023, the Board of directors' meeting No. 6/2023, passed the resolution to approve the cancellation of a subsidiary because one of the directors who proposed to establish a subsidiary in order to engage such business, has already resigned from the director position of the Company.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2022.

#### 5. TRADE AND OTHER CURRENT RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Trade accounts receivable	55,948,902.49	93,846,227.16	55,177,896.98	91,031,537.63
Other current receivables				
Prepaid expenses	5,640,010.75	4,886,289.66	5,597,020.91	4,815,788.48
Employee welfare receivables	2,026,092.41	2,705,476.65	2,026,092.41	2,705,476.65
Others	4,928,583.78	4,005,136.95	1,839,748.45	1,311,748.22
Total	68,543,589.43	105,443,130.42	64,640,758.75	99,864,550.98
Less Allowance for expected credit losses - trade accounts receivable	(10,587,865.63)	(7,110,550.07)	(10,587,865.63)	(7,110,550.07)
Less Allowance for expected credit losses – other current receivables	(719,436.08)	0.00	(719,436.08)	0.00
Net	57,236,287.72	98,332,580.35	53,333,457.04	92,754,000.91

Billed trade accounts receivable separated on aging are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Undue trade accounts receivable	29,245,716.82	60,063,555.74	29,122,895.49	58,386,340.82
Overdue trade accounts receivable				
- Less than 3 months	11,685,551.31	24,809,194.82	11,283,223.21	24,036,055.21
- Over 3 months to 6 months	2,077,418.38	2,842,822.10	1,831,562.30	2,478,487.10
- Over 6 months to 9 months	5,945,918.00	139,163.00	5,945,918.00	139,163.00
- Over 9 months to 12 months	1,273,151.88	89,924.00	1,273,151.88	89,924.00
- Over 12 months	5,721,146.10	5,901,567.50	5,721,146.10	5,901,567.50
Total	55,948,902.49	93,846,227.16	55,177,896.98	91,031,537.63



## 6. CONTRACT ASSETS

### 6.1 Balance under contracts

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Contract assets	62,583,964.84	63,051,312.45	62,637,673.47	63,065,526.37
Less Allowance for expected credit losses	(4,197,373.70)	(4,529,360.59)	(4,197,373.70)	(4,529,360.59)
Net	58,386,591.14	58,521,951.86	58,440,299.77	58,536,165.78
Retention receivable under contracts	5,127,964.41	4,134,008.78	5,127,964.41	4,134,008.78
Less Allowance for expected credit losses	(2,478,385.64)	(2,478,385.64)	(2,478,385.64)	(2,478,385.64)
Net	2,649,578.77	1,655,623.14	2,649,578.77	1,655,623.14
Total	61,036,169.91	60,177,575.00	61,089,878.54	60,191,788.92

### 6.2 Revenues expected to recognize for unsatisfied performance obligations

As at June 30, 2023 and December 31, 2022, 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 212.29 million and Baht 130.33 million respectively (Separate : Baht 212.29 million and Baht 130.33 million respectively). The Group expects to satisfy this performance obligation to be completed within 1 year (Separate: 1 year).

7. CAPITAL LEASE RECEIVABLES

	Consolidated financial statements (Baht)	
	June 30, 2023	December 31, 2022
Capital lease receivables		
- Due within 1 year	2,221,396.70	2,455,803.84
- Due over 1year to 5 years	8,955,514.81	8,936,542.30
- Due over 5 years to 15 years	21,281,070.77	22,408,790.19
Total	32,457,982.28	33,801,136.33
Less Deferred interest income	(13,988,626.29)	(14,797,352.77)
Capital lease receivables - net	18,469,355.99	19,003,783.56
Less Current portion due within 1 year	(645,797.84)	(845,717.99)
Net	17,823,558.15	18,158,065.57

Capital lease receivables are derived from the sale of electricity current generated from solar power generation equipment in the premises of the electricity current purchaser. The management of the subsidiary considered the substance of the power sale contract, found that the contract consisted of a lease and characterized as a capital lease.

8. INVESTMENTS IN ASSOCIATES

Company's name	Type of business	Relationship	Paid-up share capital (Baht)	Percentage of shareholding		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
				June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
				Carrying amounts under equity method				Cost method	
Property Aim Solutions Company Limited.	Providing real estate management services both purchase and sale, rent and related real estate services	The Company held 49.00% share capital, Shareholders and directorship	3,000,000.00	49.00	49.00	121,493,704.08	122,935,115.86	144,550,000.00	144,550,000.00
NGIDX Co., Ltd.	Artificial intelligence computer system, Improvement of information technology, research, development, design	The Company held 40.00% share capital, Common directors	1,250,000.00	40.00	40.00	0.00	0.00	500,000.00	500,000.00
	Total					121,493,704.08	122,935,115.86	145,050,000.00	145,050,000.00
	Less Provision for impairment of investment					(121,493,704.08)	0.00	(18,583,723.23)	0.00
	Net					0.00	122,935,115.86	126,466,276.77	126,466,276.77

Property Aim Solutions Company limited

According to the minutes of the Board of directors' meeting No. 7/2023 held on July 7, 2023, the Board of directors has been informed of the incident with an associate (Property Aim Solutions Company Limited) as following; 1) the associate lacks financial liquidity and is unable to pay salaries to all employees. As a result, some employees complained to the Department of Labor Protection and Welfare for requesting the payment of unpaid salaries and the employees stopped working. Discontinuation of employees may cause the customer to terminate the employment contract and claim damages. 2) three members of the Board of directors of the associate have resigned from their position due to conflicts in the management, and 3) the associate has already ceased to operate its business. Therefore, the Company considered to provide allowance for impairment loss on investment in associate amounting to Baht 121.49 million and Baht 126.47 million in the consolidated and separate financial statements, respectively.

9. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital	Percentage of shareholding		Separate financial statements (Baht)	
				June 30,	December 31,	June 30,	December 31,
				2023	2022	2023	2022
						Cost price	
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	200,000 USD	80.00	80.00	5,323,600.00	5,323,600.00
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
Qualitech Solution Energy Company Limited	Producing and distributing electricity from solar power or other sources of energy	The Company held 99.99% share capital, has common director and management	17,500,000 Baht	99.99	70.00	17,849,930.00	12,249,930.00
						37,587,030.00	31,987,030.00
Less Provision for impairment of investment in Qualitech Myanmar Company Limited						(5,323,600.00)	(3,572,156.80)
						32,263,430.00	26,663,430.00

9.1 On May 13, 2023, the Board of directors' meeting No. 5/2023, passed the resolution to purchase additional investment in 149,999 ordinary shares of Qualitech Solution Energy Co., Ltd. at the price of Baht 37.33 per share, totaling Baht 5.60 million, equivalent to 29.99%. As a result, the Company's shareholding proportion in such subsidiary from 70% to 99.99%, of which the Company has already purchased investment on June 2, 2023.

9.2 The financial statements for the three-month and six-month periods ended June 30, 2023 of above subsidiaries have been taken for preparing the consolidated financial statements were reviewed by the auditor.

**10. PROPERTY, PLANT AND EQUIPMENT**

10.1 The increase and decrease of property, plant and equipment for the six-month periods ended June 30, 2023 are as follow:

	<b>Consolidated financial statements (Baht)</b>	<b>Separate financial statements (Baht)</b>
Net book value as at January 1, 2023	145,242,935.64	144,087,666.32
Purchase during the period - cost	10,794,367.17	10,663,910.34
Disposal during the period - net book value as at disposal date	(1,108,860.17)	(1,108,860.17)
Depreciation for the period	(11,395,528.08)	(11,187,853.18)
Transfer from right-of-use assets	856,714.58	856,714.58
Net book value as at June 30, 2023	<u>144,389,629.14</u>	<u>143,311,577.89</u>

10.2 As at June 30, 2023 and December 31, 2022, assets at cost of Baht 219.48 million and Baht 218.21 million respectively, in the consolidated financial statements, and Baht 219.20 million and Baht 217.93 million respectively, in the separate financial statements which were fully depreciated but are still in operation.

10.3 As at June 30, 2023 and December 31, 2022, land with its construction 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.

**11. RIGHT-OF-USE ASSETS**

11.1 The increase and decrease of right-of-use assets for the six-month periods ended June 30, 2023 are as follow:

	<b>Consolidated and Separate financial statements (Baht)</b>
Net book value as at January 1, 2023	14,653,868.09
Purchase during the period - cost	8,859,287.37
Depreciation for the period	(1,440,118.32)
Transfer to property, plant and equipment	<u>(856,714.58)</u>
Net book value as at June 30, 2023	<u>21,216,322.56</u>

11.2 As at June 30, 2023 and December 31, 2022, right-of-use-assets (building space and vehicles) at cost of Baht 25.61 million and Baht 17.90 million in the consolidated financial statements which is still pending the payment under leases (note 15).

**12. OTHER NON-CURRENT ASSETS**

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Properties foreclosed	1,151,617.94	1,167,191.74
Others	970,437.63	811,508.66
Total	2,122,055.57	1,978,700.40
Less Provisions for impairment of assets	(1,151,617.94)	(1,167,191.74)
Net	970,437.63	811,508.66

**13. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS.**

As at December 31, 2022, the Group had borrowings from a bank of Baht 7.41 million in the consolidated and separate financial statements, by discounted bills of exchange, at the interest rate of average MLR-1.8425% per annum, guaranteed by transferring the right to claim the payment from trade receivables and pledging the right to receive the fixed deposit of the said bank.

**14. TRADE AND OTHER CURRENT PAYABLES**

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Trade accounts payable	13,826,010.81	15,988,907.48	13,678,432.76	17,728,386.97
Other current payables				
Accrued expenses	12,703,162.22	21,886,541.38	11,839,373.45	21,190,566.05
Revenue Department payable	2,630,359.06	3,166,233.02	2,475,855.31	3,110,151.83
Assets payables	230,692.00	1,630,780.83	230,692.00	1,630,780.83
Others	1,754,081.55	233,874.63	101,920.55	210,716.50
Total	31,144,305.64	42,906,337.34	28,326,274.07	43,870,602.18

**15. LEASE LIABILITIES**

15.1 Lease liabilities excluded future interest expenses as follows :

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Hire purchase payable	14,154,077.00	6,820,166.00
Less Future interest expenses of financial lease	<u>(1,195,902.20)</u>	<u>(190,586.87)</u>
Total	12,958,174.80	6,629,579.13
Less Current portion of long-term liabilities	<u>(4,479,675.20)</u>	<u>(3,185,562.40)</u>
Net	<u>8,478,499.60</u>	<u>3,444,016.73</u>

15.2 The increase and decrease of lease liabilities for the six-month periods ended June 30, 2023 are as follow:

	<b>Consolidated and Separate financial statements (Baht)</b>
Book value as at January 1, 2023	6,629,579.13
Increase during the period	8,486,178.05
Repayment during the period	<u>(2,157,582.38)</u>
Book value as at June 30, 2023	<u>12,958,174.80</u>

15.3 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>June 30, 2023</b>	<b>December 31, 2022</b>
Building space	1,106,809.62	0.00
Vehicles	<u>24,500,346.93</u>	<u>17,900,214.97</u>
Total	<u>25,607,156.55</u>	<u>17,900,214.97</u>



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

The increase and decrease of non-current provisions for employee benefit for the six-month periods ended June 30, 2023 are as follow:

	<u>Consolidated financial statements (Baht)</u>	<u>Separate financial statements (Baht)</u>
Book value as at January 1, 2023	20,009,067.38	19,902,113.23
Recognized in profit or loss		
Current service costs	1,403,062.92	1,372,395.21
Interest costs	280,096.48	278,375.52
Book value as at June 30, 2023	<u>21,692,226.78</u>	<u>21,552,883.96</u>

**17. INCOME TAX**

17.1 The calculation of current income taxes

The Company calculated corporate income tax at the rate of 20% of profit (loss) before deducting with tax expenses 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 21).

17.2 Income tax recognized in profit or loss for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	<u>For the three-month periods</u>			
	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>
Current income tax				
Corporate income tax for the period	136,386.22	197,224.15	0.00	170,283.33
Deferred tax				
Changes in temporary differences	<u>(7,397,789.61)</u>	<u>712,444.82</u>	<u>(7,385,545.32)</u>	<u>712,444.82</u>
Total tax expense (income)	<u>(7,261,403.39)</u>	<u>909,668.97</u>	<u>(7,385,545.32)</u>	<u>882,728.15</u>

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Current income tax				
Corporate income tax for the period	136,386.22	548,750.96	0.00	170,283.33
Deferred tax				
Changes in temporary differences	(7,130,629.43)	627,957.42	(7,078,138.73)	629,369.84
Total tax expense (income)	(6,994,243.21)	1,176,708.38	(7,078,138.73)	799,653.17

## 18. ADDITION DISCLOSURE OF STATEMENTS OF CASH FLOWS

### 18.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Cash	412,874.09	200,336.79	325,090.23
Cash at bank - current accounts	54,468.56	82,504.70	32,478.02	34,000.00
Cash at bank - savings deposit	37,273,343.78	42,577,950.16	24,136,389.52	33,800,771.46
Total	37,740,686.43	42,860,791.65	24,493,957.77	33,980,793.84

### 18.2 Non-cash transaction

Non-cash transaction for the six-month periods ended June 30, 2023 and 2022 are as follows :

	Consolidated and Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022
	Transfer equipment to be properties foreclosed	0.00
Transfer equipment to be other intangible assets other than goodwill	0.00	(392,371.43)
Transfer right-of-use assets to be equipment	(856,714.58)	(366,544.81)
Right-of-use assets under lease liabilities	8,486,178.05	1,350,750.00
Payables from acquire of equipment	1,400,088.83	452,114.64

## 19. 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 :

### 19.1 General information

Name	Relationship	Description	Pricing policy
<u>Subsidiaries</u>			
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
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 – other service charges	At agreed price
		Materials supply	Close to market value
		Contractor wages	Close to market value
		Purchase of fixed assets	At agreed price
Qualitech Solution Energy Company Limited	The Company held 99.99% share capital, has common director and management	Income - rental	At agreed price
		Income - management service fee	At agreed price
<u>Other related parties</u>			
Creative Solutions Energy Company Limited	Shareholding and common directors and executives in subsidiary	Contractor wages	At agreed price
		Management service fee	At agreed price

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

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Qualitech Myanmar Company Limited				
Trade and other current receivables	0.00	0.00	0.00	20,634.78
Duwell Intertrade Company Limited				
Trade and other current receivables	0.00	0.00	96,686.07	83,910.69
Contract assets	0.00	0.00	8,708.63	0.00
Trade and other current payables	0.00	0.00	1,634,446.40	1,781,303.90
Qualitech Solution Energy Company Limited				
Trade and other current receivables	0.00	0.00	27,400.00	27,400.00
Creative Solutions Energy Company Limited				
Trade and other current payables	21,400.00	21,400.00	0.00	0.00

19.3 Revenues and expenses transaction with related persons and parties for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Qualitech Myanmar Company Limited				
Service income - wages	0.00	0.00	0.00	133,000.00
Other income - management fee	0.00	0.00	0.00	31,209.81
Duwell Intertrade Company Limited				
Other income - rental	0.00	0.00	68,619.61	66,272.43
Other income - management fee	0.00	0.00	56,074.77	140,186.91
Other income - other service charges	0.00	0.00	17,622.44	5,286.50
Cost of sales and services - material supply	0.00	0.00	3,338,650.00	3,148,387.50
Cost of sales and services - contractor wages	0.00	0.00	34,200.00	21,420.00
Qualitech Solution Energy Company Limited				
Other income - rental	0.00	0.00	9,000.00	9,000.00
Other income - management fee	0.00	0.00	30,000.00	90,000.00
Creative Solutions Energy Company Limited				
Administrative expenses - management fee	30,000.00	75,000.00	0.00	0.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Qualitech Myanmar Company Limited				
Service income - wages	0.00	0.00	0.00	472,000.00
Other income - management fee	0.00	0.00	30,757.53	60,898.86
Duwell Intertrade Company Limited				
Service income - wages	0.00	0.00	0.00	43,000.00
Other income - rental	0.00	0.00	130,861.95	129,269.58
Other income - management fee	0.00	0.00	112,149.54	308,411.22
Other income - other service charges	0.00	0.00	22,897.21	28,498.18
Cost of sales and services - material supply	0.00	0.00	4,875,180.00	4,785,077.50
Cost of sales and services - contractor wages	0.00	0.00	70,400.00	27,120.00
Qualitech Solution Energy Company Limited				
Other income – rental	0.00	0.00	18,000.00	18,000.00
Other income - management fee	0.00	0.00	60,000.00	170,000.00
Creative Solutions Energy Company Limited				
Administrative expenses – management fee	60,000.00	140,000.00	0.00	0.00

19.4 Other transaction with related persons and parties for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Creative Solutions Energy Company Limited				
Construction in progress-wages	0.00	195,750.00	0.00	0.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Duwell Intertrade Company Limited				
Fixed assets - equipment	0.00	0.00	220,000.00	36,900.00
Creative Solutions Energy Company Limited				
Construction in progress-wages	0.00	413,250.00	0.00	0.00

## 20. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Changes in inventories	98,692.23	(971,143.20)	0.00	0.00
Employee benefit expenses	58,386,901.28	50,939,919.26	57,449,963.05	50,104,151.60
Depreciation	6,608,919.21	5,377,979.15	6,503,731.09	5,274,237.25
Supplies used	4,752,282.58	5,392,344.77	8,089,293.08	8,478,088.80
Contractor wage	4,644,349.24	5,815,521.92	4,663,549.24	5,815,217.92
Travelling and accommodation expenses	2,179,744.32	2,038,263.18	2,148,721.72	1,944,671.40
Office expenses	2,773,323.30	2,695,671.14	2,677,175.65	2,544,315.51
Fee and consulting fee	3,609,544.25	2,982,340.85	3,509,984.06	2,920,045.63
Directors' remuneration	945,000.00	378,700.00	945,000.00	378,700.00
Management benefit expenses	5,037,458.35	6,251,302.16	4,947,458.35	6,161,302.16
Expected credit losses (reversed)	2,496,794.47	(9,567,570.77)	2,496,794.47	(9,567,570.77)
Impairment loss of investment in associate	121,493,704.08	0.00	126,466,276.77	0.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Changes in inventories	65,220.67	(1,285,135.10)	0.00	0.00
Employee benefit expenses	119,849,080.03	102,983,766.50	117,583,207.65	101,055,272.07
Depreciation	12,835,646.40	10,877,442.48	12,627,971.50	10,672,521.10
Supplies used	11,607,666.15	9,733,828.83	16,480,626.51	14,399,920.59
Contractor wage	12,566,839.54	13,815,978.44	12,578,700.36	13,797,419.16
Travelling and accommodation expenses	4,399,900.09	3,997,957.31	4,340,720.33	3,717,602.71
Office expenses	5,805,342.94	5,706,755.57	5,606,772.82	5,384,907.38
Fee and consulting fee	7,989,447.71	3,940,756.55	7,710,532.88	3,782,778.72
Directors' remuneration	1,377,600.00	1,014,800.00	1,377,600.00	1,014,800.00
Management benefit expenses	12,073,655.09	11,227,787.76	11,893,655.09	11,077,787.76
Expected credit losses (reversed)	4,142,210.11	(9,230,925.63)	4,142,210.11	(9,230,925.63)
Impairment loss of investment in associate	121,493,704.08	0.00	126,466,276.77	0.00

## 21. PROMOTIONAL PRIVILEGES

Revenues of the Group for the six-month periods ended June 30, 2023 and 2022 separated into promoted business and non-promoted business as follows:

	Consolidated financial statements (Million Baht)					
	Promoted business		Non-promoted business		Total	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Sales	0.00	0.00	5.39	4.96	5.39	4.96
Services income	101.81	66.64	88.61	121.86	190.42	188.50
Other income	0.25	0.24	2.22	0.69	2.47	0.93
Total	102.06	66.88	96.22	127.51	198.28	194.39

## 22. OPERATING SEGMENTS

22.1 Revenues separated by nature of services for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	Consolidated financial statements (Million Baht)			
	For the three-month periods		For the six-month periods	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Sales	3.00	1.03	5.39	4.96
Services income				
Non-Destructive Testing	43.89	47.98	97.35	93.80
Inspection and certificate	35.96	44.10	79.58	84.18
Others	6.23	6.26	13.48	10.52
Total	86.08	98.34	190.41	188.50
Total	89.08	99.37	195.80	193.46

22.2 For the six-month periods ended June 30, 2023 and 2022, the Group has revenues from five major customers in the amount of Baht 76.58 million and Baht 77.69 million respectively.

## 23. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

### Liquidity risk

As at June 30, 2023 and December 31, 2022, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

	Note	Consolidated financial statements (Baht)			
		Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at June 30, 2023</b>					
Trade and other current payables	14	31,144,305.64	0.00	0.00	31,144,305.64
Lease liabilities	15	4,571,386.23	5,763,424.13	2,623,364.44	12,958,174.80
Total		35,715,691.87	5,763,424.13	2,623,364.44	44,102,480.44
<b>As at December 31, 2022</b>					
Short-term borrowings from financial institutions	13	7,741,711.57	0.00	0.00	7,741,711.57
Trade and other current payables	14	42,906,337.34	0.00	0.00	42,906,337.34
Lease liabilities	15	3,264,771.28	2,792,186.64	572,621.21	6,629,579.13
Total		53,912,820.19	2,792,186.64	572,621.21	57,277,628.04



		<u>Separate financial statements (Baht)</u>			
	Note	<u>Less than 1 year</u>	<u>1 - 3 years</u>	<u>3 – 5 years</u>	<u>Total</u>
<b>As at June 30, 2023</b>					
Trade and other current payables	14	28,326,274.07	0.00	0.00	28,326,274.07
Lease liabilities	15	4,571,386.23	5,763,424.13	2,623,364.44	12,958,174.80
Total		<u>32,897,660.30</u>	<u>5,763,424.13</u>	<u>2,623,364.44</u>	<u>41,284,448.87</u>
<b>As at December 31, 2022</b>					
Short-term borrowings from financial institutions	13	7,741,711.57	0.00	0.00	7,741,711.57
Trade and other current payables	14	43,870,602.18	0.00	0.00	43,870,602.18
Lease liabilities	15	3,264,771.28	2,792,186.64	572,621.21	6,629,579.13
Total		<u>54,877,085.03</u>	<u>2,792,186.64</u>	<u>572,621.21</u>	<u>58,241,892.88</u>

#### 24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 As at June 30, 2023 and December 31, 2022, the Group has commitment under purchase and hire agreement with several seller in the amount of Baht 34.15 million and Baht 44.14 million respectively in the consolidated financial statements and in the amount of Baht 31.60 million and Baht 45.08 million in the separate financial statements respectively.

24.2 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 June 30, 2023 and December 31, 2022 total amount of Baht 8.82 million and Baht 8.30 million respectively. Contingent liabilities are guaranteed by mortgaging land with its construction (note 10).

24.3 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. Currently, it is proceeding of the police officer for investigation and gathering file of a case 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.

During the first quarter of 2023, the prosecutor filed a lawsuit against the Company (co-defendant) to jointly pay indemnity to the mother of the contractor who died in the incident of Baht 4.67 million including interest in accordance with the law. At present, the case is under the proceedings of the Court.

24.4 The Company has a litigation arising from the employment of workers as at June 30, 2023 and December 31, 2022 amounting to Baht 6.69 million. The Court dismisses the case and the plaintiff filed the appeal. Subsequent on April 11, 2023, the Court of Appeal rejected the plaintiff's appeal. Therefore, this case is come an end, the Company has not suffered damages from the lawsuit.

## 25. RECLASSIFICATIONS

The Group has reclassified the 2022 accounts for corresponding with the presentation in the 2023 financial statements, as detailed following:

	<b>Consolidated financial statements (Baht)</b>		
	<u>Before reclassify</u>	<u>Reclassify</u>	<u>After reclassify</u>
<b>As at December 31, 2022</b>			
Trade and other current receivables	99,988,203.49	(1,655,623.14)	98,332,580.35
Contract assets	58,521,951.86	1,655,623.14	60,177,575.00

	<b>Separate financial statements (Baht)</b>		
	<u>Before reclassify</u>	<u>Reclassify</u>	<u>After reclassify</u>
<b>As at December 31, 2022</b>			
Trade and other current receivables	94,409,624.05	(1,655,623.14)	92,754,000.91
Contract assets	58,536,165.78	1,655,623.14	60,191,788.92

## 26. INTERIM FINANCIAL INFORMATION APPROVAL

This interim financial information was approved and authorized for issue by the Board of directors of the Company on August 11, 2023.