



บริษัท ควอลิตี้เทค จำกัด (มหาชน)  
Qualitech Public Company Limited



# 2023

**Annual Registration Statement / Annual Report**  
(Form 56-1 One Report)



# Vision

**Qualitech Public Company Limited is committed to becoming a leader in providing One-Stop Services for Engineering Testing, Inspection and Certification for Safety in The ASEAN Economic Community (AEC) with an emphasis on applying Innovations in service provision in parallel with the continued development of Staff. The Company realized the significance of Social Responsibility and Professional Ethics for Sustainable Business Expansion.**



# Mission

- 1** Expand engineering testing, inspection, and certification services to ensure safety across the ASEAN region.
- 2** Innovate and develop new service offerings continuously to meet customers' comprehensive needs.
- 3** Continuously develop and enhance the potential of employees while fostering professional ethics.
- 4** Conduct business with a strong sense of corporate social responsibility and environmental stewardship for sustainable growth





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# Company Information

<b>Company Name</b>	Qualitech Public Company Limited
<b>SET Symbol</b>	QLT
<b>Registered Capital</b>	98,568,485 baht with 98,568,485 baht paid up
<b>Type of Business</b>	Engineering business for safety, encompassing services such as Non-Destructive Testing (NDT), Destructive Testing, Mechanical and metallurgical Testing, Inspection and Certification, as well as providing engineering safety consultancy services on an international level.  0107550000220  www.qualitechplc.com
<b>Company's registration No.</b>	21/3 Banplong Road, Maptaphut, Mueang,
<b>Website</b>	Rayong 21150
<b>Head Office</b>	Tel. 0-3869-1408 ext. 10 Fax. 0-3869-2028  50 Soi Pattanakarn, 57 Prawet, Bangkok 10250
<b>Branch Office (1)</b>	Tel. 0-2116-9294 Fax. 0-2722-1132  83/50 Moo 10 Nongkham, Si Racha, Chonburi, 20230
<b>Branch Office (2)</b>	Tel. 0-3300-5161 ext. 3 Fax. 0-3300-5164  Tel. 0-3869-1408-10 Fax. 0-3869-2028
<b>Investor Relation</b>	Email: IR@qualitechplc.com  The Thailand Securities Depository Co., Ltd.  The Stock Exchange of Thailand Building 14 <sup>th</sup> Floor, Tower A, 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400
<b>Registrar</b>	Tel. 0-2009-9378 Fax. 0-2009-9476  Mrs. Suphaphorn Mangjit  CPA Registration No. 8125
<b>Authorized Auditor</b>	DIA International Audit Co., Ltd. 316 32 Sukhumvit Alley 22, Khwaeng Khlong Toei, Khlong Toei, Bangkok 10110  Tel. 0-2259-5300 Fax. 0-2260-1553



# Company Location

Head Office, Rayong Province



Branch Office (1)  
Bangkok Province



Branch Office (2) Chonburi Province

# Financial Summary

## ฿427.59

Sale and services income (Million Baht)

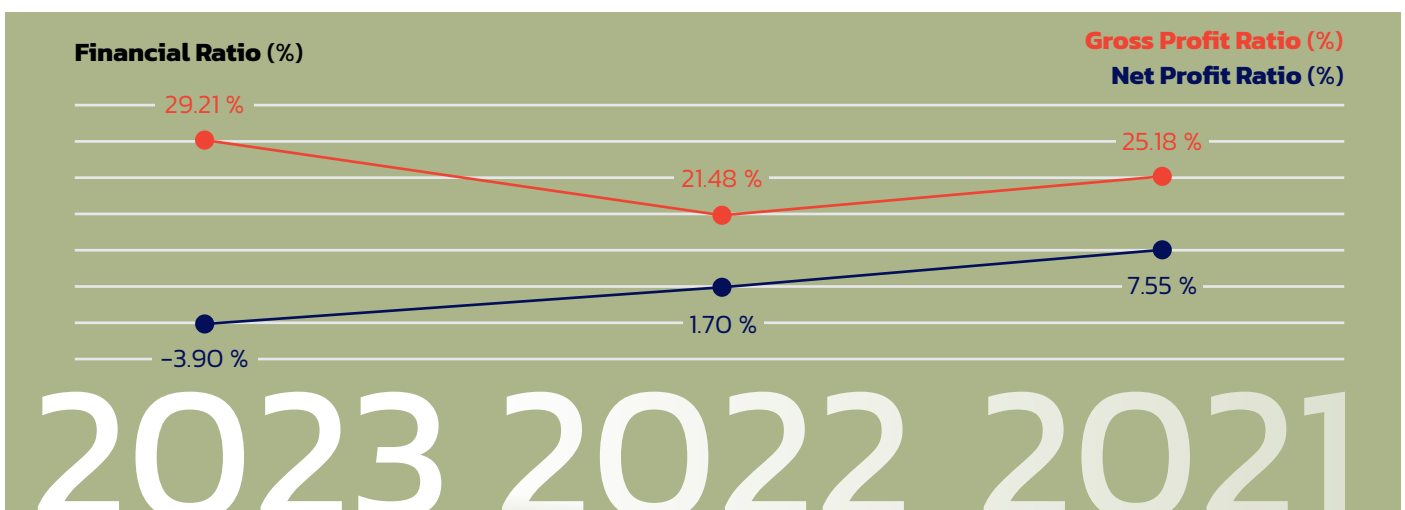
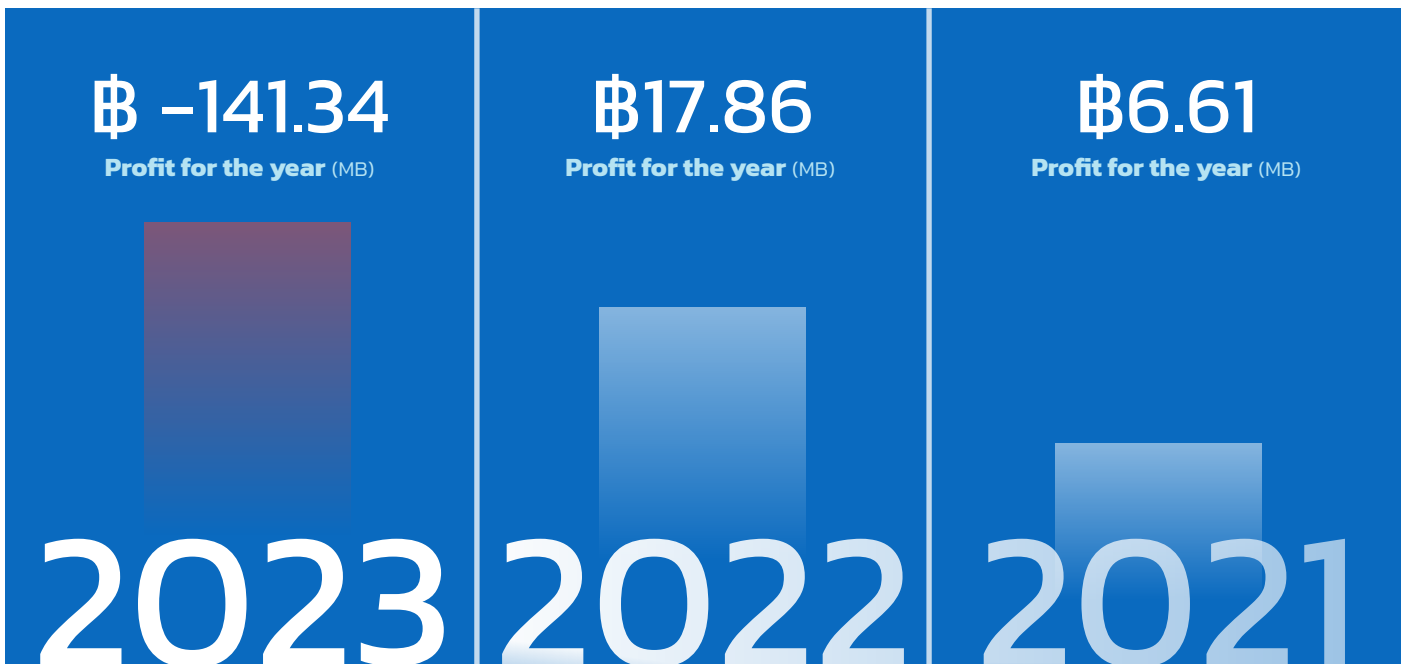
## ฿ -141.34

Profit for the year (Million Baht)

	31 December 2023	31 December 2022	31 December 2021
<b>Statements of Comprehensive Income (Million Baht)</b>			
Sales and services income	427.59	455.37	389.69
Cost of sale and services and Distribution Cost and Administrative expenses	572.98	433.57	385.69
Gross profit	110.66	133.02	83.70
Profit for the year	-141.34	17.86	6.61
<b>Statements of Financial Position (Million Baht)</b>			
Total assets	391.71	523.81	506.88
Total liabilities	96.02	80.64	69.73
Total owners of the Company	295.88	437.76	433.36
<b>Financial Ratio</b>			
Gross Profit Ratio (%)	25.88	29.21	21.48
Net Profit Ratio (%)	-32.82	3.90	1.70
Return on Equity (%)	-38.53	4.10	1.50
Return on Total Asset (%)	-30.88	3.47	1.29
Debt to Equity Ratio (times)	0.32	0.18	0.16
<b>Earnings Per Share</b>			
Net Profit Per Share (Baht)*	-1.43	0.18	0.067
Book Value Per Share (Baht)	3.00	4.44	4.40

\* Number of shares outstanding computed using weighted

## Financial Highlights





**1** On November 16, 2023, Qualitech Public Company Limited participated in the opening ceremony of the “THAI-AUSTRIAN TECH OPEN HOUSE 2023”. Mr. Withawat Panjamawat, Deputy Secretary-General of the Committee on Vocational Education, was honored to preside over the ceremony, accompanied by the executive management team, teachers, educational personnel, and business representatives. During the event, educational guidance was provided to individuals interested in pursuing professional studies, along with promoting advancements in

vocational education management. Additionally, there were showcases of technology innovations and inventions by students and young professionals. This event provided an opportunity for creative individuals to showcase their abilities fully. Subsequently, following the ceremony, an award presentation ceremony was held to honor businesses that have contributed to and supported education at Thai Austrian Technical College by the Office of the Vocational Education Committee. Qualitech Public Company Limited provided support by offering training workshops to teachers and students of the college,

as well as sending personnel to serve as judges for provincial skills competitions at the technical college level. In this instance, Mr. Rakchat Inthaphio, representing the company, received the honorary award and participated in a photo session with representatives from other participating businesses. Receiving such an honorary award emphasizes the commitment to conducting business in parallel with supporting the development of youth potential, positioning them as crucial forces in the country’s ongoing development.

**2** Qualitech Public Company Limited participated as one of the supporters in the 31st National Skills Competition and Basic Skills Competition for the Vocational College Sector, held from January 30 to February 3, 2023. The competition encompassed various fields, including Metal Welding at the Vocational Certificate level, covering SMAW & GTAW welding skills, as well as material inspection and testing. In the Metal Technology field at the Advanced Vocational Certificate level, the competition involved SMAW, GTAW, and GMAW welding skills, along with material inspection and testing.

Acting Sublt. Chucheep Arunluang chaired the competition management committee on Tuesday, January 31, 2023. Rayong Technical College’s Welding and Metal Technology Department hosted the opening ceremony of the 31st National Skills Competition and Basic Skills Competition for the Vocational College Sector, with Dr. Somchai Thamrongsuk, Director of the Eastern Vocational Education Institute, presiding over the event. The ceremony was attended by Mr. Sangat Yosheuang, President of the Vocational Teacher and Welder Professional Association,

as well as educational institution administrators, teaching faculty, and students participating in the competition. This nationwide competition attracted a total of 3,864 participants and served as a qualifying event for representatives to compete in the International Vocational Skills Competition (World Skills). The competition aimed to promote and develop vocational skills among students, thereby elevating Thailand’s competitiveness on the global stage.

**3** On Friday, July 14, 2023, representatives from Qualitech Public Company Limited attended the “CAC Certification Ceremony 2023 : Success Story for Sustainability” event. This event was organized by the Institute of Directors (IOD) Thailand, where Qualitech Public Company Limited was one of the 95 private sector companies recognized for renewing their membership certification in Thai Private Sector Collective Action Against Corruption. The certification renewal was for the third and fourth quarters of 2022. The company received an invitation to participate in the certificate presentation ceremony, marking its second certification renewal. During the ceremony, Dr. Sauwane Thairungroj (CAC COUNCIL) presented the certificate to the company representatives.

Afterward, a group photo was taken with other private sector company representatives who also renewed their membership certification. The decision by Thai Private Sector Collective Action Against Corruption to renew Qualitech Public Company Limited’s membership for the second time emphasizes the company’s adherence to operational standards conducive to anti-corruption policies. This reaffirms the company’s commitment to conducting business ethically, transparently, and responsibly, while also demonstrating its social responsibility to all stakeholders involved.

**4** Mr. Purin Kaewklom, Assistant to the Chief Executive Officer of Qualitech Public Company Limited, along with Mr. Surachai Panomai, an expert in inspection and industrial services, and Mr. Thanawat Sombatlai, Site Safety Supervisor, represented Qualitech Public Company Limited in receiving the “2023 Outstanding Partnering Award.” This award recognizes the company as a business partner that operates efficiently throughout 2023. The award was presented by Chevron Thailand Exploration and Production Limited, a globally significant energy company engaged in exploring and producing petroleum in Thailand for over 60 years.

This accolade underscores Qualitech Public Company Limited’s success in providing efficient services and engineering testing solutions for safety.

## Highlight of Operations in Year 2023

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# Message from the Board of Directors

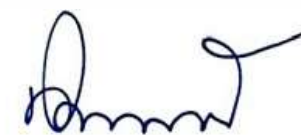
Dear Shareholders,

In the year 2023, amidst the fluctuations in the global economy, various crises such as the Russia-Ukraine conflict, tensions in the Middle East, political factors, high interest rates, and inflationary pressures have impacted supply chains worldwide, including our company.

We are committed to navigating through the economic fluctuations by restructuring the organization in several aspects to enhance operational agility and explore new opportunities amid the crisis. Our goal is to better serve our customers, mitigate risks across diversified business sectors, and leverage the company's strengths to the fullest potential. While challenges may arise, resulting in operational setbacks and losses in certain ventures, our company experienced a loss in the fiscal year 2023.

Nevertheless, we remain focused on maintaining financial stability, reducing costs, seeking opportunities amidst crises, and developing the organization into an expert entity with modernized practices. We uphold high-quality engineering services tailored to our expertise while seeking new ventures to sustainably expand our business, which presents new challenges and requires adaptive strategies for future endeavors.

On behalf of the Board of Directors, management, and employees, we express our sincere gratitude for the continuous support and trust from shareholders, investors, financial institutions, business partners, customers, both public and private sectors, and all stakeholders who have consistently believed in and supported our company. We are committed to maintaining confidence and reaffirming our commitment to continuous development to meet customer demands while collaborating with all sectors to care for society and the environment, adhering to the principles of transparency, following the ESG guidelines for sustainable growth.



( Mr. Kitti Phuathavornskul )  
Chairman of The Board of Directors







## Board of Directors



**Mr. Kitti Phuathavornskul**

- President
- Chairman of the Board of Directors



**Mr. Tatchapong Thamputthipong**

- Independent Director
- Vice Chairman of the Board of Directors
- Chairman of The Audit Committee
- The Risk Management Committee
- The nomination and Remuneration Committee



**Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul**

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



**Mr. Sumet Techachainiran**

- Director
- Executive Director



**Ms. Kunlanit Sarapab**

- Director
- Executive Director
- The Nomination and Remuneration Committee
- The Risk Management Committee
- Chief Financial Officer
- Company Secretary



**Mr. Lersak Kancvaskul**

- Independent Director
- Chairman of The Risk Management Committee
- The Audit Committee



**Mr. Sannpat Rattakham**

- Director



**Mr. Somkiat Aramruangkul**

- Director



**Mr. Supoj Kaewmanee**

- Director



# Executive Directors



**Mr. Kitti Phuathavornskul**

- President



**Mr. Sumet Techachainiran**

- Executive Director



**Ms. Kunlanit Sarapab**

- Executive Director
- Chief Financial Officer
- Company Secretary



**Mr. Wallop Luangseenak**

- Executive Director
- Chief Executive Officer



**Mrs. Pattawan Chaipim**

- Executive Director





**"YOUR INTEGRATED INSPECTION  
AND ENGINEERING SOLUTION"**





# Outlook for the Non-Destructive Testing Market

## Industry situation and competition in 2023 and outlook for 2024

Non-destructive testing is primarily aimed at verifying the safety of the installation or operation of equipment or various structures. The growth of non-destructive testing services is tending to follow the development of critical technologies, especially basic utilities that are essential for livelihoods. However, technological advancements bring with them increased risks as a shadow on the body. The slightest mistake or defect can cause severe damage, so security controls and inspections have always played an increasing role. Currently, developed countries. Non-destructive testing is widely needed in a variety of industries such as energy, petrochemicals, etc. construction Agriculture, food and pharmaceutical industry, etc. Even everyday surroundings such as bridges, high-rise buildings. Passenger elevators Amusement Park rides also have safety tests based on non-destructive testing.

However, for Thailand, non-destructive testing is still limited to certain industries, as is quality control. In general, non-destructive testing is classified as an expense in the cost of production. Businesses that use non-destructive testing services are therefore businesses that require high security or are regulated by relevant laws, such as the energy industry. Petrochemical industry and construction industry, especially those that use metal structures such as high-rise buildings, bridges, infrastructure construction, etc., because accidents caused by mistakes in these industries can cause serious damage to life and property.

The Company assesses that the growth trend of non-destructive testing services in Thailand is still heavily dependent on businesses related to the energy and petrochemical industries. The relevance of non-destructive testing to the energy industry can be summarized as follows.

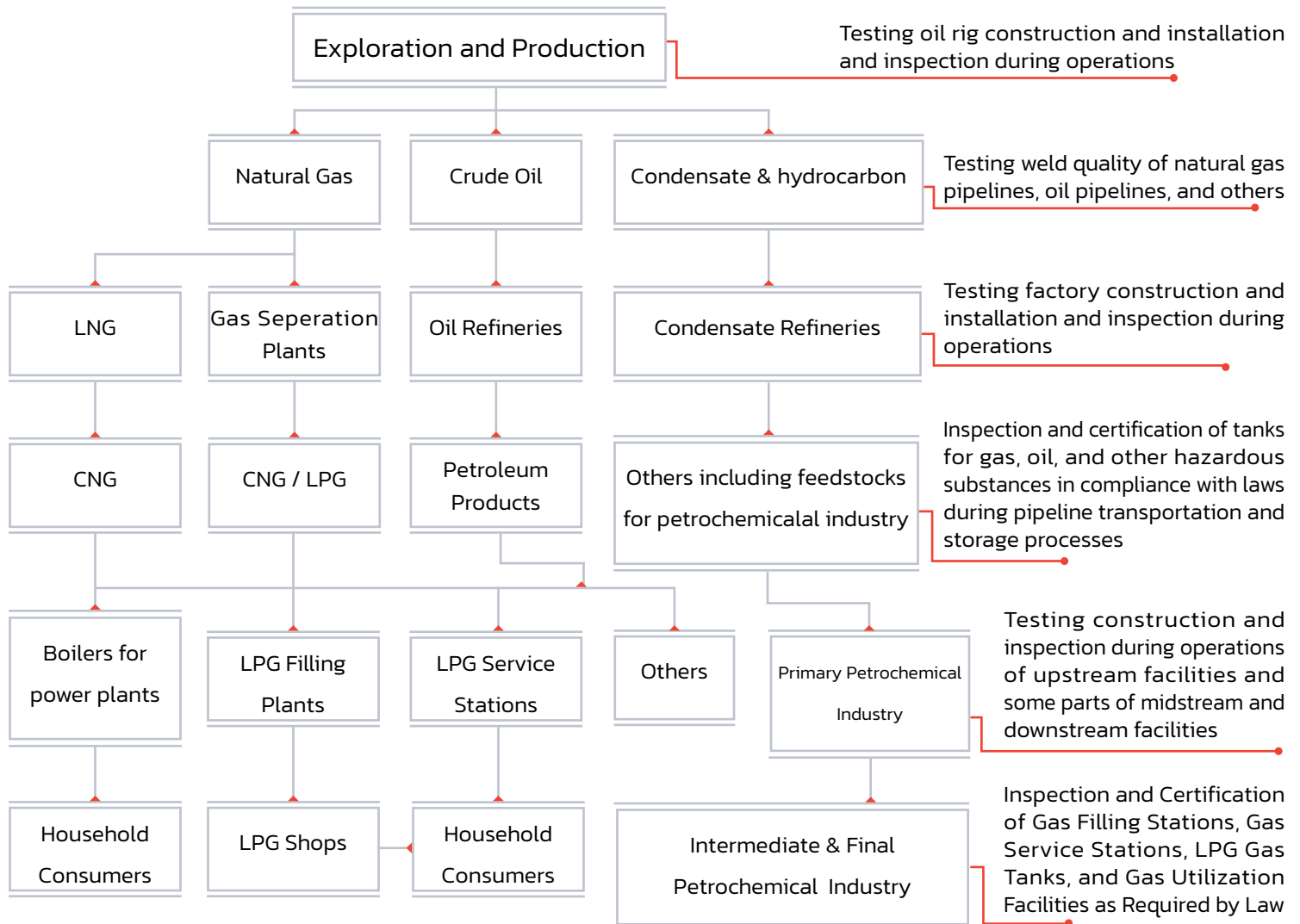




# Interconnection between NDT/Inspection and Certification with the Petroleum and Petrochemical Industry

## Petroleum and Petrochemical

## NDT / Inspection and Certification



NDT/Inspection and Certification are essential for quality assurance in the energy industry, spanning from exploration and production to end-users at the household level. Consequently, NDT/Inspection and Certification exhibit a growing trend within the petroleum and petrochemical industries directly. This sector sustains continuous growth alongside economic expansion. Additionally, government entities have placed increased emphasis on household safety standards. This is evident through legislative measures mandating process inspections such as pressure vessels, storage tanks, piping systems, and related equipment. However, some operators remain unaware of safety measures, resulting in non-compliance with regulations. Strengthened enforcement and education initiatives could significantly propel the growth of inspection and testing services.

NDT / Inspection and Certification service business can be considered as a unique business which,

Provides essential services for business partners especially in the energy and petrochemical sectors which requires continual audits and certification of existing plants and equipment according to safety standards including statutory audits. As a result, most of the company's customer base use such services continuously. However, given the current state of the competitive industrial landscape, coupled with the company's recorded losses resulting from the depreciation of investments in PAS Company, the operational performance of our company in the year 2023 has incurred a deficit.

Furthermore, company provides Mechanical and Metallurgical Testing services for various materials, such as material types and metal welding, to assess strength and suitability for construction projects. Additionally, we conduct examinations of the microstructure of metals to evaluate equipment damage and provide solutions to address issues for our clients.

## Regulations relevant to safety control in the oil and gas industries

### LPG

Gas depots, gas transport vehicles, gas pumps, gas filling stations, and gas facilities, such as various industrial plants, must obtain permits and undergo inspections and certifications for both new construction and major inspections every 5 years, with annual interim inspections.

### CNG

Service stations and gas facilities, such as power plants and various industrial plants, must obtain permits and undergo inspections and certifications for both new construction and every 5 years, with annual interim inspections.

### LNG

Large-scale natural gas storage tanks must obtain permits and undergo inspections and certifications similar to other large storage containers, but due to the use of specialized materials required to withstand extremely low temperatures, advanced technology must be used for testing and inspection during construction.

### Aboveground Storage Tank

Large oil tanks in oil depots must be inspected during construction and internally every 15 years, with external inspections conducted annually.

Apart from the laws to control safety of oil and gas storage premises, utilization, and transportation, the government sector also gives importance to the safety of storage and transportation of hazardous substances, prescribing that the barrels or transporters of hazardous substances be inspected every three and six years in compliance with international standards. The government will soon enact legislation on the safe use of pressure vessels by inspecting pressure vessels according to the conditions of use that may cause harm in the future.

## Petrochemical Industry Outlook

The petrochemical industry is a continuous industry involved in the production of energy from oil or natural gas. The structure of the petrochemical industry can be divided into 3 stages :

- **Primary petrochemical industry** involves the transformation of petroleum gas or oil-based products into substances such as olefins or aromatics through processes of distillation, separation, decomposition, and transformation.

- **Intermediate petrochemical industry** processes products from the primary petrochemical industry through various transformation processes such as plastic pellets and synthetic materials.

- **Final petrochemical industry** takes products from the intermediate petrochemical industry through various transformation processes for use in other continuous industries such as packaging, electrical appliances, and automotive components.

Non-destructive testing and quality inspection are directly related to the primary and intermediate petrochemical industries due to the use of high-pressure storage tanks, tanks containing hazardous chemicals, and corrosive substances. These require major inspections (Plant Turn Around) according to maintenance standards. Thus, as the equipment in the petrochemical industry ages, Non-Destructive Testing (NDT)/Inspection and Certification play a significant role in promoting business growth.

## Demand and Provision of Electricity

The operations of power plants, while not as complex as petroleum and petrochemical production systems, still require controlled non-destructive testing, inspections, and quality certifications. These are predominantly for new installations and periodically after operation, such as for boilers, steam pipes, and natural gas pipelines, along with evaluating remaining service life of boilers and equipment, among others.

Presently, our company is an approved vendor for the Electricity Generating Authority of Thailand, Gulf Energy Development Public Company Limited, National Power Supply Public Company Limited, and Ratchaburi Electricity Generating Holding PCL, enabling continuous inspection projects for power plants and fostering growth opportunities in electricity production.

## Market Competition

In the domestic market, competition is moderate, but due to quality control, adherence to safety standards and good working relationships, our company maintains customer loyalty. International competitors mainly provide advanced non-destructive testing services, often with limited reach due to higher service costs.

Our company does not adopt a direct competition policy against foreign service providers but instead forges collaborative partnerships with several international companies to deliver Advanced NDT services. Simultaneously, we continuously explore and develop new technologies to sustain competitiveness.

Competitive Advantages for the NDT Business lie in its diverse testing capabilities, encompassing the varied needs of customers. The reliability of test results and safety in operational practices contribute to building trust among clients. The readiness of personnel, tools, and equipment, along with prompt service delivery, stems from the company's extensive experience. These various aspects of readiness position our company favorably, and the Company's management team believes in the company's distinctive strengths in competition, as outlined below :

- Comprehensive service offerings, particularly in inspection and quality certification services, with more personnel in this domain compared to other competitors and capable of offering services for all types of projects as stipulated by relevant laws.
- Consistent service provision, especially in revenue from inspection and quality certification services, with a growing customer base.
- Value-added service creation by processing test results according to customer needs, enhancing product and service utility.

- Strong commercial partnerships, including major clients such as petroleum exploration and production companies, oil refineries, petrochemical plants, power plants, and large construction contractors, renowned for their stability and reputation, which instills confidence in our product quality and services.

- High safety standards in operations, with a dedicated safety team ensuring consistent compliance, enhancing customer confidence in our services.

- Adequate readiness of workforce, tools, and equipment to efficiently serve large-scale projects.

- Granted multiple internationally accepted quality certifications such as (ISO 9001) Quality Management System, (ISO/IEC 17020) Requirements for the operation of various types of bodies performing inspection, ISO/IEC 17025 Quality Certificate for testing laboratory, particularly for non-destructive testing and mechanical and metallurgical testing, and (ISO 45001) Occupational Health and Safety Management, etc.

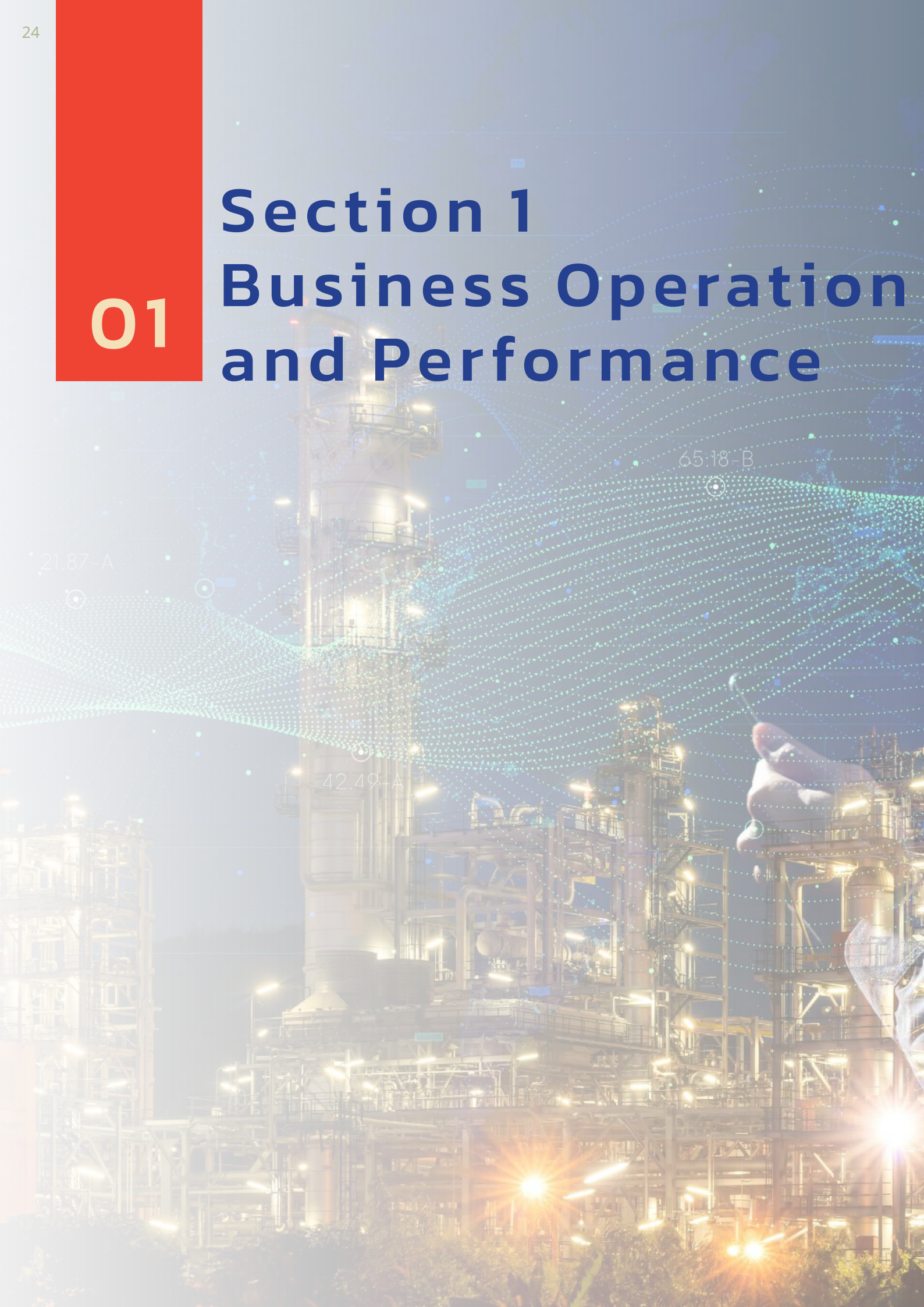
- Granted investment promotional privileges from the Board of Investment (BOI).





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# Section 1 Business Operation and Performance









# 1. Organization Structure and Operations of the Company Group

## 1.1 Policy and Overview of business Operation

### 1.1.1 Background

Qualitech Public Company Limited (“Company”) was established on February 11, 1991, with a registered capital of 2,000,000 Baht by Mr. Sannpat Rattakham (current company director) and Mr. Somchai Laptakultham. Initially, the company focused on engineering services for safety as a Third-Party Engineering Service specializing in Non-Destructive Testing (NDT) and later expanded its services to include Inspection and Certification within the same year. Initially accredited by the Department of Energy, Ministry of Energy at the time, as an inspector and tester of tanks and piping systems for liquid petroleum gas, both at gas station sites and liquid petroleum storage and distribution facilities, the company further expanded its services subsequently.

Currently, the company provides Non-Destructive Testing (NDT), Destructive Testing, Mechanical and Metallurgical Testing, Inspection and Certification services, as well as Risk-Based Inspection (RBI) planning services and global engineering safety consultancy services as an independent expert to various organizations according to international standards.

Driven by continuous development commitment, the company was the first in Thailand to receive ISO/IEC 17025 certification for laboratory testing and ISO/IEC 17025 certification for mechanical and metallurgical laboratory testing from Thai Industrial Standards Institute (TISI). It has also been certified for its internal quality management system according to ISO 9001 and its occupational health and safety management system according to ISO 45001:2018 by BSI. Additionally, it has been registered and certified by key government agencies including the Department of Energy Business, Department of Industrial Works, Department of Labor Protection and Welfare, and the Council of Engineers.







## 1.1.2 Significant Developments



**1991**

- The company was established on February 11, 1991 with a registered capital of 2 million Baht, with the office in Bangkok.
- Received certification for the qualifications and credentials of testers and inspectors for gas cooking cylinders, gas storage and dispensing cylinders, gas transport cylinders, gas pipe systems, and equipment, and certification as testers and inspectors from the Department of Energy (now the Department of Energy Business, Ministry of Energy).

**1994**

- Established a branch office in Ban Bueng District, Chonburi Province, to enhance service accessibility to customers in the Eastern region.

**1995**

- Established a branch office in Mueang District, Rayong Province, to serve customers in Map Ta Phut Industrial Estate.

**2001**

- Increased registered capital to 10 million Baht to support business expansion and increased staff.
- Received license number 0031/44 from the Council of Engineers to practice engineering control as a juristic person.



**2002**

- Increased registered capital to 20 million Baht to expand operations and comply with regulations set by the Department of Energy regarding certification for testing and inspecting LPG gas cylinders Type 1.

**2004**

- Established a branch office in Mueang District, Rayong Province, to serve customers Map Ta Phut Industrial Estate, which experienced rapid expansion.

**2007**

- Increased registered capital to 50 million Baht to expand operations. Simultaneously, the provincial office in Rayong was upgraded to become the company's Headquarter.
- Registered as a public company limited on December 12, 2007.
- Received ISO 17025 :2005 quality standard certification for laboratory testing (Thai Laboratory Accreditation Scheme : TLAS) for Non-Destructive Testing, the first in Thailand, on October 18, 2007.

**2008**

- Increased registered capital from 50 million Baht to 100 million Baht to facilitate the initial public offering of shares.
- Received ISO 9001 :2000 certification for internal quality management systems on January 31, 2008.



2009

- Listed ordinary shares on the Market for Alternative Investment (MAI) on June 9, 2009.
- Received certification from the Department of Industrial Works to be a certified unit for boilers and steam vessels used for heat transfer, the first in Thailand.



2011

- Registered two subsidiary companies in September :

**Qlt International Co., Ltd.** with a registered capital of 5 million Baht, to provide safety engineering services abroad & related businesses.

**Qualitech Myanmar Co.,Ltd.** with a registered capital of 2 million Baht, to provide safety engineering services in Myanmar and related businesses (currently in the process of winding up operations).



2013

- Established a branch office in Bangkok to expand the working space of the Bangkok office.



2014

- Certified to expand the scope of ISO/IEC : 17025 laboratory testing certification on April 11, 2014.







2015

- Awarded membership certification and became a member of Thai Private Sector Collective Action Against Corruption (CAC).
- Received three SET Awards 2016 : Outstanding Executive Award, Outstanding Executive Director Award, and Outstanding Company Award.
- Established a branch office in Si Racha District, Chonburi Province, to accommodate the company's service expansion and customer service in Chonburi Province and surrounding areas.
- Registered the establishment of Qualitech Myanmar Company Limited (QLTM) in December with the purpose of providing safety engineering services and related businesses in Myanmar. The registered capital is 50,000 USD, and the company holds 80 percent of the registered capital.

2017

- Received OHSAS 18001 certification for occupational health and safety management systems on July 10, 2017 (which changed to ISO 45001 : 2018 on July 10, 2020).
- Certified to expand the scope of ISO/IEC : 17025 laboratory testing certification for mechanical and metallurgical testing laboratories on July 12, 2017.

2019

- Awarded Green Industry Level 2 membership certificate by the Ministry of Industry to participate in environmentally friendly activities with trading partners.
- Renewed membership certificate of Thai Private Sector Collective Action Against Corruption (CAC) on November 4, 2019.





2020

- Registered the establishment of Duwell Intertrade Company Limited in January with an initial registered capital of 1,000,000 Baht, later increased to 20,000,000 Baht.
- Received Thailand's Reputation Awards 2019 from the Faculty of Communication Arts, Chulalongkorn University, on October 28, B.E. 2020 .
- Deregistered the subsidiary company, QLT International Co., Ltd. in November 2020, without impacting the company's operations.

2021

- Registered the establishment of a subsidiary company, namely Qualitech Solution Energy Company Limited on April 9, 2021, with the purpose of manufacturing and distributing electricity from solar energy or other sources. The company holds 70 percent of the registered capital.

2022

- Adjusted the shareholding structure of major shareholders of the company.
- At the 6th / 2022 Board of Directors Meeting on August 1, 2022, resolved to purchase common shares of the company, namely Property Aim Solutions Co., Ltd. (PAS), totaling 14,700 shares at a par value of 100 Baht per share or 49 percent of PAS's total shares. The total transaction value amounted to 144,550,000 Baht. (The company no longer holds shares of PAS).

2023

- Received the Chevron : 2022 Outstanding Contractor Company award from Chevron Thailand Exploration and Production, Ltd. on January 26, 2023.
- Received a certificate of honor for safe work practices and accident-free operations during the TURNAROUND 2023 project from IRPC Public Company Limited on January 26, 2023.



### 1.1.2 Shareholding Structure of the Company Group

## Shareholding Structure of the Company Group



## Subsidiaries

### Proportion of Shareholding

# 99.99%

#### Duwell Intertrade Company Limited

**Duwell Intertrade Company Limited** Qualitech Public Company Limited holds shares at 99.99 percent with a registered capital of 20,000,000 Baht and fully paid-up capital of 9,930,000 Baht. The company operates as a distributor of tools and equipment related to non-destructive testing engineering.

### Proportion of Shareholding

# 99.99%

#### Qualitech Solution Energy Company Limited

**Qualitech Solution Energy Company Limited** Qualitech Public Company Limited holds shares at 99.99 percent with a registered capital of 50,000,000 Baht and fully paid-up capital of 17,499,895 Baht. The company operates in the production and distribution of electricity from solar energy and other renewable sources.

### Proportion of Shareholding

# 80.00%

#### Qualitech Myanmar Company Limited

**Qualitech Myanmar Company Limited** Qualitech Public Company Limited holds shares at 80 percent with a registered capital of 200,000 USD and fully paid-up capital. The company provides engineering safety services in Myanmar and engages in related businesses.



## 1.2 Nature of business operations

Qualitech Public Company Limited engages primarily in engineering services, which encompass testing, inspection, evaluation, and providing international engineering consultancy services as independent experts to various organizations according to the international standards required by clients. The company's engineering services comprise three main components :

**1 Non-Destructive Testing (NDT)** involves employing various techniques to detect flaws or abnormalities in materials without causing damage to the tested objects. These techniques include radiographic testing, ultrasonic testing, magnetic particle testing, liquid penetrant testing, as well as advanced technologies.

**2 Inspection and Certification** involves testing using non-destructive methods to inspect components and processing test results to certify the operational condition of the inspected items. This includes determining whether the items are suitable for their intended use, inspection and certification in accordance with legal requirements for LPG tanks, oil tanks, oil pipeline systems, natural gas pipeline systems, boilers, storage tanks, and chemical containers, among others.

**3 Mechanical and Metallurgical Testing** entails testing the physical and chemical properties of various materials, such as tensile strength, compression strength, impact resistance, microscopic structure examination of metals, and chemical composition analysis. These tests influence the crucial properties of metals in terms of strength, corrosion resistance, and various types of erosion resistance.

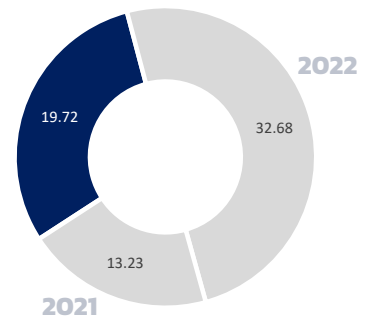
The company provides mechanical testing services to clients both domestically and internationally. Its primary client base consists of businesses in the energy and petrochemical industries, including power plants, oil refineries, petrochemical plants, gas separation plants, gas storage facilities, equipment manufacturing and installation facilities, as well as tank users, machinery users, and equipment subject to legal inspection for safety, such as boilers, gas tanks, hazardous chemical storage tanks, and other high-pressure vessels.

## 1.3 Revenue Structure

### ฿19.72

**Sales of 2023** (Million Baht)

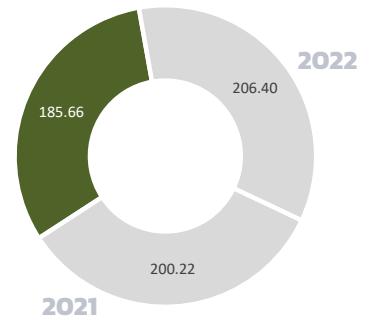
Amounting to 4.61% of the total revenue for the year 2023



### ฿185.66

**Service Income Non - Destructive Testing** (Million Baht)

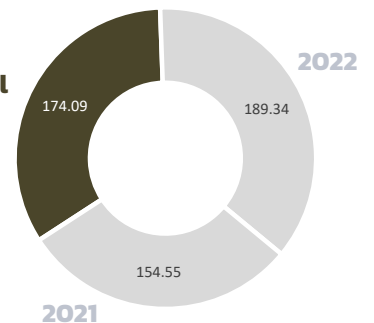
Amounting to 43.42% of the total revenue for the year 2023



### ฿174.09

**Service Income Plant Integrity and Industrial** (Million Baht)

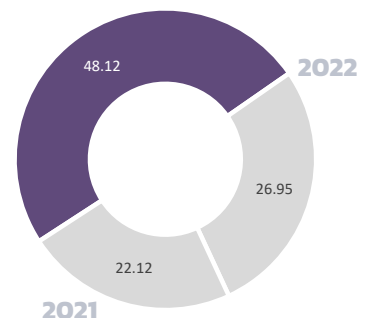
Amounting to 40.71% of the total revenue for the year 2023



### ฿48.12

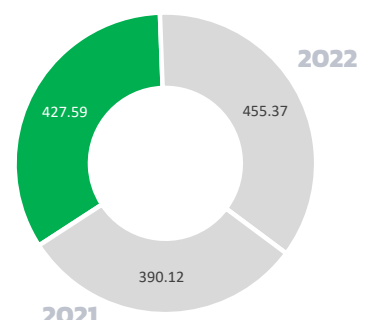
**Other Income** (Million Baht)

Amounting to 11.25% of the total revenue for the year 2023



### ฿427.59

**Total Revenue** (Million Baht)



## 1.4 Business Operations of Each type of services

### 1.4.1 Product Characteristics and Service Offerings

The company conducts business by providing third-party engineering material inspection and testing services, with the primary objective of quality control for materials and equipment, particularly various metal structures, both during construction and in-service quality checks. This ensures confidence that tools, equipment, and various structures will not incur damage during operation, leading to disruptions. The service offerings are categorized into three types : Non-Destructive Testing (NDT), Mechanical and Metallurgical, Inspection and Certification involves inspecting and certifying the quality of various equipment and structures, including oil tanks, chemical tanks, pressure vessels, boilers, and piping systems.

- Since Non-Destructive Testing can be conducted to identify potential problems over the useful life of materials, it helps prevent failure and thus curb costly failing material repair and/or replacement.
- The equipment used for Non-Destructive Testing is readily movable and thus suitable for field work.
- Can be utilized to improve manufacturing techniques, such as employing Non-Destructive Testing methods on various welding processes to enhance welding methods to meet quality standards suitable for usage, among others.
- Helps reduce production costs by efficiently reducing waste during the manufacturing process.

### 1.4.2 Types of Services

**1 Non-Destructive Testing (NDT)** refers to the examination of materials or welded joints to detect defects or abnormalities without causing damage to the tested components. This method utilizes principles of physics such as light, heat, radiation, sound waves, electricity, or magnetism for testing, depending on the type of defect present. By measuring these properties, abnormalities can be assessed without altering the shape, size, or performance of the tested materials. The primary objective of non-destructive testing is to control the quality of products, particularly those with high manufacturing costs. Moreover, it is employed to inspect equipment and structures both before use (Pre-Service), during operation (In-Service), and during plant shutdowns to assess remaining equipment service life and perform necessary maintenance or evaluations.

**Non-destructive testing can be categorized into the following two types :**

**1) Conventional Non-Destructive Testing (Conventional NDT)** this includes conventional methods that have long been applied to meet the relevant legal requirements and/or standards, such as radiographic testing and magnetic particle testing, among others.

**2) Advanced Non-Destructive Testing (Advanced NDT)** this involves the application of various types of more complex methods that enable more accurate and comprehensive results, such as digital radiography in place of the traditional film radiography and phased array ultrasonic testing instead of conventional ultrasonic testing. Due to current technological advances, businesses are faced with the pressure to embrace advanced Non-Destructive Testing.

**Advantages of Non-Destructive Testing are as follows :**

- With Non-Destructive Testing, materials can still be used since they are not altered or damaged.
- With certain Non-Destructive Testing methods, materials can be tested even while in use.

The company began by providing **Conventional NDT** services and expanded its services to include **Advanced NDT**. Presently, it can offer non-destructive testing services in industries such as

### Conventional NDT

#### Types of Testing

#### Materials Tested

**Radiographic Testing** utilizes radioactive substances and/or X-ray technology to detect flaws and/or defects resting deep within welds and traces of corrosion on the opposite side and records the data on film radiographs.

Welds in various types of equipment in such facilities as oil refineries, petrochemical plants, pipelines, and power plants.

**Magnetic Particle Testing** applies magnetic induction to detect flaws and/or defects in material surfaces.

Welds and material surfaces in oil refineries, petrochemical plants, pipelines, power plants, metal structures, and so on.

**Liquid Penetrant Testing** Liquid penetrant testing utilizes dye to detect surface flaws and/or defects in non-porous materials.

Welds and material surfaces in oil refineries, petrochemical plants, pipelines, food and pharmaceutical industries, and so on.

**Ultrasonic Testing** identifies flaws and/or defects in material textures and welds as well as material thickness with ultrasonic waves.

Welds and material thickness and textures in oil refineries, petrochemical plants, pipelines, metal structures, and so on

**Hardness Testing** determines the resistance of metal to permanent deformation or microstructural change due to use. This type of testing is beneficial for the design of pressure vessels and the inspection of boiler damage.

Materials and welds in equipment, boilers, and/or pipelines in such facilities as oil refineries, petrochemical plants, and power plants



## Types of Testing

## Materials Tested

**Positive Material Identification Test** helps to unravel the chemical compositions of industrial materials.

Materials and welds in equipment, boilers, and/or pipelines in such facilities as oil refineries, petrochemical plants, and power plants

**Vacuum Testing** detects seal cracks by employing a pressure differential technique.

Welds in oil and/or chemical tanks in such facilities as oil refineries, petrochemical plants, and tank or chemical farms.

**Holiday Detector / Pin Hole Testing** identifies discontinuities in painted/coated surfaces potentially causing contact with liquid and thus corrosion.

Painted/coated surfaces in pressure vessels and pipelines in such facilities as oil refineries and petrochemical plants

**Magnetic field and permeability measurements** demonstrates changing metal properties.

Materials in such facilities as oil refineries and petrochemical plants

**Replica Testing** is carried out to analyze causes of damage to metal equipment and materials.

Equipment and materials in such facilities as oil refineries and petrochemical plants.

**Video scope** This type of testing utilizes a videoscope housing a tiny image sensor embedded into its tip to display the internal condition of hard-to-reach equipment and materials that are not clearly or directly visible.

Equipment and materials in such facilities as oil refineries, petrochemical plants, and power plants.

**Ferrite Scope** measures the delta ferrite content in stainless steel and duplex stainless steel to determine their susceptibility to corrosion.

Materials and welds in pipelines, tanks, or vessels made from duplex stainless steel.

## Advanced NDT

Types of Testing	Materials Tested
<p><b>Internal Rotating Inspection System</b> is used to accurately measure the condition of tiny tubes using ultrasonic pulses.</p>	<p>Heat exchangers in oil refineries, the petrochemical industry, the food industry, and so on.</p>
<p><b>Magnetic Flux Leakage</b> is a magnetic method used to detect corrosion and pitting in carbon steel pipes.</p>	<p>Heat exchangers in oil refineries, the petrochemical industry, the food industry, and so on.</p>
<p><b>Eddy Current</b> is a non-destructive method used to assess the integrity of non-ferrous materials such as stainless steel pipes, aluminum pipes, and others.</p>	<p>Heat exchangers in oil refineries, the petrochemical industry, the food industry, and so on.</p>
<p><b>Remote Field Eddy Current</b> determines flaws and defects in carbon steel pipes with eddy currents.</p>	<p>Heat exchangers in oil refineries, the petrochemical industry, the food industry, and so on.</p>
<p><b>Eddy Current Array</b> This extension of the conventional eddy current testing utilizes arrays of coils to make the assessment of metal and mixed-metal welds and materials more comprehensive, faster, and more accurate.</p>	<p>Welds in pressure vessels in such facilities as oil refineries and petrochemical plants to identify cracks and corrosion.</p>
<p><b>Phased array ultrasonic testing (PAUT)</b> employs a set of ultrasonic testing probes pulsed individually to make weld and material texture assessment more comprehensive, faster, and more accurate, generating more readable results that can be stored for further reference.</p>	<p>Welds and metal textures in pressure vessels and oil and gas pipelines in such facilities as oil refineries and petrochemical plants.</p>



## Types of Testing

**Medium Rank Ultrasonic Test (MRUT) and Long Rank Ultrasonic Test (LRUT)** detects material flaws and/or defects in areas that are not directly accessible.

**Time-of-flight diffraction** Drawing on an ultrasonic scattering technique, this is a highly accurate and reliable method for identifying the sizes and locations of defects.

**Tank Floor Scan** uses magnetic fields to detect corrosion and pitting in large oil and/or chemical tank floors, allowing defect assessment in areas with poor visibility.

**Computed Radiograph** utilizes a phosphor imaging plate instead of the conventional x-ray film, enabling an immediate and clear image preview on a computer display and the storage of data in a digital format.

**Direct Radiograph (Digital Radiograph)** is a testing method that employs a sensitive plate to directly capture data and instantly transfers the data to a computer system, enabling an immediate preview of images and digital data storage.

**Pipeline In-Line Inspection (ILI, Intelligent Pigging)** utilizes magnetic fields and/or ultrasonic waves to gather data pertaining to corroded materials or other types of defects in underground or underwater pipelines

## Materials Tested

Parts of pipelines connected to the supports, underground pipelines, insulated pipelines, and/or smooth materials to identify corrosion, discontinuities, and cracks.

Large tank floors in such facilities as oil refineries and petrochemical plants.

Large tank floors in such facilities as oil refineries and petrochemical plants.

Welds in pressure vessels and oil and gas pipelines in such facilities as oil refineries and petrochemical plants to identify corrosion.

Welds in pressure vessels and oil and gas pipelines in such facilities as oil refineries and petrochemical plants to identify corrosion.

Underground natural gas, LPG, and oil pipelines to identify corrosion.

The company provides non-destructive testing services according to the standards specified by customers to assess the integrity of installations or material welds. This service is crucial, particularly in industries requiring high safety standards, such as energy, chemical, oil refining, and various food industries.

Our primary clients are contractors who seek the company's services to test the quality of work during construction and project owners who require continuous service for quality testing over time, often through long-term contracts.

We conduct regular evaluations of customer satisfaction regarding our staff's service quality, adherence to standards, service speed, safety, among other factors. Customer feedback is utilized for continuous service quality improvement, enabling the retention of existing clientele and consistent acquisition of new customers.

Non-destructive testing results are reported according to standards, accompanied by evidence or supplementary data, such as X-ray films for radiographic testing or computer-generated reports. These reports detail the completeness or any defects found in the tested materials, adhering to the utilized or jointly specified standards, not implying a warranty or certification of suitability for use.

### Standards and Codes Related to Non-Destructive Testing

Non-destructive testing serves the paramount purpose of preventing engineering structures from being compromised, thereby averting potential risks to life and property. Industries targeted include large-scale operations with high operational hazards, such as the energy and petrochemical sectors. Thus, to ensure global credibility, non-destructive testing adheres to standards set by various international associations and national organizations, each establishing its own testing methodologies. Examples of such standards-setting bodies include :

- American Society of Mechanical Engineers (ASME)
- American Petroleum Institute (API)
- American Welding Society (AWS)
- Pressure Equipment Directive 97/23/EC (PED)
- International Organization for Standardization (ISO)

In addition to testing standards, these organizations also specify skill levels for inspection personnel. Individuals must undergo rigorous training, knowledge testing, and certification to operate according to the standards. For instance, personnel certified by the American Society of Nondestructive Testing (ASNT), Certification Scheme for Personnel (CSWIP), and Personnel Certification for Non-Destructive Testing (PCN) are deemed competent.

Certified personnel are categorized into three levels : Level 1 personnel conduct tests and record results. Level 2 personnel assess whether tested components pass inspection. Level 3 personnel establish testing methodologies and procedures, oversee training, and certify Level 1 and 2 personnel (ASNT's case).

Our company has a total of 218 certified personnel, comprising 33 Level 1, 181 Level 2, and 4 Level 3 professionals. We maintain a continuous workforce development policy to support future business growth and ensure adaptability to evolving technologies. Ongoing development ensures that our certified personnel remain sufficient and adaptable to technological advancements.

**2 Destructive testing** involves the use of mechanical and metallurgical testing techniques to assess the physical and chemical properties of various metal types. This includes testing for tensile strength, compression strength, hardness, impact resistance, as well as examining the microstructure of the metal and testing for chemical compositions that affect crucial properties like strength and corrosion resistance.

Our company provides mechanical and metallurgical testing services to both domestic and international clients, primarily in the energy and petrochemical industries. Our main clients include power plants, oil refineries, petrochemical plants, gas separation plants, equipment manufacturing and installation facilities, as well as users of machinery and equipment subject to legal inspection for safety, such as boilers, gas tanks, hazardous chemical storage tanks, pipelines, and other high-pressure vessels.

**3 Inspection and certification** are a continuation or extension of non-destructive testing. In this phase, our company collaborates with clients to plan equipment inspection using various non-destructive testing methods before on-site testing.

We compile and analyze test results according to the specified testing procedures for each stage and prepare accurate reports on the equipment's operational status, ensuring it meets engineering safety standards or relevant legal requirements.

Inspection and certification can be conducted either on individual pieces during manufacturing at the factory, during installation at the site, or post-operation. Examples include yearly quality inspections for gas storage tanks or comprehensive plant inspection services. The main clientele for inspection and certification services fall into two categories :

**1. Clients requiring legal certification**, such as those needing inspection for LPG/CNG tanks, oil tanks, chemical storage tanks, pressure vessels, and similar equipment.

**2. Industrial facilities aiming for high safety standards**, including oil refineries, gas separation plants, chemical and petrochemical plants, and natural gas drilling stations, requiring inspection and certification according to production and maintenance standards.

The advantage of providing inspection and certification services lies in the majority of clients opting for long-term inspection contracts, such as PTT Public Company Limited, Chevron Thailand Exploration and Production, oil refineries, and various petrochemical plants. Additionally, this business sector exhibits growth potential due to the necessity of inspecting tanks used in the production process, storage, and transportation, aligning with industry standards or legal regulations. Our company conducts inspection and certification of various equipment, including :

- Pressure vessels for storing gases, such as liquid nitrogen, carbon dioxide, chlorine, and other chemicals.
- Fixed tanks for hazardous material transportation, complying with the standards set by the Department of Energy Business, Ministry of Energy, and Department of Industrial Works, Ministry of Industry.
- Aboveground and underground storage tanks for products like oil or chemicals.
- Fire tube boilers, water tube boilers.
- Welding procedure specification and qualification tests, along with welding operator/welder qualification tests.

- Gas storage and distribution tanks, petroleum liquid transport tanks, and steam boilers.
- Oil and gas pipelines buried underground or underwater.

Inspection and certification are directly related to enforcing safety regulations for materials and equipment used in production and transportation of fuels and hazardous chemicals. Thus, our company monitors regulatory developments to promptly respond to customer needs comprehensively.

In addition to routine inspections, our company also conducts testing and evaluates the performance of critical equipment during operation, tracking changes, damages, and deterioration. This information is valuable for clients in prioritizing maintenance schedules and planning repairs efficiently. In some cases, clients can leverage inspection results for insurance purposes.

Furthermore, our company offers risk assessment services for machinery and equipment using Risk-Based Inspection (RBI) principles to determine inspection frequencies, methods, and intensities. RBI enhances inspection efficiency by reducing inspection frequency for low-risk equipment while prioritizing high-risk equipment. Moreover, it can lead to reduced insurance premiums for factories implementing this approach.

### 1.4.3 Insurance Coverage for Operational Hazards

The company maintains personal insurance coverage with a total limit of 70 million Baht for accidents involving individuals and property damage. This coverage mitigates risks arising from operational errors both onshore and offshore. Additionally, supplementary insurance is procured for select clients engaged in offshore operations, specifically under the Workman Compensation scheme, which covers specific accidents that may occur.

Beyond the essential knowledge required for non-destructive testing, the company also conducts general knowledge training sessions for employees to enhance work efficiency, elevate competencies, and bolster safety protocols within the organization. Moreover, the company arranges for personnel to participate in training sessions conducted by external agencies, both domestically and internationally, to reinforce essential knowledge and skills.



### 1.4.4 Relevant certifications

#### Service Provision Process for Inspection and Quality Certification

The service provision process for inspection and quality certification comprises two main steps :

##### 1) Non-Destructive Testing (NDT) Procedures :

This step involves conducting non-destructive testing methods to evaluate the integrity of components without causing damage.

2) Performance Evaluation for Certification : Following testing, an assessment is made to certify the operational condition of the components.

Therefore, the related reports are categorized into two stages : non-destructive testing reports and inspection and quality certification reports. These procedures fall under engineering control measures. Consequently, personnel authorized to issue quality certifications must be registered with the Engineering Council. The registration levels for controlling engineers include :

- Adjunct Engineer
- Associate Engineer
- Professional Engineer
- Senior Professional Engineer

The scope of work permissible at each registration level varies according to legal stipulations.

Aside from personnel registration, inspection and certification service providers must also be registered, especially for legally controlled inspections. This includes examinations of LPG tanks, natural gas containers, oil tanks, boilers, and pressure vessels, among others. Government bodies such as the Department of Energy Business, the Department of Industrial Works, the Department of Labor Protection and Welfare, and the Office of the National Anti-Corruption Commission oversee the training process, certification issuance, and registration of inspecting companies.

As of December 31, 2023, the company has certified personnel capable of conducting inspections and quality certifications for all current operations in all service categories. However, the company maintains a continuous personnel development policy in this regard, similar to the non-destructive testing personnel.

The company has a tracking system for various licenses, involving three main units : the service provider, the safety department, which controls inspection licenses, and the human resources department, responsible for maintaining original licenses and conducting periodic reviews to ensure timely renewals.

The company diligently monitors relevant regulations and potential impacts on its operations, while also preparing for the registration of personnel and corporate entities as inspection authorities to offer comprehensive inspection and certification services. Presently, the company can provide inspection and quality certification services across all mandated categories.





## 1.4.5 Certification Acquired

Certification Institute	Certificate Name / Registration	Scope	Registration Date	Service Period
Department of Energy Business	Level 3 Oil Testing and Inspection Personnel"	Testing and Inspection of oil, categorized at Level 3	14 Jun 2021	to 14 May 2024
	This designation refers to individuals involved in the testing and inspection of oil, categorized at Level 3 proficiency within the organization's hierarchy of testing and inspection personnel.			
	Testing and Inspection Personnel, Type 1, are designated with specific conditions for testing and inspecting locations utilizing liquefied petroleum gas.	Testing and Inspection locations utilizing liquefied petroleum gas.	26 Mar 2020	to 25 Mar 2026
	Type 1 testers and testers with specific test and audit conditions.	Testing and inspection conditions for liquefied petroleum gas filling stations.	20 Aug 2021	to 20 Aug 2024
	Type 1 Test and Inspection Engineer	Testing and inspecting engineers who use natural gas, type 1	24 Mar 2022	to 23 Mar 2025
	Test and inspection engineers for gas storage and distribution tanks, gas transportation tanks, gas piping systems and natural gas equipment.	Testing and inspection for natural gas service station.	8 Nov 2021	to 18 Oct 2024
	The inspectors of the electrical system, natural gas facilities	NGV electrical systems	22 Jun 2022	to 24 Jul 2025
	The inspectors of the electrical system for natural gas service stations.	NGV electrical systems	4 Oct 2019	to 3 Oct 2024

<b>Certification Institute</b>	<b>Certificate Name / Registration</b>	<b>Scope</b>	<b>Registration Date</b>	<b>Service Period</b>
<b>Department of Industrial Works</b>	Certification unit for engineers specializing in boilers or steam boilers using liquid heat transfer media.	Testing and inspection of boilers or steam boilers using liquid heat transfer medium.	6 May 2022	to 31 Dec 2024
<b>Department of Labour Protection and Welfare</b>	Certification unit for engineers specializing in boilers or steam boilers using liquid heat transfer medium	Boiler testing services	19 Aug 2022	to 18 Aug 2025
<b>The Council of Engineers</b>	Professional Engineer licenses (the company is entitled to practice engineering as a corporate entity)	Used in control engineering tasks	12 Feb 2022	to 11 Feb 2025
<b>Office of Atoms for Peace</b>	Licensed for production, possession, or use of buoyant materials in the industrial sector	Used in testing work-pieces with radiation and licensed for radioactive material handling (Source) Selenium-75 Group 2	20 Feb 2019	to 19 Sep 2024
	Licensed for production, possession, or use of buoyant materials in the industrial sector	Used in testing work-pieces with radiation and licensed for radioactive material handling (Source) Iridium-192, Selenium-75, Caesium-137 Group 2	28 Feb 2020	to 27 Feb 2025
	Licensed for production, possession, or use of nuclear materials in radiation shielding equipment	Used in testing work-pieces with radiation and licensed for radioactive material handling with Depleted Uranium	5 Nov 2022	to 4 Nov 2027

## 1.4.6 Workforce Development

In the operation of engineering testing services, skilled personnel play a pivotal role in sustaining and advancing business operations. The company recognizes the necessity of knowledgeable personnel certified to perform various types of testing to adequately support its operations. Moreover, expertise and precision in inspection and analysis are crucial, as even minor errors can have widespread implications on both the company's and clients' assets and lives.

Therefore, the company places great emphasis on workforce development. The goal is to ensure that personnel at all levels possess knowledge, expertise, and adaptability to keep up with technological advancements. To achieve this, internal training programs have been established, offering continuous training on various testing methodologies. Employees at Levels 1 and 2 are eligible to receive certification in non-destructive testing according to ASNT standards. Additionally, individuals certified at Level 3 by ASNT within the company serve as examples of proficiency.

- Radiographic Testing Level I & II
- Magnetic Particle Testing Level II
- Liquid Penetration Testing Level II
- Ultrasonic Testing Level I & II
- Visual Testing Level II
- Ultrasonic Thickness of Measurement Level II
- Eddy Current Testing Level II

Beyond the essential knowledge required for non-destructive testing, the company also conducts general knowledge training sessions for its employees. This initiative aims to enhance overall work efficiency, elevate knowledge and skills, and provide additional safety courses within the organization. Furthermore, the company actively sends personnel to participate in external training programs both domestically and internationally. This approach is designed to augment knowledge, acquire necessary skills, and integrate emerging technologies into our services, ultimately fortifying our capabilities to better serve our clients.

## 1.5 Marketing and Competitive Landscape

### 1.5.1 Marketing Strategy

#### 1. Adding Value to Company Services

In addition to providing non-destructive testing (NDT) services and certifications according to international standards, the company also emphasizes adding value to its services for customers. This is achieved through a deep understanding of customers' actual needs and ensuring maximum benefits. For instance, the company has expanded its service offerings to include inspection planning services for oil refinery and petrochemical plant processes. This helps customers efficiently plan annual inspection schedules and maintenance shutdowns. Moreover, in cases where defects are detected during non-destructive testing and inspection, the company provides engineering consultation services to guide repair processes and acts as a representative for customers to ensure repairs meet standards. Presently, this service approach is increasingly preferred by customers. The company also develops computer programs to aid in data processing and continuously improves processing methods to meet customer demands comprehensively.

#### 2. Diverse Services and High Returns

The company provides a variety of non-destructive testing services, including conventional and advanced NDT methods. Additionally, the company and its personnel hold inspection licenses from various regulatory bodies. Management believes that the current range of services can meet the diverse needs of target customer groups. The company continuously monitors technological and regulatory changes to offer up-to-date services. The company aims to expand its advanced NDT services to meet the evolving technological landscape, increase service value compared to conventional methods, and offer a wider range of testing options to ensure customer satisfaction. Personnel readiness and investment plans in advanced NDT equipment are prepared annually.

#### 3. Expanding International Services

The company aims to expand its services internationally by focusing on building partnerships with Thai contractors involved in neighboring countries' construction projects. Additionally, the company seeks opportunities to directly engage in projects abroad.



#### 4. Engineering Problem-Solving Approach

With over 33 years of experience in the engineering inspection and testing business, the company can apply non-destructive testing methods, engineering knowledge, and relevant regulations to provide engineering problem-solving consultations (Engineering Solution Provider). The company tailors its services to suit customers' needs by studying their production systems, tools and equipment, and requirements. It offers testing options that are comprehensive and cost-effective. Additionally, the company provides engineering recommendations in cases of abnormalities detected during inspections, ensuring effective and safe corrective actions for customers.

#### 5. Creating Quality and Safety Differentiation with Competitive Pricing

The foremost aspect of non-destructive testing services is delivering accurate, standardized, and safe test results. Over the years, the company has offered competitively priced services focused on quality. This is achieved through skilled personnel, appropriate controls, and regular safety inspections, instilling customer confidence in the service quality and safety. As a result, the company has maintained a continuous customer base.

#### 6. Business Diversification

The company has been involved in non-destructive testing, inspection and certification for over 33 years, primarily serving the energy and petrochemical industries. The energy industry has faced rapid market changes due to global oil price fluctuations, impacting customer operations and, consequently, service demand. Moreover, there is a trend towards reducing fossil fuel consumption and adopting renewable energy sources. Therefore, the company aims to diversify its business into other industries to expand revenue streams, enhance competitiveness, and mitigate business risks.

### 1.5.2 Target Customer Groups

The primary target customer group of the company currently consists of companies in the energy and petrochemical industries. These include businesses involved in oil and natural gas, oil refineries, gas separation plants, power plants, and petrochemical factories. These industries require continuous operations and demand high levels of safety. Any damage to equipment that cannot be controlled may result in severe losses. The customer group can be divided into two categories :

**1 Project Owners** Typically, these are trading partners in inspection and quality assurance projects based on legal and engineering standards. Inspections are conducted regularly at facilities, during major maintenance shutdowns, and for certification as mandated by law.

**2 Contractors** In large-scale projects such as power plant construction, factory construction, or gas pipeline installations, project owners usually contract out the project management. The company acts as the contractor for engineering inspection and testing services. However, to secure contracts as a contractor, the company must be listed on the approved vendor list of the project owner. Additionally, secondary target customers of the company include the construction industry, particularly in structural engineering using steel structures, such as large-scale factory structures, high-rise buildings, and process equipment, all of which require non-destructive testing for quality control.

### 1.5.3 Sales and Distribution Channels

**The company utilizes two channels for sales and distribution :**

**1 Direct Customer Contact** For project owners, the company employs direct contact methods to offer services directly, aiming to create opportunities for service provision. Once the company secures a service opportunity, customers tend to utilize its services continuously and over the long term, often leading to referrals. Similarly, for contractors, the company also engages in direct contact to foster business partnerships. Major contractors in this industry generally rely on continuous service provision.

**2 Government Agencies as Intermediaries** Particularly for specialized inspections and testing, such as boiler inspections, high-pressure vessel inspections, LP gas tank inspections, and large-scale oil and chemical tank inspections, compliance with legal requirements mandates that inspectors be registered with relevant government agencies. Registration serves as a form of publicity for the company, as clients are directed to contact registered inspectors through government channels. This method ensures compliance with regulations and facilitates client engagement with registered inspectors only.

## 1.6 Procurement of Essential Raw Materials for Business Operations (Procurement of Products or Services)

The necessary raw materials for the company's business operations fall into two categories : testing equipment and non-destructive testing materials. Examples include high-frequency sound wave testing equipment, radioactive substances, and film sheets.

The majority of testing equipment and tools are imported from abroad, while some are sourced from local distributors in Thailand. As for non-destructive testing materials, most are procured from local distributors. Given the presence of multiple distributors for equipment and materials, the company faces minimal risk by not relying on any single supplier.

Imported testing equipment and tools eligible for tax exemption under the BOI privileges are transacted in US dollars. The company does not engage in forward contracts for foreign currency transactions related to raw material procurement. While past currency fluctuations did not significantly impact the company's overall operations, management has a policy to consider entering into forward contracts for foreign currency transactions in the future to mitigate risks in case of significant increases in raw material imports from abroad.

## 1.7 Environmental Impact

The use of hazardous materials necessary for non-destructive testing, such as radioactive substances under the control of The Office of Atoms for Peace : OAP, is tightly regulated by the company. The handling and utilization of radioactive substances are strictly monitored. Any remaining radioactive materials after usage are returned to the distributor for proper disposal in accordance with legal requirements set by the manufacturing country. Additionally, materials that may pose other types of hazards, such as chemical containers, film cleaning solutions, and waste materials, are collected and dispatched to certified industrial waste disposal companies in compliance with the law.

The company places utmost importance on the safety of personnel and the environment. Safety officers and occupational health personnel regularly inspect the work of employees at client sites and provide regular reports to management to prevent potential hazards.

Furthermore, the company has achieved Level 2 certification in the Green Industry, demonstrating its commitment to reducing environmental impacts through its service activities.

## 1.8 Benefits from Investment Promotion Certificate from The Board of Investment of Thailand (BOI)

The company benefits from the Investment Promotion Certificate issued by the Board of Investment (BOI) in 6 instances in the year 2023. In the fiscal year 2023, the company earned tax-exempt revenue equivalent to 67.36% of its total revenue. Specifically, for non-destructive testing services, the company received BOI benefits equivalent to 86.72% of the revenue generated from non-destructive testing services, while inspection and certification services received BOI benefits equivalent to 50.44% of the revenue from inspection and certification. Additionally, Mechanical and Metallurgical Testing received BOI benefits equivalent to 100.00% of the revenue from Mechanical and Metallurgical Testing.

## 1.9 Outstanding Work

Typically, the company's business involves contractual work, and delivery schedules vary according to client specifications. The company calculates the value of outstanding work and recognizes revenue based on the Percentage of Completion method

As of December 31, 2023. The value of outstanding work amounted to 58.07 million baht.

## 1.10 Shareholding Structure and Management

### 1.10.1 Company Securities

As of December 31, 2023, the company's registered capital amounted to 98,568,485 baht, divided into 98,568,485 ordinary shares with a par value of 1 baht per share.

All the ordinary shares have been issued and fully paid, totaling 98,568,485 shares.

## 1.10.2 Shareholding Structure

The top 10 shareholders whose names appear in the shareholder register book as of December 31, 2023 consist of

Rank	Name of Shareholders	No. of Shares	Percentage
1	Mr. Kitisak Jampathipphong	8,078,000	8.20
2	Mr. Taworn Suksrisaranjitr	7,629,000	7.74
3	Mr. Navin Hemaruchatanan	6,000,000	6.09
4	Thai Nvdr Company Limited	4,651,395	4.72
5	Ms. Nunnarin Paiboonpredee	4,095,100	4.15
6	Mr. Kitti Phuathavornskul	3,888,000	3.94
7	Ms. Monsicha Lubtikultham	3,696,000	3.75
8	Mr. Tanes Jarungpornasawad	3,594,500	3.65
9	Mr. Sannpat Rattakham	3,244,500	3.29
10	Ms. Pornthip Kaewyoo	3,003,000	3.05
<b>Total top 10 major shareholders</b>		<b>47,879,495</b>	<b>48.57</b>
<b>Other Shareholders (Free Float)</b>		<b>50,688,990</b>	<b>51.43</b>
<b>Total No. of Shares</b>		<b>98,568,485</b>	<b>100.00</b>

## 1.11 Policy on the Payment of Dividends

The company maintains a policy to distribute dividends to shareholders at a rate not less than 40 percent of net profit after corporate income tax and legal reserves. However, if the company deems it necessary to utilize a portion of the aforementioned net profit to expand its operations in the future, the company may designate a dividend payment rate lower than the rate specified above.

Dividend	2022	2021
<b>Interim Dividend (Baht)</b>	Omitted	0.00
<b>Annual Dividend Payment (Baht)</b>	Omitted	0.20
<b>Earnings (Loss) per share (Baht)</b>	0.19	0.041
<b>Dividend Payout (%)</b>	-	485.11%

Remark\* : Annual dividend for the year 2023 will be proposed for approval at the AGM 2024 on April 10, 2023



## 1.12 Operating assets

### 1.12.1 Main fixed assets

The main fixed assets used in the operations of Qualitech Public Company Limited and its subsidiaries as of December 31, 2023 were as follows :

#### Property

Title deed no.	Locations	Sizes	Types of right	Obligations	Net values (Baht)	Propose
66114 and 66115	Ban Bueng district, Chonburi	1 Ngan 66 Sqaure Wa	Owner	-None-	1,932,000	Used as a location for branch office
66116	Ban Bueng district, Chonburi	41 Sqaure Wa	Owner	-None-	287,000	Used as a location for branch office
31034 and 31035	Ban Bueng district, Chonburi	2 Rai	Owner	-None-	7,500,000	Used as a location for branch office
6628	Prawet district, Bangkok	38 Sqaure Wa	Owner	-None-	2,280,000	Used as a location for branch office
<b>Total Property owned by the Company</b>					<b>11,459,000</b>	
107110	Si Racha district, Chonburi	1 Rai	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	3,081,000	Used as a location for Sub-office
205926	Si Racha district, Chonburi	2 Rai	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	9,800,000	Used as a location for branch office
72919	Si Racha district, Chonburi	1 Rai 3 Ngan 74.2 Sqaure Wa	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	14,101,180	Used as a location for branch office

Title deed no.	Locations	Sizes	Types of right	Obligations	Net values (Baht)	Propose
110547	Mueang district, Rayong	2 Rai	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	2,800,000	Used as a location for Head office
89857	Mueang district, Rayong	2 Rai 1 Ngan 18.6 Sqaure Wa	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	4,000,000	Used as a location for Head office
89858	Mueang district, Rayong	1 Rai 3 Ngan 77.9 Sqaure Wa	Owner	Placed as col- lateral with TMB Thanachart Bank Public Company Limited	2,200,000	Used as a location for Head office
<b>The total land pledged by the company to the bank</b>					<b>35,982,180</b>	

### Equipment and other fixed assets

Types of assets	Types of ownership	Net book values after de-preciation (Baht)
Buildings and building modifications	Owner	5,907,971.90
Tools and equipment	Owner	21,321,478.05
Office Supplies	Owner	3,984,569.56
Office decoration and installation equipment	Owner	1,155,460.19
Public utility system works	Owner	317,624.31
Vehicles	Owner	15,048,560.36
<b>Total sections owned by the Company</b>		<b>47,735,664.37</b>
Buildings and building modifications	Placed as collateral with TMB Thanachart Bank Public Company Limited	34,998,587.21
<b>Total sections pledged by the Company</b>		<b>34,998,587.21</b>
Vehicles	Leased (financial lease)	16,375,162.74
<b>Total sections leased by the Company</b>		<b>16,375,162.74</b>

The land with buildings has been mortgaged by the company as collateral for overdraft facilities of THB 30 million, letter of credit facilities of 60 million baht, and guarantee facilities of 30 million baht with TMB Thanachart Bank Public Company Limited.

## 2 Risk Management

### 2.1 Risks to Company Operations or Group of Companies

#### Risk of Payment Collection from Customers

The company's customers mainly fall into two groups : Group 1 comprises facility owners (Users) such as PTT, Chevron, and ESSO. The company derives approximately 50% of its revenue from this group, which generally does not pose payment collection issues. However, there may be occasional delays due to inspection or documentation system issues.

Group 2 consists of construction contractors (Contractors). The company earns around 40% of its revenue from this group, typically from large-scale projects like oil refinery construction or gas pipeline installation. In these projects, the project owners usually subcontract major tasks to prime contractors, with the company being subcontracted for testing and inspection services. Therefore, if the prime contractor fails to complete the project successfully, the company may face difficulties in payment collection or receive delayed payments from the project owner, impacting the company's operations.

#### Risk Prevention and Reduction Measures

The company has outlined risk prevention strategies for future debt default incidents. It exercises caution when extending credit to Group 2 customers by analyzing their financial status, assessing the suitability of registered capital for the project's scale, and evaluating payment history through inquiries. Additionally, the company regularly evaluates customer credit levels. In cases of payment default indicators, the company requests subcontractors to prepare claim transfer letters directly to the project owner or temporarily suspends services until old debts are settled.

#### Operational Risks Related to Employees

The company operates in specialized services focused on testing, inspection, and certification, requiring knowledgeable and skilled personnel capable of conducting precise testing and interpreting results accurately. Even minor errors could result in significant harm to life and property. Moreover, a considerable number of competent employees are essential to enhance revenue. Therefore, the loss or inadequacy of personnel could adversely affect the company.

#### Risk Prevention and Reduction Measures

The company prioritizes employee development by promoting continuous learning through domestic and international training programs and establishing an internal training unit. It conducts primary courses on non-destructive testing, inspection and certification, and other related areas like workplace safety. Additionally, the company has a stringent employee screening policy to ensure a continuous supply of quality personnel and has entered into memorandums of understanding (MOU) with several educational institutions to foster knowledge and aid in talent acquisition. This approach facilitates the recruitment of new personnel aligned with the company's operational objectives. Presently, the company has an adequate workforce to meet service demands and continues to enhance its workforce to accommodate future business expansions. These efforts aim to build trust and maintain a positive company image.

Furthermore, the company has policies to retain capable employees by providing competitive compensation, health insurance, establishing retirement funds, offering educational support in relevant fields, and other incentives to motivate and retain employees, thereby ensuring a stable workforce.

#### Risk from Certification Work

The provision of non-destructive testing (NDT) services involves reporting test results and preliminary assessments of findings in inspected components, comparing them against internationally accepted standards. However, such testing does not guarantee or certify the suitability of tested components for all applications. It necessitates additional analysis of design data, material properties, and other testing procedures. In essence, testing is just one step in the quality assurance and certification process.

On the other hand, inspection and certification work involves multiple stages and relies on design data, manufacturing processes, and other testing methods beyond non-destructive testing. It complies with international standards and/or legal requirements, yet there remains a risk of errors in the inspection and certification process, potentially resulting in damage to components during actual use.



### **Risk Prevention and Reduction Measures**

Errors in inspection and certification often stem from procedural oversights or negligence by inspectors. Therefore, the company emphasizes employee training and development, requiring employees to undergo training and practical work supervised directly by their supervisors to instill responsibility and accountability. Additionally, inspections are periodically monitored by supervisory personnel. Historically, the company has not received customer complaints regarding certification errors, instilling confidence that certification risks are manageable, and inspection errors have not adversely affected outcomes.

### **Risk from Competition**

Non-destructive testing (NDT), inspection, and certification services rely heavily on skilled personnel. Employees with expertise may venture to establish their own businesses or carve out market segments from the company relatively easily. However, for business growth, it is imperative to have robust systems, excellent performance, and various other factors in place. Additionally, foreign companies entering the Thai market offer services different from those offered by the company, including advanced non-destructive testing (Advanced NDT).

### **Risk Prevention and Reduction Measures**

In addition to offering competitive compensation to capable employees, the company focuses on fostering good relationships with its employees. It has developed agreements with employees to prevent them from leaving and starting competitive businesses afterward. Simultaneously, the company has sought and developed new technologies in inspection and testing to continuously enhance the value of its services to customers. Furthermore, it has adjusted its marketing strategies by partnering with foreign companies specializing in Advanced NDT services to serve customers jointly. These efforts have resulted in increased market share and opportunities to learn new technologies from partners, enabling the company to better prepare for future competition.

### **Risk from Exchange Rate Fluctuations**

The company procures a limited amount of machinery, equipment, and materials imported from abroad, thus facing some exposure to exchange rate fluctuations. Meanwhile, its subsidiaries overseas operate using local currencies for both revenue and expenses.

### **Risk from Industrial Conditions**

Due to the company's primary focus on serving large-scale industrial clients, such as those in the oil and gas exploration and drilling, petrochemical, and steel fabrication industries, it is subject to risks associated with industry conditions. The recent improvement in oil prices has spurred investment in new projects, including increased budget allocations from clients for facility inspections. Consequently, this directly affects the volume of testing and inspection services demanded.

### **Risk Prevention and Reduction Measures**

1. Maintain existing customer bases, particularly long-standing partnerships, by adjusting service pricing structures appropriately.
2. Accelerate the establishment of new customer bases in other industries, such as clean energy, paper, and biomass power plants.
3. Enhance organizational certifications to international standards like ISO/IEC 17025, ISO/IEC 17020, ISO 9001, and ISO 45001 to instill confidence in service quality, especially for European clients who prioritize high-quality work.
4. Increase staff certifications to European standards to diversify service offerings.
5. Establish marketing and business development departments to expand the market for testing, inspection, and certification services, including mechanical and metallurgical testing laboratories. Additionally, study additional customer requirements to enhance process improvement and introduce new services.
6. Establish a research and development section to monitor technological advancements, assess suitability, and develop new services for customers.

### **Risk of Material Waste**

The company utilizes materials with relatively low values across various service provisions, often procured through multiple distributors both locally and internationally, without heavy reliance on any single supplier. This approach mitigates the risk associated with dependence on any one supplier. Furthermore, the company engages in proactive operational planning to minimize the risk of material shortages in service delivery.

### **Risk from Government Policy Changes**

Government policies, regulations, and laws significantly impact the company's growth trajectory and operational direction. Continuous monitoring of governmental activities is imperative for both the parent company, and its subsidiaries. Close collaboration with relevant government entities allows for the assessment of potential changes and their continuous implications, both positive and negative. Management is tasked with executing measures to mitigate these risks, ensuring alignment with evolving regulatory frameworks.

### **Risk from Workplace Accidents**

As the company provides testing and safety inspections for various equipment, pipes, and chemical storage tanks, predominantly at client sites, often involving collaboration with multiple stakeholders, including clients and subcontractors, there exists a risk of workplace accidents during operations. The company has implemented stringent control measures and safety protocols in accordance with industry standards to mitigate these risks. Notably, efforts focus on fostering employee awareness and empowerment to decline tasks posing potential risks to life and property. Additionally, the company has procured third-party liability insurance to cover damages resulting from workplace accidents within the stipulated limits set by government agencies, such as the Department of Energy Business. This coverage extends to clients operating both onshore and offshore. Furthermore, the company provides health and accident insurance coverage to employees to safeguard against work-related accidents.





## 3 Driving Business toward Sustainability

### 3.1 Sustainability Management Policy and Goals

Qualitech Public Company Limited is dedicated to providing safety engineering service encompassing Non-Destructive Testing, destructive testing, mechanical and metallurgical testing, inspection, and certification as well as providing opinions on safety in engineering as an independent expert to various organizations against international standards. The Company's service is considered direct contribution to society, the community, and the environment as it helps ensure safety and reduce risks of serious accidents from happening in society and the community.

The Company strives to achieve business sustainability by leveraging ESG (Environmental, Social, and Governance) framework to create sustainable growth. Top priorities are also given to compliance with laws, work standards, good corporate governance principles, and anti-corruption practices to create confidence among all involved parties in line with the intention prescribed in the Company's Vision, Mission, and Values.

### 3.2 Management of Impacts on Stakeholders

The Company has identified its stakeholders by analysing their relationship with the Company in the supply chain from upstream activities including suppliers and business partners to downstream activities which are to deliver quality services and satisfy customer needs to achieve the Company's objectives. The interrelated impacts were assessed as follows :



Key Stakeholders	Efforts to Meet Stakeholders Expectations	Operational Goals
<b>Shareholders / Investors</b>	<ul style="list-style-type: none"> <li>• Sustain stable business and business growth.</li> <li>• Provide accurate, timely, comprehensive, and veritable information.</li> <li>• Practice good corporate governance.</li> </ul>	<ul style="list-style-type: none"> <li>• To report information in a transparent, accurate, and timely manner.</li> <li>• To hold shareholders' meetings annually and answer questions.</li> <li>• To provide investor relations communication channels via phones and email.</li> <li>• To organize a meeting with investors annually through the Opportunity Day.</li> </ul>
<b>Suppliers / Business Partners</b>	<ul style="list-style-type: none"> <li>• Select, list, manage, and monitor suppliers with transparency and fairness.</li> <li>• Make payments on time according to payment terms and conditions.</li> <li>• Solve problems together.</li> <li>• Never receive or pay any benefits to suppliers / business partners.</li> <li>• Communicate the Company's Code of Conduct to suppliers/business partners.</li> </ul>	<ul style="list-style-type: none"> <li>• To assess key suppliers yearly in various aspects including the compliance with the anti-corruption measures to add to the Company's supplier list.</li> <li>• To comply with competition best practices by selecting suppliers based on the criteria to ensure the highest benefit for the Company.</li> <li>• To consider buying more from suppliers adhering to Green Procurement policy.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Strictly conform to policy and conditions agreed upon with customers.</li> <li>• Create customer satisfaction in services.</li> <li>• Implement good working standards.</li> <li>• Develop and enhance services that better address customer needs.</li> </ul>	<ul style="list-style-type: none"> <li>• To make a quote or a bid for a project systematically and fairly.</li> <li>• To deliver 100% quality and accurate services within the timeframe.</li> <li>• To work in conformance with the quality systems such as ASNT, API ISO 19001, ISO/IEC 17025, etc., that the Company has been certified.</li> <li>• To survey customer satisfaction as planned with a minimum satisfaction result level of 85%</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Pay wages and remunerations correctly and on time.</li> <li>• Offer appropriate and fair remuneration and benefits.</li> <li>• Provide career paths.</li> <li>• Provide a happy and safe work environment.</li> <li>• Provide opportunities to express opinions and file complaints.</li> </ul>	<ul style="list-style-type: none"> <li>• To arrange a meeting between executives and employees on a quarterly basis to communicate with employees.</li> <li>• Prepare individual development and professional growth plan for employees at all levels.</li> <li>• Provide appropriate communication and complaint channels.</li> <li>• Set up the Safety Committee, Benefit Committee, and others to meet and define policies together.</li> <li>• Conducting quarterly employee engagement projects to communicate and gather feedback from employees.</li> </ul>

### 3.3 Environmental Sustainability Management

The company promotes environmental conservation in operational processes where feasible. This includes optimizing operational procedures to utilize resources efficiently and achieve maximum effectiveness. Energy-saving initiatives involve conscientiously shutting down electrical and air conditioning appliances after each use to conserve electricity and uphold environmental stewardship. Furthermore, provisions for segregated hazardous waste storage are established to ensure proper disposal methods. The company has been certified as a Level 2 Green Industry member, endorsing its commitment to environmentally friendly practices. Additionally, plans are underway to develop an ISO 14001 : 2015 system to manage processes related to environmental concerns.

#### Occupational Health, Safety, and Environmental Aspects in the Workplace.

The company recognizes the paramount importance of ensuring the health, safety, and well-being of its employees and all stakeholders involved. To this end, standardized occupational health and safety management systems are implemented to guide the creation of a safe working environment.

Adherence to regulations is strictly observed, with a dedicated committee overseeing safety, occupational health, and environmental conditions in the workplace. Professional safety officers are tasked with the execution, control, and monitoring of safety, occupational health, and environmental situations within the company.

The company ensures compliance with policies and operational plans concerning occupational health, safety, and environmental matters. Moreover, efforts are made to instill a culture of safety awareness among employees and to execute operations in line with safety policies and occupational health guidelines.

Key focuses regarding occupational health, safety, and environmental conditions in the workplace for the fiscal year 2023 include :

- Development of prevention plans or risk reduction plans for occupational hazards and hazards occurring at various locations within the company. This includes improving the environment to enhance safety, as well as inspecting various equipment and machinery.

- Dissemination of legal knowledge and regulations related to safety, occupational health, and other relevant laws such as labor laws, transportation laws, and ministerial regulations. This includes notifying employees of changes in laws through email communication and company notices, enabling them to access information beneficial for promoting self-safety awareness.

- In addition to providing basic understanding of occupational health and safety management systems to all employees, knowledge is also imparted to prevent accidents across different areas regularly. This is done through training sessions, dissemination via bulletin boards, and internal emails. Not only does this enhance workplace safety, but it also fosters safety in everyday life, such as safe driving practices and proper equipment usage.

- Establishment of the company's safety committee, which convenes regular meetings to establish safety policies and monitor outcomes on a monthly basis.

Furthermore, the company is committed to reducing greenhouse gas emissions under the United Nations Framework Convention on Climate Change through energy conservation efforts. In 2023, the company established task force and initiated projects to support greenhouse gas reduction, setting the following operational targets :

**1 Energy-saving projects aimed at reducing electricity and water usage**, fostering a culture of energy conservation among employees with a target of reducing electricity and water consumption by 5% from 2022 levels.

**Performance in 2023:** The company remains steadfast in its continuous improvement efforts. It is currently exploring the installation of solar panels in office premises.

**2 Paper reduction projects** by implementing online document systems for various tasks such as leave requests, overtime approvals, and document requests, aiming to reduce paper usage, ink consumption, and electricity usage from printers, with a target of reducing paper usage by 10% in 2023.

**Performance in 2023:** The company has reduced paper consumption compared to 2022 levels by implementing an Enterprise Resource Planning (ERP) system, which operates online, enhancing efficiency and reducing paper usage.



### 3 Carbon Dioxide Emission Reduction Project

By installing GPS systems in company vehicles to monitor their routes and conducting meetings and training sessions online to reduce car travel, the company aims to decrease fuel usage by 5% in 2023.

**Performance in 2023:** The company remains committed to continuous improvement. Plans are underway to replace older vehicles with high fuel consumption rates to reduce pollutant emissions and fuel consumption.

### 4 Waste Management

The company manages contaminated materials resulting from testing equipment used in its service operations. Proper storage and disposal are conducted through registered waste disposal companies, with documentation provided for each disposal activity. The goal is to ensure that no hazardous waste or contaminated materials are released into the community, achieving a 100% compliance rate.

**Performance in 2023:** 100%

### 5 The company has been certified as a Level 2 Green Industry member

by the Ministry of Industry, acknowledging its successful environmental impact reduction initiatives. The certification signifies the company's commitment to conducting activities aimed at minimizing environmental impact, with the goal of adhering to standards and renewing certification continuously. This demonstrates the company's dedication to environmental responsibility.

**Performance in 2023:** 100% compliance was achieved.



## 3.4 Social Sustainability Management

### 3.4.1 Social Policy and Practices

#### Corporate Social Responsibility (CSR)

Qualitech Public Company Limited is committed to conducting business under ethical principles, emphasizing ethical management practices, along with a strong emphasis on social responsibility both internally and externally. This commitment is embedded as a fundamental strategy for sustainable business development, encompassing employee care and development, conducting business with fairness to all stakeholders, prioritizing safety and service quality, community involvement and development, as well as efficient resource utilization and environmental stewardship.

The company recognizes that its engineering, testing, inspection, and certification services align with the objectives of assessing or evaluating quality standards and legal requirements internationally. It is therefore the company's duty to diligently operate in accordance with various regulations and requirements, as stipulated in the company's values, which emphasize being "Reliability, safety, customer-focused, and quality-oriented."

Furthermore, the company has a policy of engaging management and employees in continuous social responsibility initiatives annually, which are articulated as part of the company's vision, mission, and policies.

#### Business Conduct with Integrity and Anti-Corruption Measures

The company mandates a consistent and fair treatment towards customers, partners, and stakeholders, based on the principles of equitable reciprocity and fairness to all parties. It emphasizes the importance of conducting business with integrity, without favoring any undue benefits arising from improper conduct, aligned with the fundamentals of good business practices and ethics. The company has a commitment to combatting corruption in all its forms and has established guidelines for such practices, which have been approved by the company's board of directors. The key principles in this regard can be summarized as follows :

- The company adheres to legal principles in conducting its business, making it the responsibility of the board, management, and employees to be aware of and understand the company's regulations, relevant laws, as well as forthcoming legislation that may impact its operations.

Therefore, the board, management, and employees must study and comprehend the regulations governing the company's operations, both those currently in effect and those that may come into effect in the future. Directors, management, and employees must fulfill their duties in accordance with the laws relevant to the company's business and adhere strictly to the company's regulations and rules of operation. Moreover, they must avoid any actions that may negatively impact the company's business reputation.

- Board members, executives, and employees must not seek trade secrets of competitors or proprietary information of competitors through illegal means such as theft, espionage, or breach of agreements not to disclose competitors' information, whether obtained from customers or others.
- The company makes decisions and conducts operations with transparency that allows stakeholders to be informed and verified under the law and regulatory framework, policies, and procedures of the company related to preventing trade secret leakage to competitors. It also respects the rights of shareholders to receive necessary information to evaluate the company, as well as discloses financial performance, financial status, and accurate supporting information as stipulated by the Securities and Exchange Commission, Thailand.
- In cases where directors, executives, or employees engage in transactions related to the company, the company will handle them as if they were dealing with outsiders, and those directors or employees will have no part in the decision-making process.
- Directors, executives, and employees should not accept money, benefits, or goods from business-related parties with the potential to be perceived as biased or having a special business relationship with the giver, which may harm the company's / stakeholders' interests.
- Directors, executives, and employees must perform their duties with honesty and integrity, avoiding the use of their authority to seek personal or others' benefits.

- Directors, executives, and employees must assist or attempt to obtain patents, copyrights, or protect trademarks that are intellectual property of the company, as well as refrain from any actions that violate others' intellectual property rights or trade secrets.
- Directors, executives, and employees must act fairly and not discriminate in employment practices, including recruitment, compensation considerations, hiring decisions, promotions, transfers, performance evaluations, training, compliance with rules and regulations, termination, dismissal, and rehiring, as well as participating in social and recreational activities in the community, and so forth.
- Implemented a safe driving program to ensure the safety of employees and the community.
- Contributed to funding support for hospitals both in the company's locality and other hospitals to utilize the funds for the benefit of society.
- Supported educational scholarships for employees' children to promote education and foster good relationships between the company and employees' families.

### 3.4.2 Social Initiatives Results

- Established the "Qualitech Educational Fund" project to provide continuous education scholarships to elementary-level youth in Rayong province.
- Signed a Memorandum of Understanding (MOU) with vocational education institutions to collaborate on curriculum development aligned with the labor market needs in the testing industry without compromising the integrity of welding inspection work.
- Conducted training sessions for teachers and students from vocational institutions to enhance knowledge and practical skills in the professional field.
- Hosted student interns from various departments within the company for both professional and support roles, offering short-term and long-term practical training (cooperative education).
- Supported livelihood creation in the local community by hiring community members as company employees.
- Participated in community activities on various occasions such as Children's Day and Songkran Festival.
- Employed persons with disabilities to promote employment opportunities for them and supported funding to create jobs for persons with disabilities in the community.

### 3.4.3 Continuous Development for Sustainability

Firm adherence to ethical principles and social responsibility is a cornerstone of the organizational culture's values and goes beyond occasional acts of philanthropy. It is a commitment that must be consistently upheld. The company is dedicated to sustainable business development, ensuring that stakeholders benefit collectively in both the short and long term. This commitment extends to ensuring that customers and the company's partner groups progress and grow alongside the organization. Additionally, the company aims to contribute to the creation of enduring communities and societies.

The company continues to emphasize the promotion of innovation throughout the organization to set directions and guidelines for innovation initiatives. This stimulates and creates opportunities for employees to present creative ideas that deliver value economically, socially, and environmentally. Continuous training programs are provided by the company to ensure ongoing knowledge enhancement across all domains.



## The company provides funding for the "Qualitech Education Fund Model" project to continuously support primary school education for youth in Rayong province.

Qualitech Public Company Limited operates with a strong commitment to ethical principles, social responsibility, and environmental consciousness for sustainable growth. This dedication has been clearly articulated in the company's vision and reflected in its ongoing Corporate Social Responsibility (CSR) initiatives, with a primary focus on education. Recognizing education as fundamental to national human resource development and sustainability, the company initiated the "Qualitech Education Fund Model" project as an extension of its annual scholarship program for employees' children.

The program's expansion aims to extend educational opportunities to youth in Rayong province, recognizing the importance of early education in fostering literacy and numeracy skills, essential for daily life. The "Qualitech Education Fund Model" is an evolution of the company's internal scholarship program, which has been consistently implemented annually. Recognizing the benefits of expanding educational opportunities to youth in Rayong province, the company decided to allocate funds to children at the primary school level, as it represents a crucial stage in their learning journey.

Enabling them to acquire foundational literacy and numeracy skills essential for daily life. The project provides continuous funding support for students until the completion of the sixth grade and employs a selection criterion under the concept "Good Children, Eager to Learn and Able to Learn." Emphasis is placed on selecting children with good behavior and a commitment to continuous learning, rather than solely focusing on academic performance. This approach aims to provide increased support to children in need and began disbursing funds in 2023, continuing to the present day.



In 2023, representatives from Qualitech Public Company Limited visited four schools in the districts of Pluak Daeng and Ban Khai, Rayong province. The schools included Wat Phai Lom School, Nong Rai School, Nong Rakam School, and Ban Lang Khao School. The purpose of the visit was to conduct a scholarship award ceremony for elementary school students, granting a total of 5 scholarships (each valued at 10,000 Baht per academic year).

Additionally, commemorative gifts, learning materials, teaching aids, and sports equipment were presented to the schools and students. The ceremony was attended by school administrators and parents, fostering a simple yet heartfelt atmosphere focused on mutual support and encouragement.









## "The scholarship support program for employees' children" aims to promote education and foster strong bonds between the company and employees' families.

Recognizing the significance of education for employees' children as a crucial foundation for their future career development, Qualitech Public Company Limited emphasizes the importance of sharing the financial burden of education. Additionally, it aims to enhance the quality of life for employees' families, a vital factor for overall happiness and well-being.

Hence, the company has established a scholarship support program for employees' children, serving as a gesture of encouragement for employees' work and promoting their children's education. In 2023, a total of 50 employees register to receive scholarships, meeting the criteria set by the Welfare Committee. Each recipient received a scholarship of 5,000 Baht. The scholarship award ceremony for the 2023 scholarship program took place on Friday, October 27, 2023.

The event was attended by scholarship recipients and representatives of employees' children. During the ceremony, the importance of education was emphasized, and recipients shared their feelings about receiving the scholarships. Commemorative gifts were presented, and photos were taken, creating a warm and positive atmosphere, fostering strong relationships between employees and the organization.









# The "Qualitech Cares : 1 Person Donates, 3 People Receive Blood Donations to Help Society" project and the "Bringer of Happiness, Giver of Merit" project

Due to the recent activities carried out by the company in early December, we have organized initiatives aimed at aiding and contributing to the community. Our executives and employees participated in various charitable projects, including the 'Qualitech Together 1 Donor, 3 Recipients Blood Donation Campaign' and the 'Happiness Givers, Merit Receivers Initiative.' These endeavors were undertaken with the objective of fostering social responsibility and engaging in altruistic endeavors for the betterment of society.

They not only aimed to provide assistance but also aimed to spread joy and happiness to the recipients, emphasizing the importance of employee involvement in philanthropic endeavors.



The Qualitech Together 1 Donor, 3 Recipients Blood Donation Campaign took place on Wednesday, December 13, 2023, at the Blood Bank of Rayong Hospital, Rayong Province. The company's management team and staff collectively donated blood and provided additional financial contributions to purchase medical equipment for the hospital, furthering its capacity to assist patients in need.





The 'Happiness Givers, Merit Receivers Initiative' was held on Wednesday, December 20, 2023, at the Boonchu Foundation for Special Children in Plutaluang, Sattahip District, Chonburi Province. This foundation aids children facing various physical and learning challenges. The company solicited donations of essential consumer goods and daily necessities from its employees, which were then distributed to over 255 children. Additionally, the management team and staff contributed by providing general items and daily essentials, including sponsoring midday meals for the children. This initiative aimed to fulfill basic needs while promoting and enhancing the quality of life for these special children.

These projects were undertaken to provide opportunities for access to fundamental necessities and to promote and develop a higher quality of life for special children. They epitomized heartwarming scenes filled with warmth and smiles from both givers and recipients, serving as a meaningful way to end the year and welcome the new year with acts of kindness and shared happiness for the community.





## 4 Financial Performance Analysis and Description

### 4.1 Performance analysis of Qualitech Public Company Limited, and its subsidiaries

#### 4.1.1 Summary of Operations

In the fiscal year 2023, the consolidated financial statements of Qualitech Public Company Limited (hereafter referred to as the Company) reported total revenue of 430.61 million Baht. This represents a decrease of 27.06 million Baht, or 5.92 percent, compared to the previous year. The decline in revenue was primarily attributed to a reduction in income from Inspection and Certification / Plant Integrity and Industrial, and non-destructive testing. This decrease was a result of the postponement of new projects by project owners, leading to a decrease in anticipated revenue. Regarding expenses, total operating costs, sales costs, and administrative expenses amounted to 572.98 million Baht, increasing by 139.52 million Baht, or 32.19 percent, from the previous year. This increase was driven by the Company's and its

subsidiaries' initiatives to expand their customer base to boost revenue. Additionally, there was an expansion of the sales and marketing teams. Furthermore, losses were incurred from the sale of common shares in an associated company, Property Aim Solutions Company Limited due to financial liquidity issues and severe internal problems, rendering it unable to continue operations. The Company also experienced increased employee-related expenses due to restructuring efforts to accommodate future business expansions. Moreover, there was a recognition of potential credit losses resulting from an increase in delinquent customer payments. Consequently, in the fiscal year 2023, the Company reported a loss of 141.34 million Baht in the portion attributable to the main company, compared to a profit of 17.86 million Baht in fiscal year 2022, representing a decrease in operating performance of 159.20 million Baht, or 891.38 percent.

#### Operations Results of Qualitech Public Company Limited and Subsidiary

Statements of Comprehensive Income	2023	2022	Change	
	Million Baht	Million Baht	Million Baht	%
Sales and services income	427.59	455.37	-27.78	-6.10%
Cost of sale and services	-316.93	-322.35	-5.42	-1.68%
<b>Gross profit</b>	<b>110.66</b>	<b>133.02</b>	<b>-22.36</b>	<b>-16.81%</b>
Others	3.02	2.30	0.72	31.30%
Cost of sale and services	-12.37	-9.92	2.45	24.70%
Administrative expenses	-236.59	-110.57	126.02	113.97%
Expected credit losses (reversed)	-7.09	9.37	16.46	175.67%
Share of profit (loss) from investment in associates and joint ventures	0.00	4.11	-4.11	-100.00%
Finance costs	1.08	0.73	0.35	47.95%
<b>Profit (loss) before income tax expense</b>	<b>-143.45</b>	<b>19.37</b>	<b>-162.82</b>	<b>-840.58%</b>
Income tax expense	2.32	-1.39	-3.71	-266.91%
Profit (loss) for the year	-141.14	17.98	-159.12	-884.98%
Total Other comprehensive income (expense) for the year	-0.75	6.26	-7.01	-111.98%
Total Other comprehensive income (expense) for the year - net of tax	-141.88	24.24	-166.12	-685.31%
<b>Profit (loss) attributable to the parent company</b>	<b>-141.34</b>	<b>17.86</b>	<b>-159.20</b>	<b>-891.38%</b>

**Financial Performance Analysis for the Year Ended December 31, 2023** The company incurred a loss of 141.34 million Baht attributable to the parent company for the year, compared to a profit of 17.86 million Baht in the previous year, representing a decrease in operating results of 159.20 million Baht, or 891.38 percent. The main reasons for this are as follows :

**1** Sales and service revenue totaled 427.59 million Baht, decreased by 27.78 million Baht or 6.10 percent. The decline in revenue was mainly attributed to reduced income from inspection services, Plant Integrity and Industrial, and non-destructive testing due to delays in anticipated projects, resulting in decreased revenue.

**2** Sales and service costs, distribution costs, and administrative expenses amounted to 572.98 million Baht, an increase of 139.52 million Baht or 32.19 percent compared to the previous year. This increase includes higher distribution costs, up by 2.46 million Baht from the previous year, driven by the company's expansion of its customer base. Additionally, administrative expenses increased by 126.02 million Baht from the previous year, attributed to losses recognized from the sale of ordinary shares in a joint venture (Property Aim Solutions Company Limited), which faced financial difficulties and internal issues, rendering it unable to continue operations. Moreover, there were increased employee-related expenses due to restructuring efforts to accommodate future business expansions.

**3** Losses from expected credit defaults amounted to 7.09 million Baht, compared to reversals of expected credit losses of 9.37 million Baht in the previous year, representing an increase of 16.46 million Baht. This increase is attributed to the company receiving payments from disputed customer claims against Nacap Asia Pacific (Thailand) Limited, amounting to 9.59 million Baht, resulting in the reversal of expected credit losses. However, the company experienced an increase in outstanding customer payments during the current year, leading to the recognition of expected credit losses from trade receivables."



## 4.1.2 Analysis of Financial Status as December 31, 2023 and December 31, 2022

Financial Position	2023		2022		%
	Million Baht	%	Million Baht	%	
<b>Asset</b>	391.72	100.00%	523.82	100.00%	-25.22%
<b>Liability</b>	96.02	24.52%	80.64	15.40%	19.08%
<b>Shareholders' equity</b>	295.88	75.54%	437.76	83.57%	-32.41%

### Assets

As of December 31, 2023, the company's total assets amounted to 391.72 million Baht, decreased from December 31, 2022, by 132.10 million Baht, or 25.22 percent. The major components of this decrease are as follows :

- Investments in joint ventures decreased by 122.93 million Baht due to the sale of ordinary shares in a joint venture (Property Aim Solutions Company Limited). This decision was made as the joint venture faced financial liquidity issues and severe internal problems, rendering it unable to continue operations.

- Land, buildings, and equipment decreased by 14.53 million Baht due to the sale of depreciated tools and equipment. Additionally, there was an increase in depreciation expenses resulting from the reassessment of the useful life and salvage value of new vehicles. Furthermore, the company did not make significant investments in machinery, equipment, and vehicles for service provision.

- Cash and cash equivalents decreased by 3.20 million Baht due to the allocation of funds to purchase additional ordinary shares in the subsidiary (Qualitech Solution Energy Company Limited). This increased the company's equity stake in the subsidiary from 70 percent to 99.99 percent.

### Liabilities

As of December 31, 2023, the company's total liabilities amounted to 96.02 million Baht, increased from December 31, 2022, by 15.38 million Baht, or 19.08 percent. The majority of these liabilities stem from :

- Overdrafts and short-term loans from financial institutions increased by 6.63 million Baht, or 85.71 percent. This rise is attributed to the company utilizing these funds as working capital for its operations.

- Accrued employee benefits increased by 3.65 million Baht, or 18.27 percent, due to the company's increased workforce necessitating additional reserves for employee benefits.

- Lease liabilities increased by 2.84 million Baht, or 82.35 percent, as the company expanded its operational vehicle leasing.

- Trade payables and other current liabilities increased by 2.02 million Baht, or 4.72 percent, primarily driven by expenses related to specialized expert hiring and trade payables resulting from engaging specialized contractors.

### Equity Shareholding of the Parent Company :

As of December 31, 2023, the company had an equity shareholding in the parent company amounting to 295.88 million Baht, a decrease from December 31, 2022, by 141.88 million Baht, or 32.41 percent. This reduction was attributed to the net loss incurred in the fiscal year 2023, amounting to 142.08 million Baht, in the equity shareholding of the parent company.



### 4.1.3 Cash Flow (Unit : Million Baht)

Cash Flow	As of 31 December 2023
<b>Net cash provided by (used in) operating activities</b>	<b>14.96</b>
<b>Net cash provided by (used in) investing activities</b>	<b>(14.68)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>(3.47)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3.20)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>35.25</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>32.05</b>

**As of December 31, 2023, the company had cash and cash equivalents totaling 32.05 million Baht, comprised of the following :**

**The net cash flow from operating activities amounted to 14.96 million Baht, primarily derived from :**

- Cash received from adjustments impacting profit (loss) of 24.50 million Baht.
- Deductions for cash from changes in assets and liabilities from operating activities amounting to 5.57 million Baht.
- Cash payments for interest and income tax of 3.97 million Baht.

**The net cash flow used in investing activities totaled 14.68 million Baht, primarily used for :**

- Cash payments for the purchase of equipment and machinery total 14.25 million Baht.
- Cash payments for the acquisition of intangible assets other than goodwill amounting to 1.51 million Baht.
- Cash received from the sale of equipment amounting to 1.54 million Baht.

**The net cash flow used in financing activities amounted to 3.47 million Baht, primarily used for :**

- Payments for the acquisition of treasury shares were not under control, totaling 5.60 million Baht.
- Payments for the settlement of lease liabilities amounted to 4.51 million Baht.
- Cash received from overdrafts and short-term loans from financial institutions totaling 6.64 million Baht.

#### 4.1.4 Financial Ratio and Net Profit Per Share

Financial Ratio	2023	2022
<b>Profitability Ratios</b>		
Gross Profit Margin (%)	25.88%	29.21%
Operation Profit Margin (%)	(33.30%)	4.41%
Net Profit Margin (%)	(33.05%)	3.92%
Return on Equity Margin (%)	(38.53%)	4.07%
<b>Liquidity</b>		
Current Ratio (time)	3.21	3.72
Account Receivable Turnover (time)	4.52	5.10
Average Collection Period (day)	81	72
Account Payable Turnover (time)	7.22	7.84
Average Payment Period (day)	51	47
<b>Net Profit Per Share (Baht)</b>	(1.43)	0.18





## 4.2 Financial Status and Result of the Operation

### Financial Status and Result of the Operation of Qualitech Public Company Limited and Subsidiaries

#### Statements of Comprehensive Income for the year ended December 31, 2021 to 2023

Unit : Thousand Baht

Result of the Operation	31 December 2023		31 December 2022		31 December 2021	
	Amount	%	Amount	%	Amount	%
<b>Total Revenue</b>	<b>430,608.01</b>	<b>100.00</b>	<b>457,673.92</b>	<b>100.00</b>	<b>392,113.79</b>	<b>100.00</b>
Sales and services income		99.30	455,373.73	99.50	389,686.84	99.38
Cost of sale and services		73.60	322,348.81	70.43	305,989.60	78.04
<b>Gross profit</b>	<b>110,664.59</b>	<b>25.88 *</b>	<b>133,024.92</b>	<b>29.21 *</b>	<b>83,697.24</b>	<b>21.48 *</b>
Other income						
Gain on sale of segment	0.00	0.00	0.00	0.00	(38.43)	(0.01)
Others	3,016.03	0.70	2,300.19	0.50	2,465.38	0.63
Profit before Distribution costs and Administrative expenses	113,680.62	26.40	135,325.11	29.57	86,124.19	21.96
Distribution costs	12,373.71	2.87	9,916.74	2.17	10,384.18	2.65
Administrative expenses	205,044.42	47.62	84,366.26	18.43	46,439.56	11.84
Directors' remuneration	2,342.60	0.54	1,494.40	0.33	2,032.00	0.52
Management benefit expenses	29,201.95	6.78	24,708.12	5.40	20,145.71	5.14
(Expected credit losses) reversed	7,092.73	1.65	(9,371.08)	(2.05)	0.00	0.00
Total Distribution costs and Administrative expenses	236,588.97	54.94	110,568.78	24.16	68,617.27	17.50
<b>Profit (loss) before income tax expense</b>	<b>(142,374.79)</b>	<b>(33.06)</b>	<b>24,210.67</b>	<b>5.29</b>	<b>7,122.74</b>	<b>1.82</b>
Share of loss from investments in associate	0.00	0.00	4,111.26	0.90	0.00	0.00
Finance costs	1,079.32	0.25	728.44	0.16	697.17	0.18
<b>Profit (loss) before income tax expense</b>	<b>(143,454.11)</b>	<b>(31.34)</b>	<b>19,370.97</b>	<b>4.23</b>	<b>6,425.57</b>	<b>1.64</b>
Tax (expense) income	2,317.80	0.54	(1,389.43)	(0.30)	105.86	0.03
<b>Profit (loss) for the year</b>	<b>(141,136.31)</b>	<b>(30.84)</b>	<b>17,981.54</b>	<b>3.93</b>	<b>6,531.43</b>	<b>1.67</b>
Other comprehensive income						
- Gains (losses) on remeasurments of defined benefit plans	(791.79)	(0.18)	6,043.00	1.32	4,343.50	1.11
- Share of other comprehensive income of associate	0.00	0.00	580.10	0.13	0.00	0.00
- Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	45.29	0.01	(363.43)	(0.08)	(278.36)	(0.07)
<b>Total Other comprehensive income (expense) for the year - net of tax</b>	<b>(141,882.81)</b>	<b>(32.95)</b>	<b>24,241.21</b>	<b>5.30</b>	<b>10,596.57</b>	<b>2.70</b>
Basic earnings per share (Baht)	(1.43)		0.18		0.07	
Book Value (Baht)	3.00		4.44		4.40	
Par Value (Baht)	1.00		1.00		1.00	

Remark : \* Gross profit margins showed above were computed by dividing gross profit with service income

## Financial Status and Result of the Operation of Qualitech Public Company Limited and Subsidiaries

### Statements of Financial Position as at December 31, 2021 to 2023

Unit : Thousand Baht

Result of the Operation	31 December 2023		31 December 2022		31 December 2021	
	Amount	%	Amount	%	Amount	%
<b>Asset</b>						
<b>Current assets</b>						
Cash and cash equivalents	32,055.03	8.18	35,252.44	6.73	40,888.78	8.07
Trade and other current receivables	104,382.19	26.65	99,988.20	19.09	79,113.97	15.61
Contract assets	57,451.48	14.67	58,521.95	11.17	68,956.42	13.60
Inventories	8,743.93	2.23	7,735.23	1.48	10,537.82	2.08
Other current financial assets	0.00	0.00	0.00	0.00	120,664.56	23.81
<b>Total current assets</b>	<b>202,632.63</b>	<b>51.73</b>	<b>201,497.82</b>	<b>38.47</b>	<b>320,161.55</b>	<b>63.16</b>
<b>Non-current assets</b>						
Capital lease receivables	17,178.25	4.39	18,158.07	3.47	0.00	0.00
Investments in associate	0.00	0.00	122,935.12	23.47	0.00	0.00
Property, plant and equipment	130,715.43	33.37	145,242.93	27.73	159,227.30	31.41
Right-of-use assets	16,375.16	4.18	14,653.87	2.80	14,104.20	2.78
Goodwill	4,844.34	1.24	4,844.34	0.92	4,844.34	0.96
Other intangible assets other than goodwill	3,499.53	0.89	2,085.29	0.40	1,837.96	0.36
Deferred tax assets	6,328.50	1.62	3,101.83	0.59	3,229.32	0.64
Income tax for refund	9,630.58	2.46	7,475.05	1.43	3,127.98	0.62
Non-current non-cash financial assets pledged as collateral	0.00	0.00	3,010.00	0.57	0.00	0.00
Others non-current assets	511.16	0.13	811.51	0.15	351.62	0.07
<b>Total non-current assets</b>	<b>189,082.95</b>	<b>48.27</b>	<b>322,318.01</b>	<b>61.53</b>	<b>186,722.72</b>	<b>36.84</b>
<b>Total assets</b>	<b>391,715.58</b>	<b>100.00</b>	<b>523,815.83</b>	<b>100.00</b>	<b>506,884.27</b>	<b>100.00</b>

## Financial Status and Result of the Operation of Qualitech Public Company Limited and Subsidiaries

### Statements of Financial Position as at December 31, 2021 to 2023

Unit : Thousand Baht

Result of the Operation	31 December 2023		31 December 2022		31 December 2021	
	Amount	%	Amount	%	Amount	%
<b>Liabilities</b>						
<b>Current liabilities</b>						
Bank overdrafts and Short-term borrowings from financial institutions	14,377.46	3.67	7,741.71	1.48	0.00	0.00
Trade and other current payables	44,929.88	11.47	42,906.34	8.19	39,351.73	7.76
Current portion of lease liabilities	3,389.12	0.87	3,185.56	0.61	2,931.24	0.58
Corporate income tax payable	449.06	0.11	354.74	0.07	0.00	0.00
Liabilities included with asset classified as held for sale	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total current liabilities</b>	<b>63,145.52</b>	<b>16.12</b>	<b>54,188.35</b>	<b>10.34</b>	<b>42,282.97</b>	<b>8.34</b>
<b>Non-current liabilities</b>						
Lease liabilities	6,280.24	1.60	3,444.02	0.66	3,745.49	0.74
Non-current provisions for employee benefit	23,664.94	6.04	20,009.07	3.82	23,706.06	4.68
Others non-current liabilities	2,928.29	0.75	2,995.00	0.57	0.00	0.00
<b>Total non-current liabilities</b>	<b>32,873.47</b>	<b>8.39</b>	<b>26,448.09</b>	<b>5.05</b>	<b>27,451.55</b>	<b>5.42</b>
<b>Total liabilities</b>	<b>96,018.99</b>	<b>24.51</b>	<b>80,636.44</b>	<b>15.39</b>	<b>69,734.52</b>	<b>13.76</b>
<b>Shareholders' equity</b>						
Authorized share capital	98,568.49	25.16	98,568.49	18.82	98,568.49	19.45
Issued and paid-up share capital	98,568.49	25.16	98,568.49	18.82	98,568.49	19.45
Share premium on ordinary shares	75,175.54	19.19	75,175.54	14.35	75,175.54	14.83
Equity-settled share-based payment reserve	10,680.19	2.73	10,680.19	2.04	10,680.19	2.11
Retained earnings						
Appropriated - legal reserve	10,346.85	2.64	10,346.85	1.98	10,346.85	2.04
Unappropriated	100,909.42	25.76	242,992.04	46.39	238,587.77	47.07
Other components of equity	201.49	0.05	0.00	0.00	0.00	0.00
<b>Total owners of the Company</b>	<b>295,881.98</b>	<b>75.53</b>	<b>437,763.11</b>	<b>83.57</b>	<b>433,358.84</b>	<b>85.49</b>
Non-controlling interests	(185.39)	(0.05)	5,416.28	1.03	3,790.91	0.75
<b>Total shareholders' equity</b>	<b>295,696.59</b>	<b>75.49</b>	<b>443,179.39</b>	<b>84.61</b>	<b>437,149.75</b>	<b>86.24</b>
<b>Total liabilities and shareholders' equity</b>	<b>391,715.58</b>	<b>100.00</b>	<b>523,815.83</b>	<b>100.00</b>	<b>506,884.27</b>	<b>100.00</b>



## Financial Status and Result of the Operation of Qualitech Public Company Limited and Subsidiaries

### Statements of Cash Flows for the year ended December 31, 2021 to 2023

Unit : Baht

List	2023	2022	2021
<b>Cash flows from operating activities</b>			
<b>Profit (loss) for the year</b>	<b>(141,136,306.67)</b>	<b>17,981,541.79</b>	<b>6,531,434.18</b>
Adjustments to reconcile profit (loss) to cash received (paid)			
(Gain) loss on revaluation of fair value	0.00	0.00	(400,769.72)
Unrealized (gain) loss on exchange rate	11,158.48	41,188.11	(1,632.94)
Expected credit losses (reversed)	6,269,299.02	(9,371,083.36)	1,321,647.65
Loss on devaluation of inventories	(13,051.24)	55,898.81	0.00
(Increase) decrease in unbilled service income	2,688,100.39	11,495,896.14	(3,410,993.21)
(Gains) losses on dissolution of subsidiary	123,169.12	0.00	38,434.21
Impairment loss of investment in associate	(500,000.00)	18,583,723.23	0.00
Loss on sale of investment in associate	122,935,115.86	0.00	0.00
Share of loss from investment in associate	0.00	4,111,261.95	0.00
Depreciation	26,056,936.46	22,275,339.24	26,130,847.28
Loss on sale of equipment	5,979,593.16	1,003,082.70	849,084.98
Impairment loss on properties foreclosed (reversed)	(6,728.76)	1,642,191.74	498.38
(Gain)loss on cancel of lease	(14,552.60)	0.00	0.00
Amortized other intangible assets other than goodwill	512,968.54	425,016.13	422,064.95
Amortized other assets	0.00	0.00	18,074.05
Provisions for employee benefits	2,829,380.87	1,825,669.50	329,008.09
Interest expenses	1,079,320.13	728,443.50	697,166.10
Tax expenses (income)	(2,317,800.01)	1,389,424.65	(105,859.68)
	24,496,602.75	72,187,594.13	32,419,004.32
(Increase) Decrease in portion of operating assets			
Trade and other current receivables	(11,857,370.57)	(11,919,068.81)	19,549,556.49
Inventories	(995,653.00)	2,746,689.19	(1,702,113.75)
Capital lease receivables	1,021,542.96	(19,003,783.56)	0.00
Non-current non-cash financial assets pledged as collateral	3,010,000.00	(3,010,000.00)	0.00
(Increase) Decrease in Bank deposits acting as primary collateral	0.00	0.00	0.00
Other assets	300,355.00	(27,287.84)	(12,712.35)
Increase (Decrease) in portion of operating liabilities			
Trade and other current payables	3,020,062.11	2,915,609.44	5,966,393.11
Other non-current liabilities	(66,710.31)	2,995,000.00	0.00
Cash generated (paid) from operation	18,928,828.94	46,884,752.55	56,220,127.82
Employee benefit paid	(530,133.33)	0.00	0.00
Interest paid	(514,484.62)	(208,110.49)	(286,383.18)
Income tax paid	(6,044,164.00)	(5,914,680.09)	(3,419,121.83)
Income tax refunded	3,119,382.07	0.00	3,341,124.10
<b>Net cash provided by (used in) operating activities</b>	<b>14,959,429.06</b>	<b>40,761,961.97</b>	<b>55,855,746.91</b>

## Financial Status and Result of the Operation of Qualitech Public Company Limited and Subsidiaries

### Statements of Cash Flows for the year ended December 31, 2021 to 2023

Unit : Baht

List	31 December 2023	31 December 2022	31 December 2021
<b>Cash flows from investing activities</b>			
Proceeds from equity securities of other parties	0.00	130,664,562.16	48,000,000.00
Payments for acquire of equity securities of other parties	0.00	(10,000,000.00)	(72,500,000.00)
Payment for acquire of ordinary shares in associate	0.00	(145,050,000.00)	0.00
Proceeds from dissolution of subsidiary net of cash paid	0.00	0.00	13,422,495.48
Proceeds from sales of equipment	1,543,801.31	5,652,028.20	655,285.35
Payments for equipment acquisition	(14,246,969.16)	(12,786,938.99)	(7,512,522.07)
Payments for right-of-use assets	(472,710.28)	(1,074,750.00)	(212,878.50)
Payments for other intangible assets acquisition other than goodwill	(1,507,200.00)	(61,950.00)	0.00
<b>Net cash provided by (used in) investing activities</b>	<b>(14,683,078.13)</b>	<b>(32,657,048.63)</b>	<b>(18,147,619.74)</b>
<b>Cash flows from financing activities</b>			
Bank overdrafts and Short-term borrowings from financial institutions, increase (decrease)	6,635,745.21	7,741,711.57	0.00
Payments for lease liabilities	(4,509,504.10)	(3,271,391.36)	(3,189,908.82)
Payments for dividend	0.00	(19,711,597.00)	(24,642,121.25)
Proceeds from non-controlling interests	0.00	1,500,020.00	3,750,050.00
Payments for acquire of non-controlling interests	(5,600,000.00)	0.00	(2,886.30)
<b>Net cash provided by (used in) financing activities</b>	<b>(3,473,758.89)</b>	<b>(13,741,256.79)</b>	<b>(24,084,866.37)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,197,407.96)</b>	<b>(5,636,343.45)</b>	<b>13,623,260.80</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>35,252,439.44</b>	<b>40,888,782.89</b>	<b>27,265,522.09</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>32,055,031.48</b>	<b>35,252,439.44</b>	<b>40,888,782.89</b>





## 5 General Information and other Key Matters (Legal Disputes)

### 5.1 Other Key Matters

Legal Entities in which the Company Holds Shares : Details as per section "1.1 Shareholding Structure of the Company Group.

### 5.2 Legal Disputes

Legal disputes involving Qualitech Public Company Limited ("Company") as a litigant or defendant, which are ongoing and may have significant implications for the Company's business operations, and are not related to normal business activities as of December 31, 2022, are detailed as follows :

The Company (plaintiff) has filed a lawsuit against Nacap Asia Pacific (Thailand) Company Limited ("Nacap") (defendant) regarding outstanding debts owed to the Company totaling 17.23 million Baht (including outstanding receivables and value-added tax of 0.89 million Baht). Currently, the Company has provisioned for doubtful debts, anticipating potential losses for the entire amount. The debt consists of direct debts from Nacap amounting to 12.07 million Baht and debts from OPI Services (Thailand) Company Limited ("OPI") amounting to 5.16 million Baht. Both entities were subcontractors in the natural gas pipeline laying project of PTT Public Company Limited ("PTT"). Nacap was directly subcontracted by PTT, while OPI was subcontracted by Nacap for a different segment. The Company was contracted for pipeline inspection works together with OPI, with the condition that OPI would make payments to the Company after receiving payments from Nacap. Hence, Nacap is liable for the entire debt (OPI transferred the right to claim Nacap's debt to the Company on March 21, 2008).

Nacap is a subsidiary of Nacap BV, Netherlands, specializing in construction contracts for energy industries and has a global network. Nacap won bids for several pipeline projects with PTT, and the Company subcontracted with Nacap for pipeline inspection works in three projects : (1) North-South Phra Nakorn Gas Pipeline, (2) Onshore Gas Pipeline System from Rayong Gas Separation Plant to Bang Pakong Power Plant, and (3) Thailand-Malaysia Transnational Gas Pipeline (joint project with OPI). The total value of these projects was 89 million Baht, commencing in 2004. Nacap made

regular payments until the second quarter of 2006 when payment delays began. The Company implemented debt collection measures, including sending letters to PTT's management, urging expedited debt payments by Nacap. Eventually, Nacap agreed to sign a debt acknowledgment letter for the North-South Phra Nakorn Gas Pipeline project on November 21, 2006, committing to settle the debt by June 30, 2007. Meanwhile, Nacap partially paid off some debts.

The Company has concluded the work for Nacap as per the contract, yet has not delivered the X-ray films required for testing in the North-South Gas Pipeline project. These X-ray films serve as crucial evidence for inspection, which Nacap must utilize to fulfill its delivery obligations to PTT. Qualitech has notified both PTT and Nacap that it will proceed with the delivery only after Nacap settles its outstanding debts in full. Worley Parsons (Thailand) Limited, PTT's consultant for the North-South Phra nakorn Gas Pipeline project, informed Nacap that PTT would not accept the project completion until the X-ray film is delivered. Nevertheless, the Company has not received any communication from Nacap regarding the delivery of the X-ray film to PTT. This implies that Nacap has not fully delivered the North-South Gas Pipeline project to PTT.

#### **The legal considerations regarding debt recovery were as follows :**

On March 20, 2009, the court ruled for Nacap to settle its debt to the company, inclusive of interest.

However, the debt remained unsettled. Subsequently, Nacap faced bankruptcy proceedings filed by J.S.T. Service Co., Ltd., resulting in an asset freeze order on May 31, 2010.

The company submitted a debt repayment request to the asset trustee officer on July 21, 2010. During the debt repayment inspection on January 26, 2011, it was revealed that 78 creditors collectively requested repayment totaling THB 7,538,649,944.39.

The asset trustee officer convened the first creditors' meeting on August 19, 2011, to decide whether to accept the debt reconciliation request before the debtor's bankruptcy or report to the court for continued bankruptcy proceedings. Nacap submitted a debt reconciliation request before bankruptcy on August 17, 2011, proposing to pay debts authorized by the court, totaling 20% of the approved amount, due within three years from the court's approval date.

However, the debtor's board later withdrew the debt reconciliation request on December 7, 2012. Consequently, the asset trustee officer reported to the court for bankruptcy, and on January 21, 2013, the court issued a bankruptcy order.

During this period, Nacap filed a claim against PTT for damages resulting from job changes and additions. In 2015, the Bankruptcy Court ordered PTT to pay damages to Nacap. However, PTT appealed the decision, and on December 18, 2019, the Appellate Court ruled against PTT's appeal, obligating PTT to pay THB 4,654 million to Nacap.

As of April 18, 2025, the court issued an order for the company to receive debt repayment from Nacap's asset pool, amounting to THB 16.49 million as an unsecured creditor, following the provisions of the Bankruptcy Act B.E. 2483. Additionally, Nacap transferred the right to claim debts amounting to THB 5.74 million to the company.

On May 27, 2025, the company received the first round of asset distribution from the asset trustee officer, amounting to THB 9.59 million, awaiting further asset distribution in subsequent rounds.

02

# Section 2 Corporate Governance





## 6. Corporate Governance

Qualitech Public Company Limited emphasizes conducting business operations in accordance with good governance principles as prescribed by The Stock Exchange of Thailand. The company instills a sense of responsibility in its dealings with all stakeholders to ensure that its operations are conducted with integrity, transparency, efficiency, and to enhance confidence among investors and stakeholders. This commitment is crucial in promoting the company's sustainability.

### Overview of Corporate Governance Policies and Practices

The company is committed to effective management principles with established systems and processes for corporate governance as a critical factor. It has formulated policies for good corporate governance in accordance with the principles set forth by the Thai Listed Company Corporate Governance 2017 (CG Code), along with its own code of business ethics, to guide the Board of Directors, executives, employees, and subsidiaries in their practices. The company continually reviews its corporate governance policies and codes of conduct to ensure their relevance to the evolving business environment and global standards. Additionally, it enhances measures for reporting misconduct, fraud, non-compliance, and unethical behavior, ensuring transparency, accountability, and fairness to whistleblowers, reporters, complainants, or collaborators. These policies are reviewed at least annually during board meetings to assess compliance with the company's governance guidelines, including the five categories :

1. Shareholders' Rights
2. Equal Treatment of Shareholders
3. Consideration of Stakeholders' Interests
4. Disclosure and Transparency
5. Board Responsibilities

The Board of Directors has established corporate governance policies to guide the company's directors, executives, and employees in their duties as follows :

1. The Board of Directors, executives, and all employees shall perform their duties diligently, responsibly, and with full accountability for the benefit of the company. They shall adhere to the principles of good corporate governance and the company's code of ethics as guidelines for their work.

2. The Board of Directors plays a crucial role alongside management in setting the company's vision, strategy, policies, and business objectives, including appropriate management and operational guidelines.

3. The Board of Directors, executives, and employees must fulfill their responsibilities with responsibility, vigilance, compliance with company regulations, and related announcements.

4. The Board of Directors, executives, and employees must uphold fairness by treating all stakeholders equally and preventing any decisions or actions that may conflict with their interests.

5. The Board of Directors, executives, and employees must adhere to honesty, integrity, and transparency in their duties.

6. Implementing appropriate internal control and risk management systems to ensure the accuracy and reliability of financial accounting and reporting.

7. Treat employees fairly, promote and instill ethical and moral values, alongside continuous personnel development.

8. Provide adequate, accurate, reliable, and timely disclosure of both financial and non-financial information to shareholders, investors, and stakeholders.

9. Implement policies to combat corruption and continuous monitoring and control.

10. Conduct business with responsibility towards society, communities, and the environment, including all stakeholders, leading to sustainable development.

The Board of Directors is aware of the importance of promoting the duties and responsibilities of directors, executives, and employees in accordance with the principles of good corporate governance as established by the Board.

Accordingly, the Board has ensured that there is regular communication of the company's good corporate governance policies and code of ethics to directors, executives, and employees at all levels through various channels, including :

- Employee Handbook
- Good Corporate Governance Policy Manual
- Code of Business Ethics Manual
- Company Website
- Company Email Communications
- Company's Intranet System

### 6.1.1 Board Policy and Practices :

The company's Board of Directors comprises qualified individuals with expertise and experience from various professions, including engineering, management, and other relevant fields beneficial to the company's operations. They exercise independent judgment for the maximum benefit of the company and its shareholders. The Board actively participates in setting the company's vision, mission, values, goals, policies, long-term business strategies, and annual budgets. While the management team leads the presentations, the Board provides feedback and engages in discussions with management to ensure mutual consensus. Moreover, the Board oversees the efficient execution of the business plan and budget, as well as the adequacy of internal control processes, financial reporting, and regular performance tracking.

In the first meeting of the Board for the fiscal year 2023, held on February 3, 2023, the Board reviewed the company's vision, mission, strategy, objectives, and business direction, along with the significant policies to ensure alignment with good corporate governance practices and suitability for current business operations.

#### Board Structure

The company has established that the composition of the Board of Directors must include independent directors, constituting at least one-third of the total number of directors but not fewer than three individuals. These directors serve as representatives of minority shareholders and are responsible for overseeing and balancing the management of various aspects of the company's operations to ensure accuracy, fairness, and maximum benefit for shareholders.

The Board of Directors promotes diversity in its structure, ensuring that it comprises qualified individuals with diverse knowledge, experience, expertise, and skills beneficial to the company's operations. The Board upholds integrity and honesty without limitation based on gender, race, religion, age, professional qualifications, or any other specific attributes.

Currently, the Board of Directors comprises 9 qualified individuals, which is deemed appropriate and effective for the company's operations. It consists of 3 executive directors, 3 non-executive directors who are not independent, and 3 non-executive directors who possess the qualifications of independence, exceeding one-third of the total number of board members.

- Audit Committee : The company has an Audit Committee composed of 3 independent directors who perform specific tasks and make recommendations to the Board of Directors for consideration and acknowledgment. The Audit Committee has rights and duties as defined within its scope, authority, and responsibilities. At least 1 member of the Audit Committee must have sufficient knowledge and experience in accounting to effectively scrutinize the company's financial statements. The Audit Committee members include

Mr. Tatchapong Thamputhipong, who possesses knowledge and experience in the company's business operations.

Additionally, the company has appointed a Corporate Secretary to fulfill duties and responsibilities as mandated by the Securities and Exchange Act. In the future, the company may appoint other committees to lighten the management workload of the Board of Directors.

#### Diversity Policy of the Board of Directors

The Board of Directors recognizes the benefits of board diversity and considers it a crucial factor in enhancing decision-making efficiency and board performance.

Diversity, in this context, extends beyond gender and encompasses factors such as age, educational background, professional experience, skills, and knowledge. Therefore, the selection and appointment of board members are based on their qualifications and adhere to criteria that consider the benefits of diversity.



The company is committed to promoting diversity within the board of directors, acknowledging its importance in fostering a dynamic and inclusive decision-making environment.

### **Board Tenure Policy**

During each annual ordinary shareholders' meeting, the Company requires one-third of the directors to retire, or the nearest number to one-third of the total number of directors at that time, with the retiring directors eligible for re-election at the shareholders' meeting.

For the audit committee, each member serves a term of three years. However, a retiring audit committee member may be reappointed in cases where the position becomes vacant for reasons other than term expiration. Additionally, to ensure the audit committee has the requisite number of members, a replacement audit committee member may serve only for the remaining term of the member being replaced.

The Company has defined the qualifications for individuals to serve as independent directors, tailored to the specific characteristics of the Company. Independence must conform to criteria set forth by The Securities and Exchange Commission, Thailand. The Company stipulates that independent directors may serve continuously for up to nine years from their initial appointment as independent directors. To clarify roles and responsibilities and prevent undue concentration of power, the Company distinguishes between the Chairman of the Board and the CEO, designating an independent director as Chairman of the Board. In the fiscal year 2023, no independent director served beyond nine years.

### **Chairman of the Board of directors Roles and Responsibilities**

The Chairman of the Board of Directors serves as the leader of the board and is responsible for presiding overboard meetings and shareholder meetings. Additionally, the Chairman of the Board is accountable to the board for ensuring that company management operates in accordance with the guidelines and policies established by the board. The board specifies that the Chairman of the Board should be a separate individual from the CEO and the President to foster a balance between management and oversight functions that promotes effective governance.

### **Roles, Duties, and Responsibilities of the Board of Directors**

The Company stipulates that the Board of Directors shall adhere to the Code of Best Practices for Registered Company Directors as per the guidelines of the Stock Exchange of Thailand. The board members must understand and be aware of their roles, duties, and responsibilities, and they must act in accordance with the laws, objectives, and regulations of the Company.

Decisions made during board meetings should be honest, transparent, and considerate of the Company's and shareholders' interests. The Board of Directors is responsible for setting policies, business strategies, business plans, and budgets for the Company, and they oversee the management to ensure efficient and effective implementation of policies, objectives, plans, and budgets for the maximum benefit of the Company and shareholders as a whole.

In the fiscal year 2023, the Board of Directors acted in accordance with the Code of Best Practices for Registered Company Directors, following the guidelines of the Stock Exchange of Thailand, with integrity, caution, and vigilance for the utmost benefit of the Company and shareholders as a whole. The summary of their performance is as follows :

1. There were no instances of comparison, penalties, or legal actions taken by regulatory bodies such as the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), or the Anti-Corruption Commission (NACC) regarding misconduct in corporate governance.
2. There were no non-executive directors who resigned due to issues related to corporate governance oversight.
3. There were no instances of misconduct by directors or executives of the Company related to ethics.

### **Board Meetings**

Board meetings are conducted in accordance with the Company's regulations, relevant laws governing public companies, and the regulations of the Stock Exchange. Special meetings are convened as necessary, with at least six board meetings scheduled annually to effectively monitor the Company's operations. The Audit Committee holds a minimum of four meetings per year.

The Company Secretary prepares an annual meeting calendar, distributed to the Board of Directors in November of each year, allowing sufficient time for preparation. Meeting notices, agendas, and meeting documents are provided to the Board of Directors at least seven days in advance, except in urgent cases to safeguard the Company's interests, where alternative notification methods may be used, and meetings may be scheduled sooner. In addition, if two or more directors request it, they may petition the Chairman of the Board to convene a board meeting. Should two or more directors make such a request, the Chairman of the Board must schedule the meeting within 14 days from the date of the request.

A minimum of two-thirds of the total number of directors must be present to constitute a quorum for board meetings. All directors must have a participation rate of at least 75% of the total annual meetings and an aggregate attendance rate of no less than 80% of the total board meetings held during the year. The Company maintains written records of meetings and stores certified meeting reports, which are available for review by the Board of Directors and relevant parties.

The Board has established a policy allowing non-executive directors the opportunity to meet independently at least once a year without executive or management participation to discuss various business issues, such as management strategies, sustainable growth initiatives, and other matters of interest. Meeting outcomes are communicated to the executive management for acknowledgment. In the year 2023, one such meeting was held on November 10, 2023.

### **Remuneration of Directors and Executives**

The Company establishes remuneration for directors and executives at a level deemed appropriate and sufficient to retain quality board members and executives without overpayment. Factors considered include experience, duties and responsibilities, and the scope of roles. Payment of director remuneration must be approved by the Company's shareholder meeting. Executive remuneration aligns with principles and policies set by the Board, considering duties, responsibilities, performance, and company operation.

### **Committee Reports**

The Board is responsible for managing the preparation of financial reports, including the financial statements of the Company, consolidated financial statements, and subsidiary companies, as well as financial information appearing in Form 56-1 One Report. These financial reports are prepared in accordance with generally accepted accounting standards in Thailand, using appropriate and consistently applied accounting policies. Prudent judgment is exercised in preparing and disclosing sufficient key information in the footnotes accompanying the financial statements.

### **Self-Assessment of Board Performance**

The Board has established a regular self-assessment of its own performance annually. This assessment comprises three formats : 1) the entire board, 2) individual members, and 3) subcommittees within the board. It allows the Board to review achievements, identify issues, and address challenges encountered during the preceding year, enabling improvements and enhancing efficiency in operations.

The evaluation of the Board's performance follows guidelines recommended by the Stock Exchange of Thailand and is tailored to suit the Company's business operations.

#### **1. The evaluation of the Board's performance encompasses six main evaluation criteria :**

- 1) board structure and qualifications
- 2) roles, responsibilities, and duties of the board
- 3) board meeting conduct
- 4) board functions
- 5) relationships with management
- 6) self-development of board members and management enhancement.

#### **The evaluation process entails**

- 1) Conducting performance evaluations of the Board of Directors as a whole at least once annually.

2) The Company Secretary summarizes and presents the results of the Board of Directors' performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies for enhancing operational efficiency.

**2. The evaluation of individual Board members' performance (self-assessment) is structured into three main categories**

- 1) Board structure and qualifications.
- 2) Board meetings.
- 3) Roles, responsibilities, and duties of the Board.

**The evaluation process entails**

- 1) Individual Board members conducting self-assessments at least once annually.
- 2) The Company Secretary summarizes and presents the results of individual Board members' performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies for enhancing operational efficiency.

**3. Evaluation of the Sub-Committee's Performance as a Whole The evaluation of the Sub-Committee's performance is categorized into three main areas**

- 1) Structure and qualifications of the Sub-Committee.
- 2) Sub-Committee meetings.
- 3) Roles, responsibilities, and duties of the Sub-Committee.

**The evaluation process involves**

- 1) Conducting performance assessments of the Sub-Committee's performance as a whole at least once annually.
- 2.) The Company Secretary summarizes and presents the results of the Sub-Committee's performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies to enhance operational efficiency.

In the year 2023, there was an assessment of the Sub-Committee's performance, including evaluations conducted for the Board of Directors as a whole, individual Board members' self-assessments, and evaluations of the Sub-Committee as a whole. The overall evaluation results were highly satisfactory.

**Development of Directors and Management**

The Company supports the participation of Board members and executives in seminars and courses beneficial to their duties. Board members are encouraged to attend courses offered by the Institute of Directors (IOD), such as the Directors Certification Program (DCP), Directors Accreditation Program (DAP), or Audit Committee Program (ACP), or courses provided by relevant regulatory authorities on a regular basis. The Company Secretary is tasked with coordinating with the Board to communicate training programs aimed at enhancing the Company's knowledge and experience continually.

Currently, nine Board members have undergone training in courses related to their roles and responsibilities, such as the Director Certification Program (DCP) or Director Accreditation Program (DAP), organized by the Institute of Directors (IOD).





**In the fiscal year 2023, directors participated in training sessions aimed at enhancing their knowledge and understanding of their roles and responsibilities in effective corporate governance**

<b>Directors</b>	<b>Position</b>	<b>Education</b>	<b>Training history related to roles, responsibilities and skills of committee member</b>
<b>1. Mr. Tatchapong Thamputthipong</b>	Independent Director / The Nomination and Remuneration Committee / Chairman of the Risk Management Committee / Chairman of The Audit Committee / Vice Chairman of the Board of Directors	Master's degree of Business Administration	- Risk Management Program for Corporate Leaders (RCL) 33 / 2023
<b>2. Mr. Somkiat Aramruangkul</b>	Director	Master's degree of Administration	- Director Certification Program (DCP) 336 / 2023
<b>3. Ms. Kunlanit Sarapab</b>	Director / Executive Director / The Nomination and Remuneration Committee / The Risk Management Committee / Chief Financial Officer / Company Secretary	Master's degree of Accounting	- Director Accreditation Program (DAP 200 / 2023) - Risk Management Program for Corporate Leaders (RCL) 33 / 2023 - CFO' Refresher - The Art of CFO Leadership 2023

The company ensures that each year, at least one director attends training to enhance and broaden their knowledge, understanding, and role as a director.

### **New Director Orientation**

The Board of Directors mandates a comprehensive orientation program for newly appointed directors. The Company Secretary is tasked with organizing the preparation of company information, business overview, shareholding structure, organizational structure, board manuals, and meeting schedules. This orientation aims to acquaint new directors with their roles, responsibilities, corporate governance policies, practices, and business operations. It also facilitates understanding of risk management and addresses inquiries. Additionally, visits to various operational units of the Company are arranged to prepare directors for their duties effectively.

### **Policy on Holding Positions in Other Companies**

To align with sound corporate governance principles and recommendations from the Securities and Exchange Commission, the Board has established a policy limiting the number of directorships in other companies listed on the Stock Exchange of Thailand to a maximum of five for each director. Currently, all nine Board members hold directorships in other companies, not exceeding five registrations each.

Furthermore, the Chairman, CEO, and senior executives are permitted to hold directorships in other companies as necessary, provided that such appointments do not conflict with the duties and responsibilities of the Company and are approved by the Board of Directors or authorized personnel beforehand.

### **Succession Planning**

To ensure continuity in management and acknowledge the importance of succession planning for senior executives, the Board of Directors recognizes the necessity of identifying critical positions and potential vacancies due to nearing retirement age (60 years), the complexity of finding replacements in the labor market, or market trends. Therefore, the Company has established a succession planning process for key positions such as the CEO, COO, and Deputy CEO. This plan aims to identify suitable candidates based on knowledge, skills, experience, vision, leadership qualities, integrity, and job-specific attributes, including regular reviews to align with current circumstances.

For senior executive positions, the Company has developed a succession plan covering management position from department managers upwards. Individuals have been identified to assume responsibilities in case of immediate vacancies.

In cases where immediate replacements are unavailable, a talent development system has been implemented to ensure readiness. External recruitment is also considered to maintain confidence among investors, stakeholders, and employees that the Company's operations will continue seamlessly.

### **Disclosure of Interests Reporting**

The Board of Directors has established guidelines for the disclosure of interests by directors and executives of the Company to ensure transparency and prevent potential conflicts of interest. The guidelines include the following provisions :

- Directors or executives, including individuals in related families or shareholders of the Company, must prepare and submit disclosure of interests reports to the Company. Each director and executive are required to prepare such reports from the date of assuming their position.
- The Board mandates regular review of the disclosed interests reports, scheduled annually in August.
- Directors or executives are responsible for preparing and reporting the Company's securities holdings when changes occur to the Securities and Exchange Commission (SEC) within 3 days of the change.
- The Board delegates the Company Secretary as the custodian of the disclosure of interests reports.

In the fiscal year 2023, no violations of the conflict of interest policy were identified.

### **Appointment and Selection of Directors, and Top Executives**

#### **Appointment of Independent Directors**

The Company has defined the term "independent director" in line with the minimum requirements set forth by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as per the SEC Announcement (นอ.4/2552) dated February 20, 2009, regarding the qualifications of independent directors.

An independent director is defined as an external director who possesses independence in expressing opinions, safeguards the interests of all shareholders equally, and helps prevent conflicts of interest between the Company and related parties. The qualifications for holding the position include :

1. Holding shares not exceeding 1% of the total voting shares of the Company, its subsidiaries, major shareholders, or controlling persons, including shares held by related parties of the independent director.

2. Not being, or having been, involved in the management of the Company, subsidiaries, major shareholders, or controlling persons as an employee, consultant receiving regular salary, or controlling person, unless exempted for a period of not less than 2 years.

3. Not being a blood relative or spouse, parent, sibling, child, or spouse of a child of another director, executive, major shareholder, controlling person, or individual proposed to be a director, executive, or controlling person of the Company or its subsidiaries.

4. Having no current or previous business relationships with the Company, its subsidiaries, major shareholders, or controlling persons that may obstruct independent judgment, unless exempted for a minimum of 2 years.

5. Not being, or having been, an auditor of the Company, its subsidiaries, major shareholders, or controlling persons, and not holding shares that are significant to or controlled by the auditing firm of the Company, its subsidiaries, major shareholders, or controlling persons, unless exempted for a minimum of 2 years.

6. Not providing any professional services, including legal or financial consulting services, that generate fees exceeding 2 million baht per year from the Company, its subsidiaries, major shareholders, or controlling persons, and not holding shares significant to or controlled by such professional service providers, unless exempted for a minimum of 2 years.

7. Not being appointed as a director to represent the interests of another director of the Company, major shareholders, or shareholders related to major shareholders.

8. Not engaging in businesses that are similar in nature and compete directly with the Company's operations, subsidiaries, or being a significant shareholder in partnerships or joint ventures that engage in similar business activities that compete directly with the Company or its subsidiaries. Additionally, not serving as a director involved in managing employees, consultants receiving regular salaries, or holding shares exceeding 1% of the total voting shares of other companies that engage in similar competitive business operations.

9. Having no other characteristics that would compromise the ability to provide independent opinions regarding the Company's operations.

Upon being appointed as independent directors and meeting the criteria outlined in points 1 through 9, they may be delegated by the Board to make decisions regarding the Company, its subsidiaries, affiliates, joint ventures, co-owned companies, major shareholders, or controlling persons, using a collective decision-making process.

The Board of Directors comprises three independent members who possess expertise and genuine independence in fulfilling their duties. They have no business relationships with the Company and no other affiliations that could compromise their ability to exercise independent judgment and perform their duties impartially.

#### **Term of Office for Independent Directors**

The Board has established a term of office for independent directors, each serving a term of 3 years, rotating one-third of the total number of directors at each annual general meeting. Upon completion of their term, independent directors may be re-nominated for consecutive appointment at the ordinary shareholders' meeting for consideration and election as company directors. They are eligible to return to office for up to 3 terms or 9 years from the date of their initial appointment and the company's registration on the stock exchange. When considering reappointment of independent directors, the Board should duly assess the necessity for such continuation. Notably, in the year 2023, no independent directors of the Company served in excess of 9 years.

#### **Recruitment and Appointment of Directors and Senior Management**

The selection of qualified individuals for directorship positions, whether to fulfill term limits or in other circumstances, is proposed to the Board for consideration of nomination and election, and subsequently presented to shareholders for approval. The Company employs a rigorous selection process to identify qualified candidates based on expertise, vision, leadership qualities, integrity, transparent work history, and the ability to express independent opinions.



The selection of individuals for directorship positions aligns with the Company's business strategies. To facilitate the selection process, the Company has developed a Board Skill Matrix, which serves as a reference for identifying necessary knowledge and expertise that may be lacking in the Board. The Board evaluates qualified individuals for directorship positions based on nominations received from shareholders, recommendations from external professional search firms, recruitment from director databases, or other suitable processes as deemed appropriate by the Board.

In the selection and appointment of the company's directors, the Board sets forth a diverse composition of directors with varied qualifications, skills, experiences, expertise beneficial to the company, gender, and at least one director who is not an executive director and has experience in the industry or main business conducted by the company. The components and procedures for selection, appointment, resignation, or removal of directors are stipulated in the company's regulations. The key points are summarized as follows :

1. The Board of Directors comprises a minimum of 5 and a maximum of 15 directors, elected at the shareholders' meeting, with no fewer than 3 audit committee members. Additionally, at least half of the total number of directors must have a residence in Thailand.

2. Shareholders' meeting elects directors based on the following criteria and procedures :

(1) Each shareholder is entitled to one vote per share.

(2) Each shareholder may cast all of their votes according to (1) to elect one or multiple individuals as directors. In the case of electing multiple individuals as directors, the votes are distributed among the candidates.

(3) The individuals with the highest number of votes, in descending order, become the elected directors up to the number of directors required or to be elected at that meeting. In the event of a tie in the number of votes received by individuals, exceeding the required or to be elected directors, the chairman of the meeting shall cast the deciding vote.

3. At each ordinary shareholders' meeting, one-third (1/3) of the directors then in office must retire from office. If the number of directors cannot be divided into three equal parts, the closest number to one-third shall retire. Directors to retire in the first and second year after the registration of the company shall be determined by drawing lots. For subsequent years, the director who has served the longest tenure shall retire. A retiring director may be re-elected to the position.

4. Any director wishing to resign from office must submit a resignation letter to the company, and the resignation shall take effect from the date the resignation letter is received by the company.

5. To pass a resolution for the removal of any director before the expiration of their term, a vote of not less than three-fourths of the shareholders present and entitled to vote, representing at least one-half of the total voting rights of the shareholders present and entitled to vote, must be obtained.

The company provides shareholders with the opportunity to nominate suitable candidates for directorship. In the year 2023, no shareholder proposed any director candidate for consideration.

### **Appointment of Audit Committee**

The company's Audit Committee must consist of directors appointed by the Board of Directors, who possess qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand. The committee shall comprise not less than three members. At least one member of the Audit Committee must have expertise in accounting and finance.

### **Appointment of Risk Management Committee**

The Risk Management Committee is appointed by the Board of Directors to determine and formulate overall risk management strategies. Additionally, the committee is tasked with developing and reviewing risk management systems to ensure alignment with established policies on a regular basis. The Board of Directors appoints one member of the Risk Management Committee as the committee's chairman, who possesses qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand.

### **Appointment of Nomination and Remuneration Committee**

The Board of Directors is responsible for proposing the appointment of the Nomination and Remuneration Committee, selecting members from independent directors and executives, as deemed appropriate, to ensure independence in the selection of committee members and determination of appropriate remuneration for the company. The Board of Directors appoints one member of the Nomination and Remuneration Committee as the chairman, who possesses qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand.

### **Appointment of Management Committee**

The Board of Directors proposes the appointment of the Management Committee, selecting members from the Board of Directors and/or executives as deemed appropriate. The Board of Directors appoints one member of the Management Committee as the chairman.

### **Supervision of Subsidiaries and Joint Ventures**

The Company prioritizes a robust corporate governance policy aligned with business operations throughout. Policies on corporate governance and business ethics have been developed as guiding principles. The objective is to govern the operations of both the Company and its subsidiaries. The Board of Directors has disseminated policies on good corporate governance and business ethics to ensure adherence by directors, executives, and employees at all levels. The Company believes that effective corporate governance will enable it to achieve its corporate mission. The guiding principle of the Company's corporate governance is to control and oversee organizational operations responsibly and transparently, fostering competitiveness ethically. Additionally, adherence to good governance principles mitigates risks and enhances the long-term competitiveness of the organization, with a focus on maximizing shareholder value.

Furthermore, in proposing and exercising voting rights to appoint individuals as directors of subsidiaries, operations are conducted by the Company's management. Procedures for proposing nominations and exercising such voting rights must receive approval from the Board of Directors. Individuals appointed as directors of subsidiaries are tasked with acting in the best interests of both the subsidiary and the Company.

The Company stipulates that appointed individuals must receive approval from the Board of Directors before making decisions or exercising voting rights on significant matters at the same level as required by the Board of Directors. If actions are taken by the Company itself, the proportion of directors sent as representatives to such subsidiaries corresponds to the Company's shareholding.

Moreover, for subsidiaries, the Company establishes regulations mandating that appointed individuals ensure compliance with transactional regulations, asset acquisitions or disposals, and other significant transactions of the Company. Compliance must adhere to the same disclosure and reporting criteria as those of the Company. Furthermore, overseeing data storage and accounting records of subsidiaries is crucial to enable the Company to audit and consolidate financial statements in a timely manner as required.

### **Policy and Practices Regarding Shareholders and Stakeholders**

#### **Shareholder Rights**

The Company is mindful of and places importance on the rights of shareholders, respecting their ownership rights without engaging in any actions that would infringe upon or undermine these rights. It fulfills its duty to safeguard shareholders' interests fairly, including promoting the exercise of their rights. Fundamental shareholder rights, regardless of whether they are domestic or foreign shareholders, major or minority shareholders, or institutional shareholders, encompass activities such as trading or transferring shares and participating in profit sharing of the Company.

Shareholders receive sufficient information from the Company, including the opportunity to attend meetings to exercise their voting rights, such as shareholder meetings for the appointment, removal of directors, appointment of auditors, and matters significantly impacting the Company, such as profit allocation, amendments to regulations and bylaws, capital reduction or increase, and approval of special transactions.

Beyond the aforementioned fundamental rights, the Company also engages in initiatives to promote and facilitate shareholder rights. It convenes annual ordinary shareholder meetings within four months from the end of the Company's fiscal year.

In urgent situations requiring consideration of special agenda items that may affect shareholders' interests, which necessitate approval from shareholders, the Board of Directors may call extraordinary shareholder meetings as needed.

1. **Facilitating Shareholder Participation** : The Company provides opportunities for shareholders to propose meeting agendas and nominate individuals for consideration as directors in advance. The Company ensures a minimum of 30 days for shareholders to consider and submit proposals. Criteria for shareholders to propose agenda items for meetings and/or nominate individuals for consideration as directors at the annual ordinary shareholder meetings for the year 2023 have been established. These criteria and submission procedures have been publicly disclosed through the Stock Exchange of Thailand's website ([www.set.or.th](http://www.set.or.th)) and the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) from October 1, 2021, to December 31, 2021. Upon the closure of the submission period, if no proposals are received from shareholders, the Company will proceed accordingly.

2. **Issuance of Meeting Invitations** : The Company prepares and distributes annual ordinary shareholder meeting invitations to all shareholders, including institutional shareholders. These invitations include details of the meeting agenda, important and necessary information for shareholders' consideration, committee opinions, reports from previous meetings, Form 56-1 (One Report), proxy forms according to the Ministry of Commerce's regulations, and clear instructions for proxy appointments, along with the date, time, venue, and map showing the meeting location. The meeting invitations also specify the documents shareholders must present at the meeting to exercise their meeting rights. These meeting invitations and related documents, in both Thai and English languages, are sent at least 7 days in advance. In cases of urgent matters such as asset transactions, related transactions, securities withdrawals, share offerings, appointments or dismissals of directors and employees, new share offerings at a lower price to limited persons, capital increases or reductions, letters of invitation including complete meeting information must be sent to shareholders at least 14 days in advance. Additionally, announcements are published in Thai-language newspapers for 3 consecutive days, at least 3 days before the meeting date.

The Company publishes complete annual ordinary shareholder meeting invitations along with related documents on its website.

The Thai-language version is published at least 30 days before the meeting, while the English-language version is published at least 28 days before the meeting. This is to ensure that shareholders receive timely, comprehensive, transparent information to make informed decisions. Additionally, it serves as advanced notice for shareholders to prepare for the meeting. The Company also notifies shareholders through the Stock Exchange of Thailand's news system (SET announcement) that the meeting invitations and accompanying documents have been published on the Company's website.

In the year 2023, the Company sent out shareholder meeting invitations along with meeting-related documents on March 27, 2023, providing a 23-day advance notice before the meeting.

3. **Additional Agenda Notification** : In the event of adding agenda items, shareholders will be promptly notified in urgent cases to safeguard their rights or interests. Meeting notices will be sent no less than 7 days before the meeting, along with the advance publication of meeting agenda information before document distribution. In the year 2023, the Company did not add agenda items or alter significant information without prior notice to shareholders. Furthermore, shareholders are granted the right to express opinions and ask questions at the meeting before any resolutions are made.

4. **Shareholder Convenience**, The Company facilitates shareholders who wish to receive the One Report (Form 56-1) by providing various channels for request submission, including email, telephone, fax, and business reply envelopes.

5. **Meeting Day Convenience** : Equal convenience is provided to shareholders on meeting days through staff assistance for document inspection and registration, utilizing barcode registration for efficiency. Additionally, the Company has prepared stamp duties for cases where shareholders delegate proxies without incurring costs. Adequate meeting venues have been arranged to accommodate shareholders, located in conveniently accessible areas within Bangkok.

6. **Enhanced Communication Channels** : The Company has expanded its avenues for shareholders to receive information and updates through the company website. Various information and updates are prominently displayed on the Company's website, particularly meeting invitations to shareholders, which are published well in advance of the meeting date.



This allows shareholders to conveniently download meeting agenda information and have sufficient time to review meeting-related materials in advance.

7. Non-Restriction on Meeting Participation, The Company refrains from any actions that could limit shareholders' rights to attend meetings. All shareholders have the right to participate in both ordinary and extraordinary meetings throughout the meeting period.

8. Proxy Representation : Should any shareholders be unable to attend meetings, the Company provides the opportunity for shareholders to delegate proxies to independent directors or any other individuals to attend meetings on their behalf. This delegation can be facilitated through the submission of a duly authorized proxy form sent along with the meeting invitation. Proxy recipients, in accordance with the law, have the right to participate and vote at meetings on behalf of shareholders, with the Company presenting a list of independent directors as proxy options for shareholders to choose from.

9. Shareholder Meeting Procedures, During each shareholder meeting, the chairperson will explain to shareholders the criteria used in the meeting, including voting procedures and the right to express opinions. Additionally, shareholders will be given equal opportunities during the meeting to express their views and ask questions freely in accordance with meeting agendas. The chairperson of the board will allocate appropriate and adequate time for the meeting, and board members, executives, company secretaries, and relevant personnel will attend the shareholder meeting to address questions raised.

10. Vote Counting Process, The Company ensures that independent external personnel, such as external auditors, legal advisors, or volunteer shareholders selected and approved by the meeting, conduct vote counting or verification at ordinary and extraordinary shareholder meetings. The process is transparent, and the meeting is informed of and records the procedures in the meeting report.

11. Post-Meeting Shareholder Rights : Shareholders attending ordinary or extraordinary shareholder meetings have the right to vote or cast ballots on agenda items that are under consideration and have not yet been resolved after the meeting has commenced.

12. Director's Conflict Disclosure : The Company specifies the involvement of directors in the shareholder meeting invitations for both ordinary and extraordinary shareholders.

During such meetings, if any director has a conflict of interest or is involved in considering any agenda item, the meeting chairperson will notify attendees before the item is discussed.

13. Resolutions and Voting Results Disclosure : The Company discloses resolutions and voting results for each agenda item at ordinary and extraordinary shareholder meetings on the same day of the meeting or no later than 9:00 a.m. on the next business day through the Stock Exchange of Thailand website ([www.set.or.th](http://www.set.or.th)) and the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)).

14. Meeting Report Documentation : Comprehensive and accurate meeting reports are prepared, including recording significant questions and comments, enabling shareholders to verify proceedings. Additionally, the Company submits meeting reports to the Stock Exchange of Thailand within 14 days from the date of the shareholder meeting and publishes these reports on its website.

15. Dividend Entitlement Rights : Shareholders are entitled to dividends and profit allocations of the Company. The Company notifies shareholders of its dividend payment policy, rationale, and relevant information for consideration regarding dividend payments or suspensions, both in the 56-1 One Report (details under the "Dividend Payment Policy" section) and on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)).

16. Compensation Committee Responsibilities : The Nomination and Compensation Committee is responsible for deliberating on the format and criteria for director remuneration, considering factors such as business type, company size, and board responsibilities. This assessment involves benchmarking against other registered companies on the Stock Exchange of Thailand with similar market capitalization. The committee proposes director remuneration in the form of meeting fees, director's fees, and presents them for shareholder consideration annually. Details of director's remuneration are disclosed in the 56-1 One Report under the "Director and Management Compensation" section.

17. Auditor Appointment Approval and Compensation Determination Rights : The Audit Committee is responsible for selecting and determining the compensation of auditors, presenting recommendations to the Board of Directors for approval and consideration by shareholders at meetings.

The committee provides sufficient details about proposed auditors, including qualifications, independence, experience, and auditor compensation, to facilitate shareholder deliberation.

In the fiscal year 2023, the Company convened its Annual General Meeting of Shareholders for the fiscal year 2023 on April 19, 2023, at 13 :30, held at the Meeting Room, Head Office of Qualitech Public Company Limited, located at 21/3 Banplong Road, Maptaphut, Muang, Rayong, 21150. The meeting was attended by a total of 8 committee members, including the Chairman of the Board, the Audit Committee, the Chief Executive Officer, the Chairpersons of all sub-committees, company directors, as well as the Chief Financial Officer, Company Secretary, Auditor, and Legal Advisor. All members participated fully in the meeting, addressing various shareholder inquiries comprehensively. The Company prepared both Thai and English versions of the invitation letter for the Annual General Meeting of Shareholders, which were delivered by Securities Depository Center (Thailand) Co., Ltd., the Company's registrar, to shareholders in advance, and were also published on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) at least 30 days before the meeting.

Additionally, the minutes of the Annual General Meeting of Shareholders for the fiscal year 2023 were published on the Company's website within 14 days after the meeting. Minority shareholders were provided with the opportunity to propose agenda items for consideration and nominate individuals for director positions.

The Company has undertaken the operation by announcing and disclosing the criteria and procedures for proposals through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)). Shareholders were allowed to propose according to the aforementioned criteria from October 1, 2022, to December 31, 2022.

However, upon the deadline, it was noted that no shareholders had proposed any such matters. In the registration for the meeting, the Company provided convenience to shareholders by ensuring sufficient and appropriate staff and computer systems. Registration of attendees was facilitated through a barcode system, and voting cards were printed for each agenda item, provided to shareholders attending in person, and those who had delegated proxies.

## Equal Treatment of Shareholders

1. The Company prioritizes all shareholders by providing opportunities for them to exercise their rights. Shareholders are allowed to propose additional agenda items for the meeting and nominate qualified candidates for election as directors at least 45 days before the end of the accounting year. The criteria for exercising such rights are disclosed through the channels of the Stock Exchange of Thailand, and clear criteria for considering proposed matters are communicated, including publication on the Company's website.

2. The Company ensures equal treatment of shareholders during meetings and refrains from any actions that restrict, violate, or undermine shareholders' rights. Staff members are assigned to welcome and provide information for document inspection and registration to attend the meeting adequately.

The Company utilizes a Barcode system for registration to enhance efficiency and speed. The scores obtained through pre-submitted votes in the proxy forms are combined with the votes cast during the meeting before announcing the resolution. To ensure transparency, the Company collects voting cards from shareholders for later verification and prepares revenue stamps in case shareholders delegate proxies without incurring any expenses. Additionally, adequate meeting facilities are provided to accommodate shareholders, and meeting venues are conveniently located within the Bangkok metropolitan area.

3. Enhanced convenience is provided for shareholders unable to attend meetings in person. Shareholders have the option to delegate proxies to a single individual or appoint at least one independent director to attend and vote on their behalf, with the names of such independent directors disclosed in the meeting invitation.

4. During shareholder meetings, votes are cast according to the predetermined agenda without altering crucial information. Meetings are conducted in accordance with the specified agenda outlined in the meeting invitation, without introducing additional agenda items and without prior notification to shareholders. This allows shareholders sufficient time to review supplementary information before making decisions.

5. Independent directors are appointed as custodians of shareholder interests. Shareholders are encouraged to express their opinions, suggestions, or complaints to the independent directors, who are responsible for appropriately addressing each matter.

In the case of complaints, independent directors will investigate the facts and take appropriate corrective actions. For suggestions, independent directors will evaluate them and provide feedback. If the independent directors deem a matter to be significant and impactful on overall stakeholders' interests or the Company's business operations, they will propose the matter to be included as an agenda item for the next shareholder meeting.

6. The Chairman of the Board, directors, and relevant executives have a responsibility to participate in shareholder meetings to address questions from shareholders. Additionally, they are tasked with documenting key points, inquiries, and significant comments in the meeting report to facilitate shareholder review.

7. The Company provides an opportunity for shareholders to register for meetings even after the registration deadline has passed, allowing interested shareholders to participate in meetings without forfeiting their rights.

8. The Company disseminates current information through its website to ensure shareholders are informed of significant Company developments, including information disclosed pursuant to various regulations. Subsequently, after disclosure to the Stock Exchange, such information is published on the Company's website in both Thai and English. Moreover, channels for communication between the Company and shareholders are established on the Company's website to facilitate equitable inquiry and information dissemination.

9. Providing knowledge and understanding to the Board of Directors and management regarding their responsibilities in reporting shareholding to the Securities and Exchange Commission (SEC) as stipulated in Section 59 of the Securities and Exchange Act B.E. 1992. Additionally, regular updates on news and regulations from the SEC and Stock Exchange are communicated to the Board of Directors and management as notified by these regulatory bodies.

10. The Company establishes an internal data usage policy that prohibits the unauthorized use of data by related individuals, including directors, executives, employees, and spouses and underage children of these individuals associated with the data. This policy is strictly enforced, with penalties defined for the unauthorized disclosure or misuse of Company data. Furthermore, everyone within the organization is informed to adhere to this policy.

The Company has adopted an internal data usage policy and a policy for preventing conflicts of interest, both of which were reviewed and approved during the 1st/2023 Board of Directors meeting held on February 3, 2023, as detailed below.

### **Internal Data Use Policy**

The Company establishes a policy for the storage, protection, and use of internal data, communicated explicitly to the directors, executives, employees, and staff via the Intranet system for universal acknowledgment and adherence. The policy aims to prevent directors, executives, employees, and staff from utilizing internal data for personal gain or disclosing it to unauthorized parties, as outlined below :

1. Directors, executives, employees, and staff of the Company and its subsidiaries must maintain the confidentiality of internal information.

2. Directors, executives, employees, and staff of the Company and its subsidiaries must not disclose or exploit confidential information or internal data of the Company or its subsidiaries for personal gain or for the benefit of any other individual, directly or indirectly, whether or not there is any resulting compensation.

3. Provide knowledge to directors and executives regarding their responsibilities in reporting their securities holdings, as well as those of their spouses and underage children, to the Securities and Exchange Commission (SEC) under Section 59 and the penalty provisions under Section 275 of the Securities and Exchange Act B.E. 1992 (as amended), including reporting the acquisition or disposal of their securities holdings, as well as those of their spouses and underage children, to the SEC under Section 246 and the penalty provisions under Section 298 of the Securities and Exchange Act B.E. 1992 (as amended).

4. The directors and executives of the Company, including spouses and minor children, are required to prepare and disclose reports on securities holdings and changes in securities holdings of the Company to the Securities and Exchange Commission (SEC) under Section 59 and penalty provisions under Section 275 of the Securities and Exchange Act B.E. 1992 (as amended), and deliver copies of this report to the Company on the same day as submission to the SEC.



5. Directors, executives, employees, and staff of the Company and its subsidiaries (including spouses and minor children) are prohibited from utilizing internal information deemed material to changes in the trading price of the Company's securities within 30 days before the financial statements or internal information are disclosed to the public. Those involved with internal information must not disclose it to others until it has been reported to the Securities and Exchange Commission (SEC). Penalties will be imposed for violations of these regulations, with the Company considering disciplinary action appropriate to each case, including verbal warnings, written warnings, suspension, or termination of employment, depending on the severity.

Notably, in the year 2022, there were no instances found where directors, executives, or employees engaged in securities transactions during the Company's specified blackout period.

6. Directors, executives, employees, and staff of the Company are strictly prohibited from using internal information of the Company that may have or may have an impact on changes in the price of the Company's securities, which has not been disclosed to the public, and which they have acquired in their position or status, for the purpose of buying or selling, or soliciting others to buy or sell, or offering to buy or sell, such shares or other securities (if any) of the Company, whether directly or indirectly, in a manner that may cause damage to the Company, whether directly or indirectly, and regardless of whether such actions are for their own benefit or for the benefit of others, or disclosing such facts to others for personal gain or otherwise, whether they have received compensation or not.

7. It is stipulated that directors, executives, including managerial-level employees in the accounting or finance department at a level equivalent to or higher than a manager (as defined by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand), must prepare and submit reports on securities holdings issued by the Company, including themselves, spouses, and minor children, within 30 days from the date of appointment as a director or executive (as defined by the SEC and the Stock Exchange of Thailand), and whenever there is a change, reports on changes in securities holdings must be prepared within 3 business days from the date of purchase, sale, transfer, or receipt of such securities, to be submitted to the Securities and Exchange Commission (SEC), with a copy provided to the company secretary for acknowledgment each time, to be compiled into quarterly reports for presentation at board meetings.

In the year 2023, it was found that there were no instances of directors or executives trading company securities without prior notification as stipulated. Each individual complied with the company's policy accurately and completely. Moreover, there were no instances of being compared, penalized, or subjected to legal proceedings by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regarding trading shares using internal information by directors and executives of the Company.

### **Conflict of Interest Prevention Policy**

The company's board of directors establishes a policy regarding conflict-of-interest prevention based on the principle that any decision-making in conducting business activities must be for the maximum benefit of the company. It is essential to avoid actions that may result in conflicts of interest. Therefore, individuals involved or having a vested interest in any considered transactions must inform the company of their relationship or vested interest in those transactions. They must refrain from participating in decision-making processes and do not have the authority to approve such transactions as a whole. Thus, the policy and practices are outlined as follows :

1. Directors and executives must inform the company of any relationships or related transactions in business activities that may lead to conflicts of interest.
2. Avoid transactions involving directors or executives that may cause conflicts of interest with the company. In cases where such transactions are necessary, present the transactions for review by the audit committee for consideration before submitting them for approval to the board of directors, in accordance with good corporate governance principles and compliance with criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
3. Directors and executives with significant vested interests that may compromise their ability to provide independent opinions must abstain from participating in the deliberations at meetings and must notify their vested interests prior to such deliberations, recording them in the meeting reports.
4. Establish a clear and transparent management structure without major shareholders holding a controlling stake to avoid conflicts of interest for any party and disclose the shareholding structure of the Company and its subsidiaries in Form 56-1 (One Report).

5. Directors, executives, and employees must adhere strictly to the company's regulations and code of conduct, which are crucial for maintaining the company's credibility and trustworthiness among stakeholders. The company provides continuous awareness to directors, executives, and employees through various channels such as the Good Corporate Governance Policy, Code of Business Ethics Handbook, Intranet, Email, etc.

In the past year 2023, the Company operated in accordance with the established practices, and no violations of the Conflict-of-Interest Prevention Policy were found.

### Role of Stakeholders

The company recognizes the importance of overseeing the interests of all stakeholders, including shareholders, customers, competitors, suppliers, employees, and various creditors, as well as the environment, the public, and society as a whole. Therefore, the company has established policies to ensure fair and equitable treatment of each stakeholder group, considering their rights under the law or agreements with the company. This is to ensure that their rights are protected, and that fair and equal treatment is provided. Accordingly, the company has developed a Code of Conduct to guide interactions with each stakeholder group, as well as considerations for communities, society, and the environment for sustainable development, combating corruption and collusion, avoiding intellectual property infringement, and respecting human rights. The company will not engage in any activities that violate the rights of these stakeholders. Details are as follows :

**Shareholders :** The company is committed to conducting business with integrity and management expertise, fulfilling its responsibilities with honesty and integrity, and conducting operations fairly for the benefit of all shareholders. Additionally, the company regularly discloses accurate and comprehensive information.

**Customers :** The company is dedicated to providing quality services and standards at reasonable prices, continuously seeking ways to enhance customer benefits, and strictly adhering to various conditions imposed on customers while responding promptly to their needs. Furthermore, the company has established policies and practices regarding measures to prevent corruption and collusion, concerning the receipt and provision of goods or any other benefits to motivate compliance with unacceptable practices, thereby avoiding conflicts of interest. These guidelines are widely acknowledged among the company's customers.

**Suppliers and Creditors :** The company will not engage in fraudulent trading practices with suppliers and creditors and is committed to adhering strictly to various conditions imposed on creditors, regardless of the purpose of expenditure, repayment, asset quality maintenance, business negotiation, or any other agreements made with creditors to achieve mutual benefits while refraining from claiming or receiving any benefits that are not legitimately obtained through fair trading.

**Competitors :** The company will conduct itself within the framework of fair competition regulations and established laws, maintaining the principles of competition conduct and avoiding unethical methods to destroy competitors, infringe upon or disclose competitors' trade secrets through dishonest or inappropriate means.

In the past year 2023, there were no disputes or legal proceedings between the company or its subsidiaries and competitors.

### Policy on Promoting Persons with Disabilities

The Company recognizes the importance of enhancing the quality of life for persons with disabilities and aims to promote their abilities, thereby enabling them to generate income, become self-reliant, and reduce the burden on families and society in providing care. Additionally, this initiative seeks to empower persons with disabilities to contribute significantly to the economic development of families and the nation, particularly those in the working-age group. In accordance with the Disability Promotion and Development Act of 2007, the Company's objectives include promoting the quality of life for persons with disabilities and establishing measures to promote employment and protect the employment rights of persons with disabilities.

In the year 2023, the Company complied with the provisions of the Disability Promotion and Development Act of 2007, Articles 33 and 35, by hiring persons with disabilities to work in various departments as mandated by law.

**Employees :** The Company provides fair and appropriate compensation and benefits to its employees, recognizing that employees are integral to the Company's success and value. It is the Company's policy to act fairly in providing opportunities and appropriate compensation. The Company implements a performance evaluation policy using Key Performance Indicators (KPIs) to measure actual performance success.

Furthermore, the Company maintains a safe working environment conducive to the development potential of employees, adheres strictly to laws and regulations related to employees, and avoids any unfair practices. Channels are open for employees to lodge complaints about potential misconduct, and guidelines are provided to protect employees or whistleblowers from adverse actions that may impact their job security. Appointments, transfers, rewards, and penalties are carried out with integrity, based on the knowledge, abilities, and suitability of employees.

### Employee Grievance Procedure

The Company has established channels for employees to report misconduct or violations of discipline and law. Employees can lodge complaints or provide feedback to the Company through various channels as follows :

- **Website** : <http://www.qualitechplc.com>
- **Email** : [info@qualitechplc.com](mailto:info@qualitechplc.com)
- **Phone** : 0-3869-1408-10
- **Fax** : 0-3869-2028
- **Mail** : Addressed to 1. Mrs. Pattawan Chaipim,  
Administration Department  
Manager  
2. Ms. Wimol Saephung,  
Secretary of the Audit  
Committee

Qualitech Public Company Limited, 21/3 Banplong Road, Maptaphut, Muang, Rayong 21150

The Company promptly follows up and evaluates complaints received and provides feedback to the relevant parties as soon as possible. Employees can also directly lodge complaints or provide suggestions to management via email through the Company's Intranet system. Reporting employees will not face any repercussions for reporting complaints in good faith. Employee information provided will be kept confidential at all times. However, it is important for complainants to gather information cautiously and ensure the accuracy of the disclosed information before lodging a complaint.

### Policy and Practice Regarding Human Rights

The company has established a policy for respecting human rights and adhering to international human rights principles as fundamental ethics in conducting business.

It is imperative to respect the dignity of each individual, ensuring freedom, privacy, legal rights, and human rights, as well as considering the interests of stakeholders. Management decisions should be impartial and equitable to all, without discrimination based on gender, social class, or ethnicity. The board of directors, management, and all employees, including those in subsidiary companies, are required to rigorously adhere to these principles as part of their work discipline, emphasizing human dignity, freedom, and personal equality. No actions should promote or tolerate human rights violations. The company and its subsidiaries will not engage with any entities or individuals involved in human rights violations under any circumstances.

Furthermore, in the year 2023, the company did not receive any complaints or reports regarding human rights violations concerning its activities, business operations, or throughout its supply chain.

### Data Protection Policy

Qualitech Public Company Limited and its subsidiaries ("Company") respect and prioritize the privacy rights regarding personal data of customers, shareholders, employees, and other individuals associated with the Company. This is to ensure confidence that the Company is committed to managing personal data in a secure, reliable, and trustworthy manner, and will receive full protection of rights as prescribed by data protection laws. The Company has therefore developed this Data Protection Policy to outline the procedures regarding personal data, including sensitive data, and provide details on data collection, processing, usage, disclosure, and purposes for which the Company processes personal data, along with notifying various rights.

The Company acknowledges and respects the privacy of personal data. Therefore, the Company has developed this Data Protection Policy to govern the operations concerning the collection, usage, and disclosure of personal data, with a commitment to responsibility and protection of personal data of all parties concerned, including shareholders, employees, customers, and business partners, to demonstrate transparency in operations and compliance with the Personal Data Protection Act (PDPA).



1. Scope : This policy applies to all personal data collected by the Company for the purpose of offering products and services to individuals. In this policy, "personal data" refers to information about an individual that directly or indirectly identifies that person but does not include information about deceased individuals.

2. Consent : The Company will collect, use, and disclose personal data only when consent is obtained from the individuals concerned. Such consent may be provided electronically or in writing. However, personal data may be collected, used, or disclosed without consent in the following situations :

2.1 When the Company collects personal data for research, study, or statistical purposes.

2.2 When the Company is required to prevent danger to individuals, third parties, or property belonging to such individuals.

2.3 When the personal data has already been publicly disclosed.

2.4 When the Company is required to comply with relevant laws, regulations, or announcements.

3 Data Collection : The Company will collect personal data as necessary for the purposes specified in this policy. Personal data will be collected using appropriate methods and in compliance with the law.

4 Use of Personal Data : The Company will not use personal data for purposes other than those specified in this policy or as required by law. The Company is committed to educating employees within the organization on the management of such personal data, ensuring that access to collected personal data is controlled and safeguarded against loss, alteration, disclosure, and other risks. Additionally, appropriate security measures will be implemented and continuously reviewed and improved to ensure the security of data storage.

5 Disclosure of Personal Data : The Company will not sell or disclose employees' personal data to third parties or other organizations unless the individual has requested and consented to such action, or when disclosure is permitted or required by law, such as disclosure pursuant to a government order, court order, or legal process. In cases where the Company engages third parties to enhance the efficiency of its systems, agreements will be made to ensure that such third parties handle personal data confidentially.

6 Data Retention : The Company will retain personal data for as long as necessary to achieve the purposes specified in this policy or as required by applicable laws and regulations. When the Company determines that data is no longer necessary, appropriate steps will be taken to securely delete or destroy the personal data.

7 Access to Personal Data : Individuals may request access to their personal data held by the Company for the purpose of correcting, changing, or deleting such data. Requests can be made in writing to ([www.qualitechplc.com](http://www.qualitechplc.com)), and the Company will verify the identity of the individual before processing such requests. The Company will respond to all requests within a reasonable timeframe. However, in certain situations, the Company may deny such requests, such as when the information refers to another individual or cannot be disclosed due to legal or security reasons.

8 Right to Opt-Out : Individuals have the right to decide how their personal data is collected, used, and disclosed, including opting out, setting privacy preferences, and unsubscribing from certain emails or mailings.

9 Security Measures : The Company has implemented appropriate information security controls and measures to safeguard personal data. While the Company endeavors to protect data on its website or computer programs to the best of its ability, it cannot guarantee 100% security of data transmission over the internet. If you find that the Company's services are not sufficiently secure, please notify the Company immediately by submitting details through the "Contact Us" page on the website.

## **Policy and Practices Regarding Workplace Safety, Health, and Environment**

**Community Engagement :** The Company conducts its business with consideration for its impact on the environment, emphasizing the cultivation of a sense of responsibility and the improvement of the quality of life for everyone in the community and society. It refrains from engaging in any activities that violate or contravene the law, while actively promoting social well-being both internally and externally through continuous community engagement activities.

**Environment :** The Company commits to refrain from actions that adversely affect natural resources and the environment. It fosters a sense of awareness and responsibility among its employees towards society and the environment, emphasizing the efficient use of resources. Additionally, it ensures the involvement of all parties, including stakeholders, in environmental care and maintenance.

Moreover, in the fiscal year 2023, the Company organized regular knowledge dissemination and training sessions on environmental matters for its employees. These sessions focused on the Company's environmental conservation measures and standards of environmental responsibility.



In the fiscal year 2023, the company recorded the following statistics on workplace accidents and incidents :

#### The number of employees exposed to hazards

Number of Personnel	The number of employees exposed to hazards						
	Total	Fatalities	Permanent disabilities	Partial loss of organs	Work stoppage of up to 3 days	Work stoppage exceeding 3 days	No work stoppage
451	3	-	-	-	1	-	2

#### Policy and Efficient Resource Utilization Guidelines

The company is committed to promoting efficient resource utilization practices by fostering awareness within the organization. This is achieved through knowledge dissemination and the establishment of guidelines for efficient resource utilization, as outlined below :

1. Development of resource utilization plans and plans for utilizing recycled water in various processes.
2. Implementation of plans and campaigns to conserve water and electricity.
3. Implementation of plans to reduce paper usage.
4. Organizing activities to promote conservation of natural resources and the environment.
5. Creation of communication materials to raise awareness.

These policies and guidelines are documented in the Engineering Company's annual report, committee's report, and safety report, demonstrating the company's dedication to sustainable practices and environmental stewardship.

#### Policy and Practice Guidelines on Intellectual Property and Non-Infringement

The company adheres to policies that comply with relevant laws regarding intellectual property or copyright. When utilizing external works or data, the company ensures thorough examination to prevent infringement of intellectual property or copyright of others, as follows :

1. The company shall refrain from actions that violate the intellectual property of others or engage in unfair competition.

2. Management and employees shall not seek trade secrets of competitors or specific information through unlawful means or violate agreements not to disclose competitor information, whether obtained from customers or others. This also includes the company's trade secrets such as business plans, technical information, and new innovations, which employees are responsible for maintaining confidentiality without disclosure to external parties, whether competitors or not.

3. The company prioritizes non-infringement of intellectual property and copyrights, with a policy for employees to use computer programs as prescribed and installed by the company, which are legally copyrighted. Employees are prohibited from installing or downloading programs with illegal copyrights. The Information Technology department oversees and regularly checks computer systems and is part of the internal audit plan to raise employee awareness of the importance of these matters.

These policies and guidelines are integral to the Engineering Company's annual report, committee's report, and safety report, demonstrating the company's commitment to upholding intellectual property rights and non-infringement principles.

#### Policy and Guidelines for Combating Corruption

The company is committed to promoting a business environment that is ethical, transparent, and upholds moral principles. It prohibits all forms of corruption and bribery, whether direct or indirect. Therefore, the company has established policies to combat corruption and bribery, prohibiting board members, executives, employees, and affiliated individuals from engaging in any form of corrupt practices. This includes, but is not limited to, offering, promising, soliciting, demanding, giving, or accepting bribes.



The company categorically rejects all forms of corruption, encompassing all business dealings and transactions in every country and department related to the company. Regular audits of operational procedures are conducted to ensure compliance with evolving laws, regulations, and business practices while upholding the company's reputation.

#### – Process for Assessing Risks of Corruption

The company establishes a risk assessment system that identifies events/opportunities that may lead to corruption, such as involvement in political assistance, giving or receiving bribes, monetary donations, and business relationships and procurement practices, considering various forms of corruption. These include falsifying financial reports, causing asset losses, corruption, management override of internal controls, altering significant report data, acquiring or using assets improperly. Additionally, it evaluates the likelihood of corruption occurrence and the severity of its impact, considering both internal and external factors. Appropriate anti-corruption and anti-bribery measures are defined based on the assessed risks, and performance assessments are regularly monitored.

#### – Guidelines for Supervision, Control, Prevention, and Monitoring of Corruption Risks

The company establishes guidelines for supervision, control, prevention, and monitoring of corruption risks to ensure compliance with the policy against corruption. These guidelines are summarized as follows :

1. The company's board members, executives, and employees at all levels must adhere to the anti-corruption policy by refraining from involvement in any form of corruption, whether directly or indirectly.

2. Employees are required to promptly report any observed or suspected acts of corruption that may involve the company. They should notify their supervisors or designated individuals responsible for reporting and cooperate in investigating the truthfulness of the matter through various established channels for reporting anti-corruption practices.

3. The company guarantees fairness and protection to employees who refuse to engage in or report corruption incidents involving the company. Protective measures are in place for complainants or individuals assisting in reporting corruption incidents in accordance with the company's specified procedures.

4. Individuals engaging in corruption violate the company's anti-corruption policy and are subject to disciplinary action as per the company's regulations. Additionally, legal penalties may be imposed if the actions are unlawful.

5. The company recognizes the importance of disseminating knowledge and understanding to individuals responsible for tasks related to the company or those who may impact the company regarding compliance with this anti-corruption policy.

6. The company is committed to fostering and maintaining an organizational culture that firmly rejects corruption, whether in transactions with the public or private sectors.

The company operates using fair competition strategies, transparency, and a commitment to delivering high-quality services. It strictly adheres to relevant laws under the business conduct principles of "accuracy, safety, customer focus, and quality maintenance." Consequently, the company is cognizant of the importance and remains steadfast in combating all forms of corruption.

With this in mind, the company's board of directors has established an anti-corruption policy to declare the company's stance against corruption and ensure understanding among all individuals associated with the company, including those with relevant responsibilities. The company has been certified by the Thai Private Sector Collective Action against Corruption (CAC). The initial certification was granted on July 22, 2016, followed by the first renewal on November 4, 2019, and the second renewal in December 2019, which expires in December 2025.

This anti-corruption policy mandates that the board of directors, executives, and employees of the company, its subsidiaries, affiliates, and any other entities under its control, along with individuals associated with its business operations, strictly adhere to its principles. The company's board regularly reviews the suitability of the anti-corruption policy, and employees are trained and notified of its provisions. The policy is also published on the company's website at [www.qualitechplc.com](http://www.qualitechplc.com) under the Investor Relations > Anti-Corruption Policy section.

Notably, in the year 2023, the company did not encounter any issues or deficiencies related to corruption in its business operations.

### **Policy and Practices for Financial Assistance**

The company has a policy of not providing financial assistance to companies other than its subsidiaries in transactions resembling financial aid to subsidiaries. The company's board of directors has established guidelines for conducting transactions resembling financial assistance in the Articles of Association and carries out such transactions only with the approval of the board of directors.

### **Disclosure and Transparency Policy**

The board of directors emphasizes the importance of disclosing information that is vital to the company, including financial reports, non-financial data, and other information, in accordance with the criteria set by the Stock Exchange of Thailand and the Securities and Exchange Commission to be accurate, clear, complete, transparent, prompt, and equitable. The company also includes policy and governance structure reports in the annual One Report Form 56-1 and, on the website, ([www.qualitechplc.com](http://www.qualitechplc.com)) in both Thai and English within 120 days from the end of the accounting period.

Additionally, the company discloses shareholder meeting reports to allow shareholders to track meeting details and contact Investor Relations :

Tel. : 038-691408-10 or

E-mail : [ir@qualitechplc.com](mailto:ir@qualitechplc.com)

for inquiries, ensuring equal access to information for shareholders and stakeholders.

### **Preparation of Financial Reports**

The board of directors is responsible for the significant operations and governance oversight of the company, including the financial statements of the company and financial information presented to the public in the annual financial statement format and Form 56-1 (One Report). The preparation of such financial statements shall adhere to generally accepted accounting standards, selecting appropriate accounting policies and consistently applying them, exercising due caution and best estimates in the preparation, and providing adequate disclosure of significant information in the financial statement footnotes. Additionally, the board also prepares the board's responsibility report accompanying the

financial statements, which is presented together with the auditor's report in Form 56-1 (One Report).

In this regard, the board appoints an audit committee consisting of independent non-executive directors responsible for overseeing the quality of the financial reporting, internal control systems, and the audit committee's opinion on these matters, as stated in the audit committee's report presented in Form 56-1 (One Report).

### **Whistleblowing Policy and Practices, and Protection Measures**

The company is committed to maintaining organizational standards and adhering to principles of good corporate governance for the benefit of all stakeholders, as outlined in the corporate governance policy and business ethics code. Therefore, this policy has been established as a mechanism, granting rights to employees and stakeholders alike. The board of directors has designated channels for communication with the board via mail or email, facilitating avenues for the provision of information and guidance to initiate investigations according to the complaint and whistleblowing procedures pertaining to legal violations, accuracy of financial reporting, deficient internal control systems, infringements of rights, or ethical misconduct by management and employees. The company shall maintain confidentiality of information obtained from such reports, and the reporters will be protected by the company.

### **Scope of the Policy**

This policy is established to support employees and stakeholders in disclosing information concerning actions that contravene the laws, regulations, and business ethics of the company, such as :

- Corruption
- Fraud, embezzlement, misappropriation
- Acts of misconduct for personal gain or benefit to others
- Actions endangering health, safety, or the environment
- Intentional acts causing harm or loss to the company
- Clear violations of business ethics
- Supporting acts contrary to laws, regulations, and business ethics, including covering up or assisting in covering up such actions.

## Confidentiality of Information

This policy is established to ensure that employees and all stakeholders can trust that their complaints will be taken seriously, and whistleblowers will not face retaliation for reporting complaints in good faith. Employee identity disclosing information will always be kept confidential. However, complainants should gather information cautiously and ensure the accuracy of disclosed information.

## False Allegations

If any employee or stakeholder makes false allegations or acts in bad faith towards the accused, the company will consider such complaints as a violation of business ethics. The company will conduct investigations according to its regulations.

Complaints and suggestions will be considered and acted upon appropriately on a case-by-case basis without disclosing the whistleblower's identity. Complaint data will be kept confidential, and protective measures will be implemented to ensure whistleblowers and complainants are not adversely affected.

If disclosure of information by the company is necessary, only essential information will be disclosed, considering the safety and well-being of the complainant and whistleblower.

## Complaint Channels

**Registered mail addressed to the Independent Committee/Audit Committee**, Qualitech Public Company Limited, 21/3 Banplong Road, Maptaphut, Muang, Rayong 21150

The company secretary is responsible for receiving documents sent to the Board of Directors and forwarding them to the relevant sub-committees or related committees. They will summarize all proposals and issues to present to the Board of Directors on a quarterly basis, except for documents sent directly to the Audit Committee, which will be forwarded directly to them.

## Contact Channels with the Company

List	Channels for whistleblowing or complaints
The Audit Committee	audit_committee@qualitechplc.com 038-691408-10
Company Secretary	info@qualitechplc.com 038-691408-10
IR contact	ir@qualitechplc.com 038-691408-10
Website	www.qualitechplc.com

## Internal Control Policy

The Board of Directors places great importance on maintaining adequate and appropriate internal control systems at all levels of operations. The internal control system encompasses all aspects, including creating a conducive environment, risk assessment, control activities, information and communication, and monitoring, ensuring compliance with laws, regulations, relevant rules, and establishing effective auditing and oversight mechanisms to safeguard and manage the shareholders' investments and the company's assets continuously.

The Board of Directors is responsible for evaluating the internal control system by assigning the Audit Committee to coordinate with the external independent auditors. The company engages external entities to present preliminary assessments of the adequacy of the internal control system to provide insights and recommendations for improving the company's internal control system efficiency and effectiveness. The Audit Committee reports to the Board of Directors every three months.

Furthermore, the Audit Committee has appointed Dharmniti Internal Audit Co., Ltd. as the internal auditors of the company for the year 2023 (details of the internal auditors can be found in Annex 3). Ms. Wimol Saephung, the Manager of the Internal Audit Department (Compliance Unit), has been tasked with coordinating with the internal auditors.



## Monitoring and Evaluation Process for Compliance with Good Corporate Governance

The Board of Directors has established a monitoring and evaluation process for compliance with good corporate governance, including the ethics and business conduct of the company, as follows :

- Monitoring and evaluation by Dharmniti Internal Audit Co., Ltd., the internal auditors of the company.
- Self-assessment by management and employees.

Additionally, the company has communicated to management and employees at the executive level to oversee subordinates and must immediately report to their supervisors if any non-compliance with the established policies is detected. These policies are also incorporated into the performance evaluation of management and employees on an annual basis.

## Business Ethics

The company promotes transparency and adherence to the law, ethics, and morality in all its business operations and decision-making processes by the board of directors, management, and employees. To ensure this, a Code of Business Ethics has been developed as part of the corporate governance policy to serve as guidelines and standards for the conduct of directors, management, and all employees within the organization. These guidelines are strictly followed and continuously monitored, with the dissemination of the "Corporate Governance Policy" and "Code of Business Ethics" on the company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) for external stakeholders' awareness. Training and internal communication are conducted to ensure that directors, management, and employees of the company are informed and able to adhere to these principles accurately.

## Change and Development of Significant Policies, Practices, and Systems

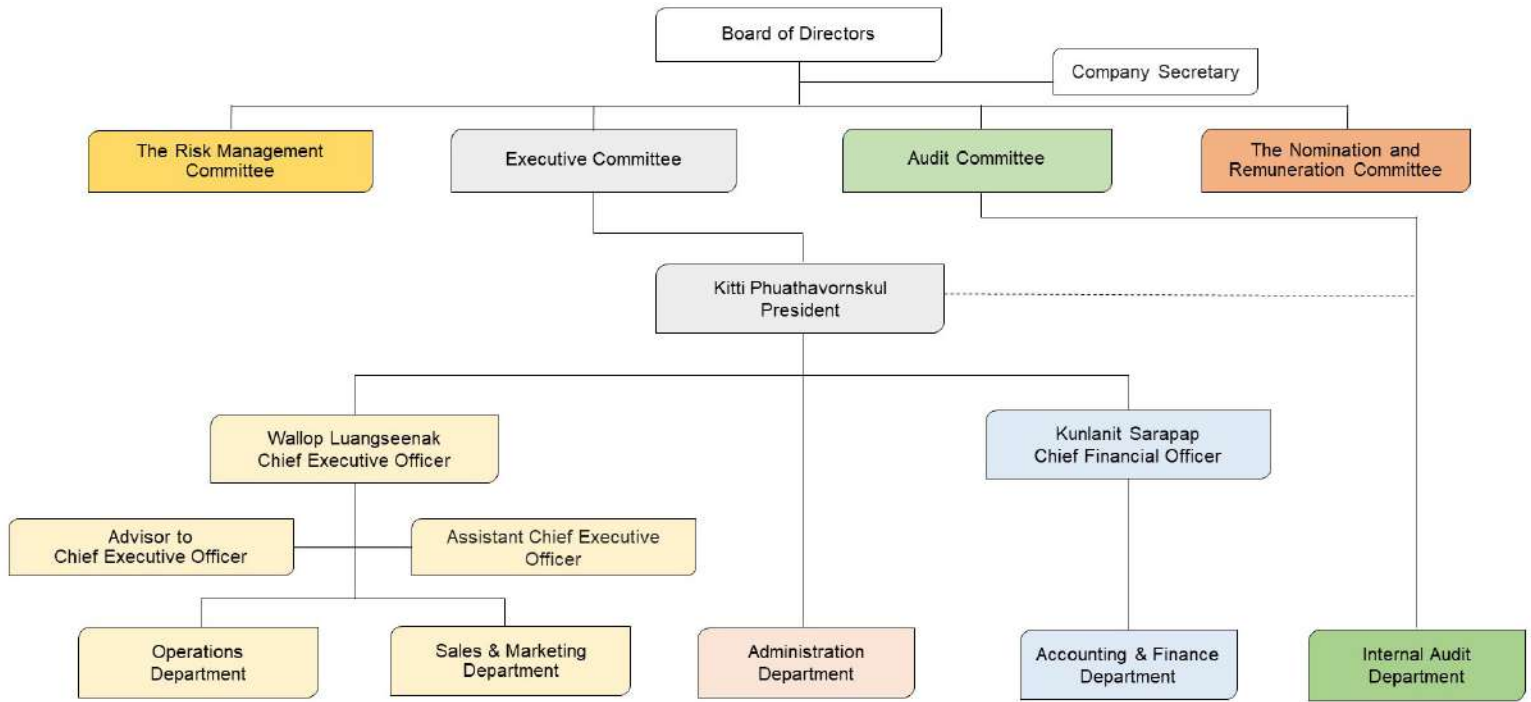
Qualitech Public Company Limited ("Company") recognizes the importance of good corporate governance and cooperates well in complying with various regulations with relevant authorities such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), the Thai Listed Companies Association (TLCA), the Thai Investors Association, the Thai Institute of Directors (IOD), and the Thai Private Sector Collective Action Coalition Against Corruption (CAC), among others. We firmly believe that building trust or achieving good business performance alone may not be sufficient for being a good, registered company. Instead, the company must be able to adapt to changes in business conditions and have good relationships with stakeholders in all aspects of the business to grow and survive, have long-term business performance, be reliable for shareholders and stakeholders, and create sustainable value for the business, in line with the aspirations of the business sector, investors, capital markets, and society as a whole.

The Company has reviewed its corporate governance policy to align it with the principles of good corporate governance. The CG Code 2023 for Listed Companies through the Company's board of directors annually. In the past year, the company has reviewed various documents such as good corporate governance policies, code of business ethics, board charters, and various policies.

Furthermore, in the past year, the Company has been evaluated by relevant organizations, including the assessment results of the "Quality Assessment of Shareholders' Meeting Management" project for the year 2023 conducted by the Thai Investors Association, which was assigned by the Office of the Securities and Exchange Commission (SEC). The company received an assessment score of 94%..

# 7. Management Structure and Key Information about Committees, Sub-Committees, Executives, Employees, and Others

## 7.1 Management Structure of the Company as of 1 January 2024



## 7.2 Details of the Company's Board of Directors

Name	Position	Types of Directors	Date of assuming the position
<b>1. Mr. Kitti Phuathavornskul</b>	Chairman of the Board of Directors / President	Executive Director The authorized director of the Company	1 October 2022
<b>2. Mr. Tatchapong Thamputthipong</b>	Director / Independent Director / Vice Chairman of the Board of Directors / Chairman of The Audit Committee / The Risk Management Committee / The Nomination and Remuneration Committee	Independent Director	14 May 2022
<b>3. Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul</b>	Director / Independent Director / The Audit Committee / Chairman of The Nomination and Remuneration Committee	Independent Director	7 July 2023
<b>4. Mr. Lersak Kancvalskul</b>	Director / Independent Director / The Audit Committee / Chairman of the Risk Management Committee	Independent Director	3 November 2023
<b>5. Mr. Somkiat Aramruangkul</b>	Director	Non-Executive Director	1 October 2022
<b>6. Ms. Kunlanit Sarapab</b>	Director / Executive Director / The Nomination and Remuneration Committee / The Risk Management Committee / Chief Financial Officer / Company Secretary	Executive Director / The authorized director of the Company	1 October 2022
<b>7. Mr. Supoj Kaewmanee</b>	Director	Non-Executive Director / the authorized director of the Company	28 December 2023
<b>8. Mr. Sumet Techachainiran</b>	Director / Executive Director	Executive Director / The authorized director of the Company	28 December 2023
<b>9. Mr. Sannpat Rattakham</b>	Director	Non-Executive Director	28 December 2023

With Ms. Kunlanit Sarapab serves as the Secretary to the Board of Directors and Corporate Secretary



## Remark :

1. At the 11th Board of Directors Meeting of the year 2023 held on December 28, 2023, with effect from December 28 onwards, the following resolutions were made :

- 1.1. Resolution to appoint Mr. Supoj Kaewmanee as a member of the Board of Directors, replacing Mr. Thitiwat Teerakulthanyaroj.
- 1.2. Resolution to appoint Mr. Sumet Techachainiran as a member of the Board of Directors, replacing Assoc. Prof. Dr. Pranya Sakiyalak.
- 1.3. Resolution to appoint Mr. Sannpat Rattakham as a member of the Board of Directors, replacing Mr. Pradit Arayakarnkul.

2. At the Board of Directors Meeting, the following resolutions were made regarding the resignation of Board members :

- 2.1. Resolution to acknowledge the resignation of Mr. Pradit Arayakarnkul from the positions of Director, Audit Committee member, and Independent Director, effective December 28, 2023, due to increased duties which hindered full performance of responsibilities.
- 2.2. Resolution to acknowledge the resignation of Assoc. Prof. Dr. Pranya Sakiyalak from the positions of Director, Audit Committee member, Chairman of the Nomination and Remuneration Committee, and Independent Director, effective November 1, 2023, due to increased duties which hindered full performance of responsibilities.
- 2.3. Resolution to acknowledge the resignation of Mr. Thitiwat Teerakulthanyaroj from the positions of Director, Nomination and Remuneration Committee member, and Company Secretary, effective October 1, 2023.
- 2.4. Resolution to acknowledge the resignation of Mr. Pitak Pruitthisarikorn from the positions of Chairman of the Board and Independent Director, effective June 12, 2023.

3. A resolution was made to change the authorized signatory directors of the Company to "Mr. Kittu Phuathavornskul, Ms. Kunlanit Sarapab, Mr. Supoj Kaewmanee, Mr. Sumet Techachainiran, jointly signed by two out of four persons," effective December 28, 2023.

4. At the 10th Board of Directors Meeting of the year 2023 held on November 10, 2023, with effect from November 10 onwards, the following resolutions were made :

- 4.1. Resolution to appoint Mr. Tatchapong Thamputthipong as Vice Chairman of the Board of Directors.
- 4.2. Resolution to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as Chairman of the Nomination and Remuneration Committee.
- 4.3. Resolution to approve the appointment of Ms. Kunlanit Sarapab as Company Secretary.

5. At the 9th Board of Directors Meeting of the year 2023 held on November 3, 2023, with effect from November 3 onwards, the following resolutions were made :

- 5.1. Resolution to appoint Mr. Lersak Kancvalskul as a member of the Board of Directors, replacing Mr. Pitak Pruitthisarikorn.
- 5.2. Resolution to appoint Mr. Lersak Kancvalskul as a member of the Audit Committee and Independent Director.

6. At the 7th Board of Directors Meeting of the year 2023 held on July 7, 2023, with effect from July 7 onwards, the following resolutions were made :

- 6.1. Resolution to appoint Mr. Kittu Phuathavornskul as Chairman of the Board of Directors.
- 6.2. Resolution to appoint Mr. Tatchapong Thamputthipong as a member of the Audit Committee and Independent Director.
- 6.3. Resolution to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as a member of the Audit Committee and Independent Director.

## Board of Directors Authorized Signatories for the Company

The names and number of directors authorized to sign on behalf of the company are "Mr. Kitti Phuathavornskul, Ms. Kunlanit Sarapab, Mr. Supoj Kaewmanee, Mr. Sumet Techachainiran, jointly signed by two out of four persons." There are no limitations on the authority of the directors.

## Appointment, Tenure, and Termination of Board of Directors and Scope of Responsibilities

### 1. Appointment and Tenure

#### 1.1. Appointment

##### 1.1.1. Appointment of Directors.

###### 1.1.1.1. In cases where the term of office is complete

– The Nomination and Remuneration Committee selects individuals as directors of the company and presents them to the Board of Directors for consideration before presenting them to the shareholders' meeting for approval. Shareholders, with each shareholder having one vote per share, elect directors based on the following criteria and procedures :

- 1) Each shareholder has one vote per share.
- 2) Each shareholder may use all of their votes according to point 1) to select one or more persons as directors, but the votes cannot be divided among candidates.
- 3) The person with the highest number of votes, in descending order, is elected as a director up to the number of directors to be elected or to be elected at that meeting. If the person elected in the next descending order has an equal number of votes beyond the number that should be elected or to be elected at that meeting, the chairman shall cast an additional vote.

###### 1.1.1.2. In cases where director positions are vacant, other than due to the completion of the term of office.

– The Committee selects individuals who meet the qualifications and do not have disqualifications under the law concerning public limited companies and securities and stock exchange laws to serve as directors at the next Board meeting.

However, the term of the director replacing shall be equal to the remaining term of the director being replaced, and the resolution of the Board must consist of votes not less than 3 out of 4 of the remaining directors.

##### 1.1.1.3. In cases where additional directors are needed.

– The Board, Management, or shareholders holding collective shares as prescribed by law may propose the appointment of additional directors to the next Board meeting for consideration before presenting them to the shareholders' meeting for approval. This process may be conducted concurrently with the proposal to increase the number of directors so that the Board of Directors can consider both proposals simultaneously.

##### 1.1.2. Appointment of Chairman of the Board.

– The Board selects one director as the Chairman of the Board. If the Board considers it appropriate, they may select one or more directors as Vice Chairmen. The Vice Chairman shall perform duties as prescribed in the articles of association delegated by the Chairman."

### 1.2. Tenure of Office

1.2.1 Directors of the company serve a term of office of 3 years each or as determined by the shareholders' meeting.

1.2.2 The Chairman of the Board holds office for a term equal to the term as a director. When the term as a director expires, the position of Chairman of the Board is deemed to end simultaneously. The Board of Directors shall then elect a new Chairman, who may be the same person.

1.2.3 At each annual ordinary meeting, directors whose terms expire must vacate their positions according to their terms. At least 1 out of 3 directors must vacate their positions if the number of directors to retire cannot be exactly divided by 3. The retiring directors shall be those closest to 1 out of 3. If re-election is conducted at the meeting, the director who must vacate the position in the first and second years after the company's registration shall be determined by drawing lots. For subsequent years, the director with the longest tenure shall vacate the position.

### 1.3 Resignation

1.3.1 In addition to resignation upon expiration of term, a director shall resign from office upon

- death
- resignation
- loss of qualifications, or disqualification according to the law.
- The shareholders' meeting may pass a resolution to remove a director from office before the expiration of their term, by a vote of not less than three-fourths of the shareholders present at the meeting and entitled to vote, with total shares representing at least one-half of the total shares represented at the meeting and entitled to vote.
- An order from the court

1.3.2 Any director intending to resign shall submit a resignation letter to the Chairman of the Board or the Company Secretary. Resignation takes effect from the date stated in the resignation letter sent to the company, or may specify a future resignation date in the resignation letter. The resigning director shall also inform the company registrar of their resignation.

## 2. Scope, Duties, and Responsibilities

### 2.1 Scope, Duties, and Responsibilities of the Chairman of the Board

- 2.1.1 Ensure that board meetings are held at least once every three months.
- 2.1.2 Provide leadership to the board, overseeing and supervising the management of the board and its subcommittees to achieve objectives as outlined in the established plans.
- 2.1.3 Preside over board meetings and cast the deciding vote in the event of a tie.
- 2.1.4 Chair shareholder meetings and ensure that meetings are conducted in accordance with the agenda specified.
- 2.1.5 Foster good relationships between the board and management, and support the execution of management duties.

2.1.6 Promote good corporate governance standards within the board of directors.

### 2.2 Scope, Duties, and Responsibilities of the Board of Directors

2.2.1 Ensure that shareholder meetings are held as annual general meetings within 4 months from the end of the company's accounting period.

2.2.2 Directors shall attend meetings on the dates, times, and locations specified, at least once every three months.

– If the chairman is unable to attend the meeting due to duties or for any reason whatsoever, the chairman shall notify the secretary before the meeting date to inform all directors on the same day or the following day upon receiving information from the chairman.

– Any director unable to attend the meeting due to duties or for any reason whatsoever shall notify the chairman or the secretary before the meeting date.

2.2.3 Consider and approve financial statements audited by the audit committee during the interim period.

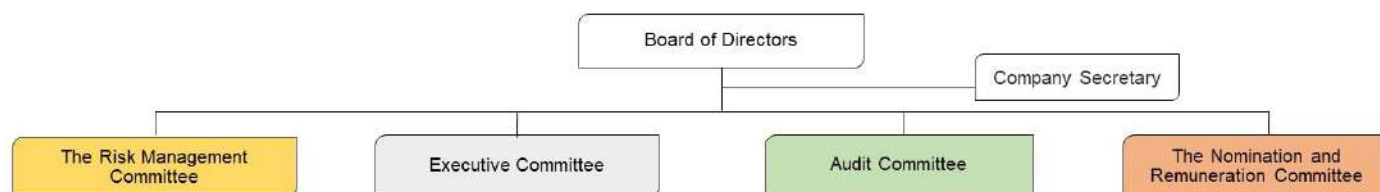
2.2.4 Consider, approve, and present audited annual financial statements to the shareholder meeting for approval.

2.2.5 The board may delegate authority to one or more directors or other individuals to act on behalf of the board, subject to the board's control, or may delegate authority as the board deems appropriate and within a timeframe deemed appropriate by the board. The board may revoke, withdraw, amend, or modify the authority granted or the person delegated with authority as deemed necessary. Additionally, the board may delegate authority to the management committee to perform various tasks within the scope of authority of the management committee. Such delegation of authority must not involve delegating authority that would enable the management committee or the delegate to consider and approve matters that the board or the delegate is interested in or has a conflict of interest with the company, except for approving matters consistent with established policies and criteria determined by the board. Such delegation shall be in accordance with the law.



- 2.2.6 Set objectives, guidelines, policies, plans, and budgets for the company and supervise the management and administration of the board in accordance with the policies assigned. However, the board must receive approval from the shareholder meeting before carrying out certain actions as required by law, such as increasing capital, reducing capital, issuing debentures, selling or transferring all or significant parts of the company's business to others, or acquiring or transferring the business of other companies to the company. The board also has responsibilities in overseeing compliance with securities laws and regulations, such as transactions related to related parties and buying or selling significant assets according to criteria set by the Thai Securities and Exchange Commission or related laws governing the company's business. Additionally, the board is responsible for overseeing compliance with laws related to securities and securities market regulations, such as those related to the securities market. Furthermore, the board has the authority to appoint the management committee and other committees as appropriate, along with defining the structure and duties of such committees.
- 2.2.7 Have the authority to designate the names of authorized signatories binding the company.
- 2.2.8 Monitor the performance of operations to ensure continuous compliance with plans and budgets.
- 2.2.9 Directors shall not engage in businesses that are similar or compete with the company's business, or hold shares in partnerships, limited partnerships, or private limited companies that engage in businesses similar to or compete with the company's business, or serve as directors of private or other companies engaging in similar businesses that compete with the company, whether for their own benefit or for the benefit of others, unless prior notice has been given at the shareholder meeting before the appointment is made.
- 2.2.10 Directors must promptly notify the company of any direct or indirect interests they may have in any contract with the company or shares or debentures increased or decreased in the company.
- 2.2.11 Directors have a duty and responsibility to consider and approve policies, including establishing an effective anti-corruption support system to ensure that all employees of the company are well aware of and prioritize issues arising from corruption.
- 2.2.12 Determine the approved authorization limit of the board of directors.

## 7.3 Key Information about Sub-Committees



### 7.3.1 The Audit Committee

The Company's Audit Committee comprises the following 3 Directors :

Rank	Name	Position	Types of Directors
1	Mr. Tatchapong Thamputthipong	Chairman of The Audit Committee Member of which have sufficient knowledge in accounting to review the reliability of the financial statement.	Independent Director
2	Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	The Audit Committee	Independent Director
3	Mr. Lersak Kancvalskul	The Audit Committee	Independent Director

With Mrs. Wimol Saephung performs as Secretary to the Audit Committee

Remark : 1. At the 7th Board of Directors Meeting / 2023 held on July 7, 2023, with effect from July 7, 2023 onwards, the following appointments were resolved : 1.1 Mr. Tatchapong Thamputthipong was appointed as Chairman of the Audit Committee and Independent Director.

1.2 Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul was appointed as a member of the Audit Committee and Independent Director.

2. At the 9th Board of Directors Meeting / 2023 held on November 3, 2023, Mr. Lersak Kancvalskul was appointed as a member of the Audit Committee and Independent Director, effective from November 3, 2023 onwards.

#### Appointment, Term of Office, and Removal of Audit Committee Members, and Scope of Duties and Responsibilities of the Audit Committee

##### 1. Appointment and Term of Office

1.1. The Audit Committee is appointed by the Board of Directors.

1.2. Audit Committee members serve for the same term as the Board of Directors.

1.3. An Audit Committee member who has completed their term may be reappointed but not automatically for another term.

1.4. Audit Committee members cease to hold office when

(a) Their term expires

(b) They resign

(c) They become incapacitated

- (d) They cease to be a director of the company
  - (e) They lack the qualifications to be an Audit Committee member.
  - (f) The Board of Directors resolves to remove them.
- 1.5. Audit Committee members who resign must provide advance notice of no less than 30 days to the Chairman of the Board or the Board Secretary unless there are compelling reasons.
  - 1.6. If an Audit Committee member vacates their position before completing their term, the Board of Directors shall appoint a qualified individual to serve as a replacement Audit Committee member within 3 months from the date of the vacancy, and they shall serve for the remainder of the term of the vacated Audit Committee member they replace.

### **Scope, Duties, and Responsibilities**

- 2.1. Review to ensure the Company's financial reports are accurate and adequate.
- 2.2. Conduct examinations to ensure the Company has appropriate and efficient internal control and internal audit systems, and assess the independence of the internal audit unit. Provide recommendations on the appointment, transfer, termination of employment of the head of the internal audit unit, or any other unit responsible for internal auditing.
- 2.3. Review compliance with securities and stock market laws, stock market regulations, and laws related to the Company's business.
- 2.4. Evaluate, select, and propose the appointment of independent individuals to serve as auditors and propose remuneration. Additionally, participate in meetings with auditors without management present, at least once a year.
- 2.5. Evaluate related-party transactions or transactions that may present conflicts of interest to ensure compliance with securities laws and stock market regulations, ensuring such transactions are reasonable and beneficial to the Company.
- 2.6. Prepare reports of the Audit Committee, disclosed in the Company's annual report. These reports must be signed by the Chairman of the Audit Committee and should include the following information :
  - 2.6.1. Provide reliable opinions on the accuracy and completeness of the Company's financial reports.
  - 2.6.2. Evaluate the adequacy of the Company's internal control systems.
  - 2.6.3. Assess compliance with securities laws, stock market regulations, or laws related to the Company's business.
  - 2.6.4. Review the suitability of auditors.
  - 2.6.5. Evaluate transactions that may pose conflicts of interest.
  - 2.6.6. Record the number of Audit Committee meetings and each member's attendance.
  - 2.6.7. Summarize overall observations and remarks received from fulfilling duties as per the charter.
  - 2.6.8. Include any other items deemed necessary for shareholders and general investors to know within the scope of responsibilities assigned by the Board of Directors.
- 2.7. Perform any other tasks assigned by the Company's Board of Directors with the approval of the Audit Committee.
- 2.8. Report the Audit Committee's operations to the Board of Directors at least every three months.
- 2.9. Authority of the Audit Committee :
  - 2.9.1. Consider, select, and approve the engagement of external audit firms within the approved budget.
  - 2.9.2. Review the use of professional consulting services deemed necessary for independent opinions, with expenses borne by the Company, to ensure successful completion of responsibilities.
  - 2.9.3. Have the authority to conduct investigations as necessary on various matters.
  - 2.9.4. Review financial and accounting reports, internal control systems, internal audit systems, and risk management systems related to corruption risks.



### 7.3.2 The Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee comprises of 3 directors as follows :

Rank	Name	Position	Types of Directors
1	Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	Chairman of The Nomination and Remuneration Committee	Independent Director
2	Mr. Tatchapong Thamputthipong	The Nomination and Remuneration Committee	Independent Director
3	Ms. Kunlanit Sarapab	The Nomination and Remuneration Committee	Executive Director

With Ms. Kunlanit Sarapab performs as Secretary to the Nomination and Remuneration Committee

Remark : At the 10th meeting of the Board of Directors held on November 10, 2023, it was resolved to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as the Chairman of the Nomination and Remuneration Committee, effective from November 10, 2023, onwards.

#### Appointment, Term of Office, and Termination of the Nomination and Remuneration Committee, and Scope, Duties, and Responsibilities of the Nomination and Remuneration Committee

##### 1. Appointment and Term of Office

- 1.1. The Board of Directors appoints the Nomination and Remuneration Committee for a term of three years, which aligns with the directorship term.
- 1.2. Members of the Nomination and Remuneration Committee may be reappointed as deemed appropriate by the Board of Directors.
- 1.3. Upon completion of the term, if the Board has not appointed a new Nomination and Remuneration Committee, the existing Committee continues its duties until a new Committee is appointed within three months from the completion of the term.
- 1.4. In case of a vacancy in the Nomination and Remuneration Committee before the completion of the term, the Board may appoint a qualified individual to fill the vacancy, and the appointed member serves the remaining term of the Committee.
- 1.5. Members of the Nomination and Remuneration Committee are relieved of their positions under the following circumstances :

(a) Term completion

(b) Resignation

(c) Incapacity

(d) Resolution by the Board of Directors

(e) Removal from the position by the Board of Directors

(f) Lack of qualifications as a Nomination and Remuneration Committee member

- 1.6. If a member of the Nomination and Remuneration Committee resigns before the completion of the term, they must submit their resignation to the Chairman of the Board in advance. The resignation takes effect on the date specified in the resignation letter or as stated in the notice of resignation, subject to approval.

##### 2. Roles and Responsibilities

- 2.1. Recruitment
  - 2.1.1. Establish criteria for the Board of Directors and senior executives.
  - 2.1.2. Set criteria and methods for Board of Directors and senior executive appointments.
  - 2.1.3. Recruit and screen individuals for Board of Directors and senior executive positions, presenting recommendations to the Board of Directors for appointment.
  - 2.1.4. Select Board of Directors members when vacancies arise or additional members are needed, presenting them for approval at shareholder meetings.
  - 2.1.5. Consider the development plan for board members to enhance understanding of the company's business, its role, and significant developments,

such as industry conditions, relevant laws, and regulations, to support effective governance in response to external changes and sustainable company development.

- 2.1.6. Ensure the development of a succession plan and review high-level executive development plans to ensure readiness for succession in case of retirement or incapacitation, ensuring continuous business management.

## 2.2 Compensation Setting

- 2.2.1. Establish criteria for remuneration and other benefits for Board members, sub-committee members, and senior executives.

- 2.2.2. Review and adjust Board compensation to align with current market conditions and company performance, presenting recommendations to the Board for approval, considering individual performance, responsibilities, company and subsidiary performance, and industry standards.

- 2.2.3. Establish criteria and review performance evaluation systems for Board members and senior executives.

- 2.2.4. Allocate approved annual compensation for Board members and report to the Board for acknowledgment.

- 2.2.5. Undertake other duties assigned by the Board of Directors.

### 7.3.3 The Risk Management Committee

The Company's Risk Management Committee comprises of 4 directors as follows :

Rank	Name	Position	Types of Directors
1	Mr. Lersak Kancvalskul	Chairman of the Risk Management Committee	Independent Director
2	Mr. Tatchapong Thamputthipong	The Risk Management Committee	Independent Director
3	Ms. Kunlanit Sarapab	The Risk Management Committee	Executive Director
4	Mr. Wallop Luangseenak	The Risk Management Committee	Executive Director

With Mrs. Wimol Saephung performs as Secretary to the Risk Management Committee

Remark : At the 1st Board of Directors Meeting of the Company for the year 2024, held on February 2, 2024, resolutions were passed effective from February 2, 2024, onwards. The following appointments were made :

1.1. Mr. Lersak Kancvalskul was appointed as the Chairman of the Risk Management Committee.

1.2. Mr. Wallop Luangseenak was appointed as a member of the Risk Management Committee.

### Appointment, Tenure, and Termination of Risk Management Committee Members, and Scope of Duties and Responsibilities of the Risk Management Committee

#### 1. Appointment and Tenure :

- 1.1. The Board of Directors is responsible for appointing members to the Risk Management Committee.
- 1.2. The Risk Management Committee selects an independent member to serve as its chairman.

- 1.3. Members of the Risk Management Committee serve a term of three years, or for the duration of their tenure as directors, whichever ends earlier. They may be reappointed after completing their term.

- 1.4. In the event of a vacancy in the Risk Management Committee, the Board of Directors appoints an individual with the qualifications specified in the Committee's charter to fill the vacancy. The appointed member serves for the remaining term of the committee and only for that duration.

- 1.5. Any member of the Risk Management Committee wishing to resign must submit their resignation to the Chairman of the Committee. The resignation takes effect on the date specified in the resignation letter or upon submission to the company.

## 2. Termination from Position

- 2.1. Members of the Risk Management Committee are terminated from their position when :

- (a) Their term expires.
- (b) They resign.
- (c) They pass away.
- (d) The Board of Directors passes a resolution for termination.
- (e) They lack the qualifications to serve as Risk Management Committee members.

## 3. Voting Rights

- 3.1. Each member of the Risk Management Committee has one voting right. In the event of a tie in votes at a Committee meeting, the Chairman casts an additional vote to break the tie, which is considered a casting vote. Any Committee member with a vested interest in the matter under consideration must abstain from voting on that issue.

## 4. Scope, Authority, Duties, and Responsibilities

- 4.1. Establish overall risk management policies and structures covering various significant risks, such as financial risk, investment risk, and risks impacting the company's reputation, for submission to the Board of Directors' approval, aligning with guidelines from the Securities and Exchange Commission and the Institute of Internal Auditors (IIA) Thailand.
- 4.2. Define strategies and guidelines for managing company risks to ensure they are consistent with the risk management policy, allowing for assessment, monitoring, and control of each type of risk at an acceptable level. Involvement of various units in risk management and control is required.

- 4.3. Monitor compliance with approved risk management policies and update them as necessary to effectively control risks.
- 4.4. Set risk measurement criteria and acceptable risk levels.
- 4.5. Establish appropriate risk management measures tailored to different situations.
- 4.6. Evaluate organizational-level risks and devise management methods to maintain risks at acceptable levels.
- 4.7. Review risk management policies and make necessary enhancements to ensure their efficiency and effectiveness in controlling risks.
- 4.8. Have the authority to summon relevant personnel to provide information or appointments and assign roles to ensure that employees at all levels have risk management responsibilities as appropriate, reporting to the Board of Directors to achieve the objectives.
- 4.9. Report on risk management operations, activities, and risk status, including necessary corrective actions to align with the company's policies and strategies, to the Board of Directors.
- 4.10. Consider investment opportunities in other companies.
- 4.11. Provide opinions on various matters involving risks or opportunities that pose risks to the company's business.

## 7.4 Key Information of Executive Committee

### 7.4.1 The Executive Committee

The Company's Executive Committee comprises of 5 Directors as follow :

Rank	Name	Position	Types of Directors
1	Mr. Kitti Phuathavornskul	President	Executive Director
2	Ms. Kunlanit Sarapab	Executive Director	Executive Director
3	Mr. Sumet Techachainiran	Executive Director	Executive Director
4	Mr. Wallop Luangseenak	Executive Director	Executive Director
5	Mrs. Pattawan Chaipim	Executive Director	Executive Director

Remark : 1. At the 11th Board of Directors Meeting of 2023, held on December 28, 2023, and effective as of December 28, 2023 onwards, resolutions were passed to appoint three individuals to the position of Executive Director as follows :

- 1.1 Mr. Sumet Techachainiran
- 1.2 Mr. Wallop Luangseenak
- 1.3 Mrs. Pattawan Chaipim

#### **Appointment, Term of Office, and Removal from Office of Board Members, and Scope, Duties, and Responsibilities of the Board of Directors :**

##### **1. Appointment, Term of Office, and Removal from Office**

- 1.1. The Board of Directors is responsible for appointing the Board of Management.
- 1.2. The Board of Directors shall appoint one member of the Board of Management as the Chairman of the Board of Management.
- 1.3. In addition to the expiration of the term, a Board member shall cease to hold office when
  - (a) They resign.
  - (b) They pass away.
  - (c) The Board of Directors resolves to remove them from office.
  - (d) They are removed from the position of Board member.
  - (e) They lack the qualifications of a Board member.
- 1.4. Any Board member wishing to resign from their position shall submit their resignation letter to the Chairman of the Board of Directors with at least 90 days' notice.

- 1.5. In the event of a vacant position on the Board of Management, the Board of Directors shall select one individual who meets the qualifications specified in the Board of Management's regulations to serve as a Board member.

##### **2. Scope of Duties and Responsibilities**

- 2.1. Conduct and manage the company's operations in accordance with the objectives, regulations, policies, rules, directives, and resolutions of the Board of Directors' meetings, and/or shareholders' meetings of the Company in all respects.
- 2.2. Determine policies, directions, and business strategies for the company's operations, establish financial plans, budgets, human resource management, investments, expansion plans, public relations, as per the framework approved and supervised by the Board of Directors, and ensure that senior management achieves the set goals.
- 2.3. Consider and approve the annual budget allocation as proposed by the management before presenting it to the Board of Directors for consideration and approval. This includes considering and approving changes and additions to the annual expenditure budget without the need for a Board meeting and presenting them to the Board for approval or ratification at the next meeting.



- 2.4. Consider and approve regular business transactions as well as transactions supporting the company's regular operations, such as purchasing raw materials, equipment, or fixed assets related to operations, sales of goods, contracting for services, and any other transactions within the normal course of business, as authorized by the Board of Directors.
- 2.5. Consider and approve financial transactions with banks or financial institutions to support the company's regular business operations, such as opening/closing all types of deposit accounts, setting withdrawal conditions, conducting account transactions, borrowing money, arranging credit facilities, issuing debt instruments, overdraft facilities, and other transactions within the normal course of business, as authorized by the Board of Directors.
- 2.6. Consider and approve significant investment expenditures specified in the annual expenditure budget as delegated by the Board of Directors or as previously approved by the Board of Directors.
- 2.7. Act as an advisory body to management on financial policies, marketing, human resource management, and other operational matters.
- 2.8. Establish the organizational structure, management authority, including appointments, hiring, termination, transfers, salary determination, compensation, bonuses, and annual salary adjustments for senior management.
- 2.9. Establish performance evaluation criteria for the overall performance of the organization, including subsidiaries, and consider salary adjustments and determine the annual bonus amounts for employees throughout the organization.
- 2.10. Have the authority to delegate authority to one or more directors or other persons to act on behalf of the Board of Directors as deemed appropriate, and the Board of Directors may cancel, revoke, modify, or amend the persons delegated authority. However, any delegated authority must not involve approving transactions that may result in conflicts of interest or detriment to the Company or its subsidiaries unless previously approved by the shareholders' meeting or the Board of Directors.
- 2.11. Consider and approve investments in shares or investments in other companies up to a limit of 5 million baht.
- 2.12. Consider and approve loans to subsidiaries up to a limit of 5 million baht per occasion.
- 2.13. Undertake any other temporary duties as assigned by the Board of Directors.
- 2.14. Responsible for establishing a system to promote and support anti-corruption policies by communicating with employees and stakeholders, reviewing the appropriateness of systems and measures to align with business changes, regulations, and legal requirements.
- 2.15. The Board of Directors will consider and approve transactions in which the Board of Directors or any person has a conflict of interest or any other conflict of interest with the Company or its subsidiaries unless it conforms to the policies and criteria approved by the shareholders' meeting or the Board of Directors.
- 2.16. Have the authority to appoint consultants in various areas necessary for the operation of the Company or to comply with relevant laws.
- 2.17. Consider proposals for interim or annual dividends for approval by the Board of Directors or for presentation at the next shareholders' meeting, as appropriate.
- 2.18. Consider and approve interim dividends for subsidiaries.

#### **Scope of Authority, Duties, and Responsibilities of the Chairman of the Board**

1. He is entrusted with the authority to manage the company's operations in accordance with its objectives, regulations, policies, directives, resolutions adopted at shareholder meetings, and/or resolutions passed at board and management meetings, in all respects.
2. Exercise control and oversight over the company's operations and daily management in accordance with the company's policies. Approve matters related to regular operations of the company and/or delegate authority to executives or other individuals to carry out day-to-day operational

- tasks on behalf of the company, within the purview of the Chairman's control. The Chairman may, within a reasonable timeframe as deemed appropriate, revoke, withdraw, modify, or amend such delegated authority.
3. Execute or perform duties in accordance with policies, plans, and budgets approved by the board of directors and/or the company's committees.
  4. Provide guidance, supervision, and advice to the executive officers in managing the company's operations in accordance with company policies.
  5. Monitor and evaluate the company's performance regularly to mitigate risks from both internal and external factors.
  6. Have the authority to approve subsidiary companies to borrow funds up to 2 million Baht (two million Baht only).
  7. Have the authority to approve procurement activities in accordance with the procurement authority outlined in the current procurement manual.
  8. Have the authority to approve expenditures exceeding the authority of the executive officers, provided that such approval does not exceed the authority of the board of directors.
  9. Approve the sale of products and services in line with the company's regular business or new business approved by the board of directors, such as approving the sale of goods, entering into contracts, or subcontracting regular business activities, within a limit of 100 million Baht (one hundred million Baht only) per transaction.
  10. Have the authority, or delegate authority, to sign quotation proposals, certify qualifications for transactions with the company, certify correctness of documents related to tender submissions, and undertake other related actions until completion. Additionally, have the authority to negotiate prices, with the delegate empowered to act on behalf of the Chairman throughout, including submitting and signing requests, petitions, clarifications, amendments, signing contracts, or any other actions related to this delegation, in all respects.
  11. Have the authority to delegate powers temporarily and/or appoint others to perform specific tasks on behalf of the Chairman. Such delegation of authority and/or appointments shall be within the scope of the delegated authority and/or in accordance with regulations, provisions, or directives set forth by the company's board of directors, committees, and/or management.
  12. Have the authority, or delegate authority, in the name of the corporate entity registered with the Department of Industrial Works to certify engineers specializing in boilers or steam boilers used as heat transfer media by the company.
  13. Have the authority, or delegate authority, on behalf of the company, to apply for licenses, renew licenses, and modify/cancel approved test report appointments, submit test report appointments, schedule appointments with government officials from the Department of Industrial Works, Department of Labor Welfare and Protection, and Department of Energy Business.
  14. Have the authority, or delegate authority, on behalf of the company, to apply for licenses, renew licenses, approve, and sign documents, and schedule appointments with government officials from the Engineering Council.
  15. Have the authority to consider hiring employees, appointing them, as well as transferring, relocating across departments/divisions, or terminating employment. Set salary rates, compensation, and benefits for all company employees.
  16. Consider allocating bonuses, rewards, or various compensations to employees or contractors of the company or any individual who contributes to the company.
  17. Have the authority to issue orders, regulations, announcements, records to ensure compliance with company policies and benefits, and to maintain discipline and internal organization.
  18. Have the authority to undertake any actions related to the above-mentioned tasks until completion.
  19. Have the authority to sign and certify copies of documents related to the above-mentioned tasks until completion.

20. Perform other duties as temporarily assigned by the company's board of directors/management committee.

### **Scope, Authority, Duties, and Responsibilities of the Managing Director**

1. To oversee and manage the daily operations of the company within the realm of engineering and safety, in accordance with company policies, and to approve matters pertaining to the regular operations of the company, and/or delegate authority to executives or other individuals to handle routine day-to-day operations of the company specifically related to engineering and safety matters, to act exclusively on behalf of, within the purview under the control of the Managing Director, and within a timeframe deemed appropriate by the Managing Director. The Managing Director may revoke, withdraw, modify, or amend such authority as deemed necessary.
2. To act as the authorized representative of the company in managing the business operations of the company in areas related to the scope of engineering and safety, in alignment with the objectives, regulations, policies, rules, and directives of the company's management board.
3. Execute or perform tasks in accordance with policies, plans, and budgets approved by the management board.
4. Monitor and evaluate the performance of operations within the scope of engineering and safety regularly to mitigate risks from various factors, both internal and external to the company.
5. Have the authority to approve procurement and contracting activities as per the current procurement manual.
6. Approve regular business sales and service operations or new business ventures approved by the management board, covering activities related to the scope of engineering and safety, such as approving product sales or contracting agreements within the normal course of business, up to a limit of 10 million Baht (ten million Baht only) per transaction.
7. Have the authority, or delegate authority, to sign quotations, certify qualifications for transactions with the company, certify correct copies of documents related to bid submissions, and undertake other related activities. Upon completion, have the authority to negotiate the aforementioned prices, covering only activities within the scope of engineering and safety, with the authorized delegate having the authority to act on behalf of the Managing Director in all respects, including signing requests, petitions, providing clarification, amendments to documents, signing contracts, or any other actions related to this delegation of authority.
8. Have the authority to delegate responsibilities or appoint individuals to act as representatives in matters related to the scope of engineering and safety, under the framework of the delegated authority, and/or in accordance with regulations, terms, or orders established by the management board.
9. Have the authority to delegate responsibilities to legal entities certified in boiler or pressure vessel engineering involving fluid heating media, registered by the Department of Industrial Works.
10. Have the authority to delegate responsibilities to the company to apply for licenses, renew licenses, and amend/cancel approvals, reports on test results, delivery of test reports, appointments with government officials from the Department of Industrial Works, the Department of Labor Welfare and Protection, and the Department of Energy Business.
11. Have the authority to delegate responsibilities to the company to apply for licenses, renew licenses, and amend/cancel approvals, and sign documents, appointments with government officials from the Engineering Council.
12. Have the authority to sign documents certifying qualifications for transactions with PTT.
13. Have the authority to issue orders, regulations, announcements, records related to matters within the scope of engineering and safety, to ensure compliance with company policies and interests, and to maintain discipline and internal organization.

14. Have the authority to consider hiring employees, appointing and promoting, transferring, rotating across departments/sections within the engineering and safety workgroup, or terminating employment, including determining wage rates, compensation, and benefits of employees under supervision within the scope of engineering and safety, with actions limited to established practices, regulations, and approved by the Chairman of the Management Board.
15. Have the authority to allocate bonuses, rewards, or compensation to employees or staff of the company or any individuals who contribute to the company within the scope of engineering and safety, within the approved budget by the Chairman of the Management Board.
16. Have the authority to undertake any actions related to the aforementioned tasks until completion.
17. Have the authority to sign certified copies of documents related to the aforementioned tasks until completion.
18. Perform other duties as assigned by the Chairman of the Management Board or the management board on an ad-hoc basis.

### Appointment of Directors and Senior Executives

The company has established a Nomination and Remuneration Committee to propose policies regarding the appointment, including setting appropriate compensation criteria for the company's directors, committee members, and senior executives.

In the selection of individuals to be appointed as directors, considerations will be based on qualifications, knowledge, expertise, experience, and availability to attend meetings of the board of directors on a regular basis. At shareholder meetings, shareholders will appoint directors using their voting rights according to the following criteria and procedures :

1. Each shareholder shall have one vote per share held, in proportion to the number of shares they hold.
2. In the election of directors, voting may be conducted by allocating votes to individual nominees, or multiple nominees simultaneously, as deemed appropriate by the shareholders' meeting. However, in any voting or resolution, each shareholder shall exercise their voting rights according to the total number of votes they possess as per point 1, without dividing the votes among candidates.
3. Voting for the election of directors must be in accordance with the majority of votes. In the event of a tie, the chairman of the meeting shall cast an additional deciding vote.

### Attendance of the Meeting of Board of Directors in 2023

Name	Number of Attendance / Number of the Board of Directors' Meeting			
	the Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Risk Management Committee
1. Mr. Kitti Phuathavornskul	11/11	-	-	-
2. Mr. Tatchapong Thamputhipong	11/11	5/5	2/2	3/3
3. Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	4/11	2/5	1/2	-
4. Mr. Lersak Kancvalskul	2/11	1/5	-	-
5. Mr. Somkiat Aramruangkul	11/11	-	-	3/3
6. Ms. Kunlanit Sarapab	11/11	-	2/2	3/3



Name	Number of Attendance / Number of the Board of Directors' Meeting			
	the Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Risk Management Committee
7. Mr. Pitak Pruitthisarikorn	3/11	-	-	-
8. Miss Chonticha Chitraporn	5/11	3/5	-	-
9. Assoc. Prof. Dr. Pranya Sakiyalak	6/11	4/5	1/2	-
10. Mr. Thitiwat Teerakulthanyaroj	8/11	-	-	-
11. Mr. Nick Thanapoomikul	5/11	-	-	1/3

Remark : At the 11th/2023 Board of Directors Meeting on December 28, 2023, and effective from December 28 onwards, the following resolutions were made regarding the appointment of committee members :

- 1.1 Resolution to appoint Mr. Supoj Kaewmanee as a company director, replacing Mr. Thitiwat Teerakulthanyaroj.
- 1.2 Resolution to appoint Mr. Sumet Techachainiran as a company director, replacing Assoc. Prof. Dr. Pranya Sakiyalak.
- 1.3 Resolution to appoint Mr. Sarapatch Ratkam as a company director, replacing Mr. Pradit Arayakarnkul.

At the Board of Directors Meeting, resolutions were made to acknowledge the resignations of the following directors :

- 2.1 Resolution to acknowledge the resignation of Mr. Pradit Arayakarnkul from the positions of company director, audit committee member, and independent director, effective from December 28, 2023, onwards, due to increased commitments hindering his ability to fulfill his duties.
- 2.2 Resolution to acknowledge the resignation of Assoc. Prof. Dr. Pranya Sakiyalak from the positions of company director, audit committee member, chairman of the nomination and remuneration committee, and independent director, effective from November 1, 2023, onwards, due to extensive responsibilities affecting their ability to perform their duties.
- 2.3 Resolution to acknowledge the resignation of Mr. Thitiwat Teerakulthanyaroj from the positions of company director, chairman of the nomination and remuneration committee, and company secretary, effective from October 1, 2023, onwards.
- 2.4 Resolution to acknowledge the resignation of Mr. Pitak Pruitthisarikorn from the positions of chairman of the board of directors and independent director, effective from June 12, 2023, onwards.

At the 10th/2023 Board of Directors Meeting on November 10, 2023, and effective from November 10 onwards, resolutions were made to appoint the following committee members :

- 3.1 Resolution to appoint Mr. Tatchapong Thamputhipong as the vice chairman of the board of directors.
- 3.2 Resolution to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as the chairman of the nomination and remuneration committee.
- 3.3 Resolution to approve the appointment of Ms. Kunlanit Sarapab as the company secretary.

At the 9th/2023 Board of Directors Meeting on November 3, 2023, and effective from November 3 onwards, resolutions were made to appoint the following committee members :

- 4.1 Resolution to appoint Mr. Lersak Kancvalskul as a company director, replacing Mr. Pitak Pruitthisarikorn.
- 4.2 Resolution to appoint Mr. Lersak Kancvalskul as a member of the audit committee and independent director.

At the 7th/2023 Board of Directors Meeting on July 7, 2023, and effective from July 7 onwards, resolutions were made to appoint the following committee members :

- 5.1 Resolution to appoint Mr. Kitti Phuathavornskul as the chairman of the board of directors.
- 5.2 Resolution to appoint Mr. Tatchapong Thamputhipong as a member of the audit committee and independent director.
- 5.3 Resolution to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as a member of the audit committee and independent director.

## 7.4.2 Remuneration of Directors and Executives

### 1. Monetary remuneration

#### 1.1. Remuneration of Directors

The 2023 General Meeting of Shareholders on the 19th April 2023 set the remuneration for the Company's Directors, the Audit Committee, The Nomination and Remuneration Committee, and the Executive Directors who are not regular officers in the form of meeting allowance and other with the details as follows :

Position	Meeting Allowances
<b>Board of Director</b>	
Chairman	50,000 baht/time
Director	20,000 baht/time
<b>The Audit Committee</b>	
Chairman of the Audit Committee	25,000 baht/time
Member of the Audit Committee	11,000 baht/time
<b>The Nomination and Remuneration Committee</b>	
Chairman of the Nomination and Remuneration Committee	25,000 baht/time
Member of the Nomination and Remuneration Committee	11,000 baht/time
<b>The Risk Management Committee</b>	
Chairman of the Risk Management Committee	25,000 baht/time
Member of the Risk Management Committee	11,000 baht/time
<b>Pension</b>	Not exceeding 2 Million Baht

### 2. Non-Monetary Remuneration

- None -

The total compensation for all directors for the fiscal year 2023, comprising meeting allowances and director remuneration, amounted to THB 2,027,600. The breakdown is as follows :

Name-Surname	Position	Remuneration of Director is paid on per-time of attending the meeting (baht)					Pension	Total
		The Executive Committee	The Audit Committee	The Nomination and Remuneration Committee	The Risk Management Committee			
1. Mr. Kitti Phuathavornskul	Director President	340,000	-	-	-	-	340,000	
2. Mr. Thachapong Thamputthipong	Independent Director Vice Chairman of The Board of Directors Chairman of The Audit Committee The nomination and Remuneration Committee Chairman of the Risk Management Committee	193,000	83,000	22,000	75,000	185,000	558,000	
3. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	Independent Director The Audit Committee Chairman of The Nomination and Remuneration Committee	80,000	22,000	25,000	-	-	127,000	
4. Mr. Lersak Kancvalskul	Independent Director The Audit Committee	40,000	11,000	-	-	-	51,000	
5. Mr. Somkiat Aramruangkul	Director The Risk Management Committee	160,000	-	-	33,000	-	193,000	
6. Ms. Kunlanit Sarapab	Director The nomination and Remuneration Committee The Risk Management Committee	160,000	-	11,000	33,000	-	204,000	
7. Mr. Pitak Pruitthisarikorn	Independent Director Chairman of Executive Directors	120,000	-	-	-	-	120,000	
8. Ms. Chonticha Chitraporn	Director Independent Director The Audit Committee	73,000	51,400	-	-	-	124,400	
9. Assoc. Prof. Dr. Pranya Sakiyalak	Independent Director The Audit Committee The Nomination and Remuneration Committee	102,000	44,000	13,200	-	-	159,200	
10. Thitiwat Teerakulthanyaroj	Director The Nomination and Remuneration Committee	100,000	-	-	-	-	100,000	
11. Mr. Nick Thanapoomikul	Director The Risk Management Committee	40,000	-	-	11,000	-	51,000	
<b>Total</b>		<b>1,408,000</b>	<b>211,400</b>	<b>71,200</b>	<b>152,000</b>	<b>185,000</b>	<b>2,027,600</b>	

## 7.4.3 Attendance of the Meeting of Board of Directors in 2023

List of Directors	The Board of Directors' Meeting No.										
	1 / 2023	2 / 2023	3 / 2023	4 / 2023	5 / 2023	6 / 2023	7 / 2023	8 / 2023	9 / 2023	10 / 2023	11 / 2023
Mr. Kitti Phuathavornskul	√	√	√	√	√	√	√	√	√	√	√
Mr. Thitiwat Teerakulthanyaroj	√	√	√	√	√	√	√	√	Resigned During The year		
Mr. Somkiat Aramruangkul	√	√	√	√	√	√	√	√	√	√	√
Mr. Nick Thanapoomikul	√	√	√	√	√	Resigned During The year					
Ms. Kunlanit Sarapab	√	√	√	√	√	√	√	√	√	√	√
Ms. Chonticha Chitraporn	√	√	√	√	√	Resigned During The year					
Mr. Tatchapong Thamputthipong	√	√	√	√	√	√	√	√	√	√	√
Assoc. Prof. Dr. Pranya Sakiyalak	√	-	√	√	√	√	-	√	Resigned During The year		
Mr. Pitak Pruitthisarikorn	Has not served as a director			√	√	√	Resigned During The year				
Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	Has not served as a director							√	√	√	√
Mr. Lersak Kancvalskul	Has not served as a director									√	√

List of Directors	The Audit Committee's Meeting No.				
	1 / 2023	2 / 2023	3 / 2023	4 / 2023	5 / 2023
Miss Chonticha Chitraporn	√	√	√	Resigned During The year	
Mr. Tatchapong Thamputthipong	√	√	√	√	√
Assoc. Prof. Dr. Pranya Sakiyalak	√	√	√	√	Resigned During The year
Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	Has not served as a director			√	√
Mr. Lersak Kancvalskul	Has not served as a director				√

List of Directors	The Nomination and Remuneration Committee's Meeting No.	
	1 / 2023	2 / 2023
Mr. Tatchapong Thamputthipong	√	√
Assoc. Prof. Dr. Pranya Sakiyalak	√	Resigned During The year
Ms. Kunlanit Sarapab	√	√
Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul	Has not served as a director	√

List of Directors	The Risk Management Committee's Meeting No.		
	1 / 2023	2 / 2023	3 / 2023
Mr. Tatchapong Thamputthipong	√	√	√
Mr. Somkiat Aramruangkul	√	√	√
Mr. Nick Thanapoomikul	√	Resigned During The year	
Ms. Kunlanit Sarapab	√	√	√



#### 7.4.4 Company Secretary

The Board of Directors resolved to appoint Ms. Kunlanit Sarapab as the Company Secretary from the year 2023 until present. The qualifications of the incumbent Company Secretary are detailed in Attachment 1, which includes a thorough understanding of the Company's business, the role and responsibilities of a Company Secretary, knowledge of laws, regulations of the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand, as well as an understanding of corporate governance principles and best practices. The Company Secretary is empowered to perform duties as stipulated in the Securities and Exchange Act (No. 4) B.E. 2551 and other relevant regulations as announced by the Securities and Exchange Commission. The duties of the Company Secretary include :

1. Preparation and maintenance of various documents of the Company, including Board registers, Board meeting invitations, Board meeting reports, annual reports, shareholder meeting invitations, shareholder meeting reports, and financial reports, among others, as directed by the Board or management.
2. Coordination and communication to ensure shareholders are informed of their rights and adequately cared for.
3. Liaison and communication with the Stock Exchange of Thailand and relevant regulatory authorities as appropriate.
4. Ensuring disclosure of information within the scope of responsibilities in compliance with good corporate governance practices. Additionally, the Company promotes continuous training and development for the Company Secretary in legal, accounting, or company secretary duties for external communication. The Company provides investor relations and communication channels for investors, stakeholders, and dissemination of important information through the Company's website [www.qualitechplc.com](http://www.qualitechplc.com) and channels of the Stock Exchange of Thailand, or inquiries can be sent via email to [ir@qualitechplc.com](mailto:ir@qualitechplc.com) or by phone at 038-691408-10.



## 7.4.5 Remunerations of the Executives

### 1. Monetary remuneration

Eight executives at the level of manager of a division or at a more senior level received remunerations, i.e., salary and bonus, from the Company totaling 28,841,949.00 baht in year 2023

### 2. Non-Monetary Remuneration

The Company set up a provident fund for its staff. Conditions for contribution to the fund are as follows :

Duration of work	Provident fund (%)
From 1 year but less than 5 years	3.00
From 5 years but less than 10 years	6.00
From 10 years onwards	9.00

### 3. Other Compensation

-None-

## 7.5 Personnel

The number of personnel as of 31 December 2023, in the Company and Subsidiaries was 451 people as shown below :

Department	Number of Personnel 2023	Number of Personnel 2022
1. Executive Department	8	13
2. Operation Department	380	385
3. Support Department	63	52
<b>Total</b>	<b>451</b>	<b>450</b>

### 1. Significant Changes in Employee Numbers Over the Past 3 Years :

The number of personnel as of 31 December 2021 is 442

The number of personnel as of 31 December 2022 is 450

The number of personnel as of 31 December 2023 is 451

## 2. Employee Compensation

Employees of the Company and its subsidiaries receive compensation in both monetary and non-monetary forms. Monetary compensation includes salaries, annual bonuses, overtime pay, performance-based incentives, diligent work allowances, and other benefits in monetary terms. Non-monetary compensation, which is equally significant, includes provisions such as retirement funds, employee loan funds, social security, life insurance, group health insurance, annual health check-ups, various assistance funds, uniform sets, employee transportation, support for employees' children's education funds. Additionally, the Company supports expenses for training seminars, both internal and external to the organization.

### 3. Significant Labor Disputes Over the Past 3 Years

-None-

### 4. Employee Development Policy

The company maintains a consistent policy for employee development at all levels to enhance knowledge, skills, attitudes, and performance in various job functions, supporting future business expansion. The company has established an annual training plan for both internal and external training to enhance job skills based on employee responsibilities, providing overall benefits to the company. In the year 2023, the company conducted training sessions for managers and staff with external organizations, totaling 35 courses, and conducted 19 internal training courses covering service-related courses and courses related to business ethics, anti-corruption, and other relevant topics.

For external training courses, the company supports employees and management to attend courses suitable for enhancing their capabilities and benefiting their professional development. These training sessions are organized by various institutions. Internal training sessions are also conducted to ensure that managers and staff have a basic understanding of the organization, its policies, overall organizational structure, and to foster proper collective understanding and practice. Additionally, various other relevant development aspects are addressed

## 7.6 Other Significant Information

### 1. Remuneration of the Auditors

The Audit Committee has selected auditors based on the company's assessment criteria, including independence in performing duties, quality, work standards, and compliance with the regulations of the Securities and Exchange Commission (SEC), and approval from the Securities and Exchange Commission Office. The company's auditors meet the qualifications as per the regulations of the SEC and have received approval from the Securities and Exchange Commission Office.

Furthermore, they have no relationships or interests with the company, its subsidiaries, executives, major shareholders, or related persons. They have the independence to audit and express opinions on the company's financial statements. For the fiscal year ending December 31, 2023, the company paid audit fees to the auditing firm, D I A International Audit Co.,Ltd, consisting of audit fees for the company and its subsidiaries (Audit Fee) and other services fees (Non-Audit Fee), including examination fees for compliance with the conditions of the Board of Investment (BOI), totaling 1,570,000 baht.



## 2. Changes in Securities Ownership of the Board of Directors and Executives in the Company for the fiscal year 2023, including the ownership of spouses and underage children as of December 31, 2023

Name	Surname	Position	No. of Shares			
			As of 31 December 2023	As of 31 December 2022	Change Increase / (Decrease) in year 2023	Proportion of Sharholding in 2023
1. Mr. Kitti	Phuathavornskul	Chairman of the Board of Directors President	3,888,000	3,446,200	441,800	3.944
	Pinruck	Spouse	1,648,200	-	1,648,200	1.672
2. Mr. Tatchapong	Thamputthipong	Chairman of the Audit Committee	-	-	-	-
3. Col. Assoc. Prof. Dr. Chanyapat	Wiphatthananthakul	The Audit Committee	-	-	-	-
4. Mr. Lersak	Kancvalskul	The Audit Committee	-	-	-	-
		Director				
		Executive Director				
5. Ms. Kunlanit	Sarapab	Chief Financial Officer	2,075	2,075	-	0.002
		Company Secretary				
		Director				
6. Mr. Sumet	Techachainiran	Executive Director	72,900	10,800	62,100	0.074
7. Mr. Somkiat	Aramruangkul	Director	-	-	-	-
8. Mr. Sannpat	Rattakham	Director	3,244,500	3,169,500	75,000	3.292
9. Mr. Supoj	Kaewmanee	Director	100	100	-	0.00010
		Chief Executive Officer				
10. Mr. Wallop	Luangseenak	Executive Director	-	-	-	-
11. Mr. Purin	Kaewklom	Assistant to Chief Executive Officer	-	-	-	-
12. Mrs. Pattawan	Chaipim	Executive Director	225	225	-	0.00023

Remark : Apart from the information reported in the table above, there are no spouses and underage children of directors, executives, and top management ranked within the top 4 who hold shares in the Company.



## 8. Corporate Governance Milestones

### 8.1 Summary of the performance of the Board of Directors in past year

#### Report of the Audit Committee

The Audit Committee of Qualitech Public Company Limited comprises three independent directors who are qualified in accounting, finance, law, and business. Each member of the Audit Committee possesses the qualifications specified by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee performs its duties independently and impartially within the scope defined in its charter, which is reviewed to ensure compliance with current conditions and approved annually by the company's board of directors.

During the year 2023, two Audit Committee members resigned, and the committee held a total of five meetings. These meetings involved senior management, the internal audit manager, the section head of internal audit department, and the external auditors. Additionally, there was one joint meeting with the external auditors and no meeting involving only senior management on February 25, 2023. All Audit Committee members attended meetings while serving their terms. The names and number of meetings attended by each Audit Committee member in the year 2023 are as follows :

Name List of The Audit Committee	Attendance / The Audit Committee's Meeting No.
1. Mr. Tatchapong Thamputthipong Independent Director / Chairman of The Audit Committee	5 / 5
2. Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul Independent Director / The Audit Committee	2 / 5
3. Mr. Lersak Kancvalskul Independent Director / The Audit Committee	1 / 5
Dr. Pradit Arayakarnkul Resigned during the year	0 / 5
Miss Chonticha Chitraporn Resigned during the year	3 / 5
Assoc. Prof. Dr. Pranya Sakiyalak Resigned during the year	4 / 5

With Mrs. Wimol Saephung performs as Secretary to the Audit Committee

Remark : 1. At the 7th Board of Directors Meeting / 2023 held on July 7, 2023, with effect from July 7, 2023 onwards, the following appointments were resolved :

1.1 Mr. Tatchapong Thamputthipong was appointed as Chairman of the Audit Committee and Independent Director.

1.2 Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul was appointed as a member of the Audit Committee and Independent Director.

2. At the 9th Board of Directors Meeting / 2023 held on November 3, 2023, Mr. Lersak Kancvalskul was appointed as a member of the Audit Committee and Independent Director, effective from November 3, 2023 onwards.

## Performance of the audit committee in 2023 are as follows :

### 1. Financial Reporting Audit

The Audit Committee has audited the quarterly and annual financial reports, ensuring adequate and timely disclosure of information. Compliance with financial reporting standards and accounting standards has been assessed to ensure completeness, accuracy, appropriateness, and relevance of financial reporting for stakeholders.

### 2. Internal Audit Oversight

The Audit Committee has overseen the operations of the internal audit function to ensure independence and fairness. It has reviewed and approved the annual internal audit plan to ensure alignment and coverage with the company's internal control systems. Additionally, it has examined and acknowledged findings from internal audit reports, providing feedback, suggestions, and monitoring the resolution of identified issues.

### 3. Adequacy of Internal Control Systems Audit

The Audit Committee has audited the effectiveness and adequacy of internal control systems based on internal audit findings and assessments of internal control adequacy. Recommendations and corrective measures have been provided for continuous improvement and effectiveness of internal controls.

### 4. Good Corporate Governance and Legal Compliance Audit

The Audit Committee has audited the implementation of good corporate governance practices and legal compliance. The company has adopted appropriate corporate governance principles, transparent disclosure of information, and ethical business practices to instill confidence among stakeholders and create sustainable value. Moreover, compliance with relevant laws and regulations has been ensured.

### 5. Anti-Corruption Compliance Audit

The Audit Committee has audited the company's anti-corruption policy in accordance with the Thai Private Sector Collective Action Against Corruption (CAC) guidelines. The company has reviewed and adhered to the policy consistently. Furthermore, the company has established channels for complaints and notifications through various means, including

1. Website : [www.qualitechplc.com](http://www.qualitechplc.com)
2. Email of Internal Audit Committee : [audit\\_committee@qualitechplc.com](mailto:audit_committee@qualitechplc.com)
3. Internal Audit Department manager : [wimol@qualitechplc.com](mailto:wimol@qualitechplc.com)
4. Human Resources Department Tel. : 038 691 408 – 10 ext. 1110

### 6. Related Party Transactions and Conflict of Interest Audit

The Audit Committee has audited related party transactions and potential conflicts of interest, applying principles of rationality and fairness. The company has conducted business operations in accordance with normal business criteria and disclosed information transparently. The audit did not reveal any significant irregularities.

### 7. Appointment of Auditors and Audit Fees for the Year 2022

The Audit Committee has evaluated the performance of auditors for the past year, considering their knowledge, abilities, experience, credibility, independence, and quality of work. Based on assessments and reports from the Securities and Exchange Commission (SEC), the Audit Committee has recommended the appointment of auditors and audit fees for approval at the upcoming ordinary shareholders' meeting.



The Board of Directors to the annual general meeting of shareholders for

- |    |                 |                |   |
|----|-----------------|----------------|---|
| 1. | Miss Supaporn   | Mungjit        | an auditor with license No. 8125 and / or |
| 2. | Miss Somjintana | Polhirunrat    | an auditor with license No. 5599 and / or |
| 3. | Mr. Wiroj       | Sajjathamnukul | an auditor with license No. 5128 and / or |
| 4. | Mr. Noparoek    | Pissanuwong    | an auditor with license No. 7764          |

D I A Internation Audit Company Limited is the auditor of the Company and its subsidiaries for the year 2023 with the audit fee of the company, and its subsidiaries totaling 1,510,000 baht.

#### **8. Revision of the Audit Committee Charter for Enhanced Clarity**

The Audit Committee regularly reviews its charter to ensure alignment with current circumstances.

Furthermore, in fulfilling its duties, the Audit Committee exercises independence in providing insights and recommendations for effective management, aiming to maximize benefits for the company.

We extend our sincere gratitude for the excellent cooperation received from all parties involved.

The Audit Committee

( Mr. Tatchapong Thamputthipong )  
Chairman of The Audit Committee

# Report of The Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Qualitech Public Company Limited has diligently fulfilled its duties with prudence, thoroughness, transparency, and fairness as entrusted. The composition of the Nomination and Remuneration Committee consists of no fewer than three members, with at least one independent member serving as the chairperson. The tenure of office is three years. In the fiscal year 2023, the Nomination and Remuneration Committee comprised three members as follows :

Name List of The Nomination and Remuneration Committee	Attendance / The Audit Committee's Meeting No.
1. Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul Independent Director / Chairman of The Nomination and Remuneration Committee	1 / 2
2. Mr. Tatchapong Thamputhipong Independent Director / The Nomination and Remuneration Committee	2 / 2
3. Ms. Kunlanit Sarapab Independent Director / The Nomination and Remuneration Committee	2 / 2
Assoc. Prof. Dr. Pranya Sakiyalak Resigned during the year	1 / 2

With Ms. Kunlanit Sarapab performs as Secretary to the Nomination and Remuneration Committee

- Remark : 1. At the 10th Board of Directors Meeting of the year 2023 held on November 10, 2023, it was resolved to appoint Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul as the Chairman of the Nomination and Remuneration Committee, effective from November 10, 2023, onwards.
2. Assoc. Prof. Dr. Pranya Sakiyalak resigned from the position of Chairman of the Nomination and Remuneration Committee on November 1, 2023.

During the fiscal year 2023, the Nomination and Remuneration Committee fulfilled its duties in accordance with the charter. There were a total of 2 meetings convened, and the summary of the committee's activities is as follows :

1. Reviewed and proposed suitable candidates in compliance with relevant laws and criteria for the position of company directors to replace outgoing directors. Candidates were selected based on qualifications, experience, knowledge, relevance to the company's business nature, and potential benefits. Directors with vested interests abstained from voting.

2. The committee meticulously evaluated the remuneration of the company's directors and sub-committee members, considering various factors and comparing them with industry benchmarks and economic conditions. The appropriateness of remuneration was assessed in relation to the duties and responsibilities of both the board of directors and sub-committee members. Recommendations were presented to the board of directors and shareholders' meeting for approval.

3. The committee actively promoted shareholder engagement by facilitating the submission of agenda items for the annual shareholders' meeting in 2023. It also invited nominations for director positions through a transparent process disclosed on the company's website from October 1, 2022, to December 31, 2022.

4. The Nomination and Remuneration Committee conducted a comprehensive review of its charter and remuneration policy to ensure alignment with current circumstances. The committee fulfilled its duties with sufficient knowledge, skills, caution, and prudence in providing recommendations and resolutions for the utmost benefit of shareholders, investors, and all stakeholders.

The Nomination and Remuneration Committee



( Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul )  
Chairman of The Nomination and Remuneration Committee

# The Risk Management Committee Report

The Risk Management Committee of Qualitech Public Company Limited was appointed at the 9th/2022 Board of Directors Meeting on November 12, 2022. The committee comprises independent directors, including the Chairman of the Risk Management Committee, and three executive directors.

Name List of The Risk Management Committee	Attendance / The Audit Committee's Meeting No.
1. Mr. Tatchapong Thamputthipong Independent Director / Chairman of the Risk Management Committee	3 / 3
2. Ms. Kunlanit Sarapab Independent Director / The Risk Management Committee	3 / 3
3. Mr. Somkiat Aramruangkul Independent Director / The Risk Management Committee	3 / 3
Mr. Nick Thanapoomikul Resigned during the year	1 / 3
Mr. Lersak Kancvalskul assumed the position in the year 2024	
Mr. Wallop Luangseenak assumed the position in the year 2024	

Ms. Kunlanit Sarapab serves as the secretary to the Nomination and Remuneration Committee.

Remark : At the 1st/2024 Board of Directors Meeting on February 2, 2024, with effect from February 2, 2024 onwards, the following appointments were made :

- 1.1. Mr. Lersak Kancvalskul was appointed Chairman of the Risk Management Committee.
- 1.2. Mr. Wallop Luangseenak was appointed as a member of the Risk Management Committee.

The company places significant emphasis on managing business risks to achieve its objectives and targets as outlined. It establishes an internal working group to assess organizational risks, evaluating factors that may impact the company's operations.

The Risk Management Committee operates within the scope, authority, and responsibilities specified in its charter. It sets frameworks for risk assessment, focusing on key risk areas such as strategic, operational, financial, regulatory compliance, and legal risks. In the fiscal year 2023, the committee held three meetings and addressed the following key points :

1. Setting risk management policies and developing risk management guidelines to establish a framework and practices for organizational risk management.
2. Reviewing the organizational-level risk management plan for the year 2023 as prescribed by management to ensure systematic and effective risk management.



3. Supervising and ensuring the assessment and management of significant risks to enable the company to manage risks systematically and reduce future uncertainties.

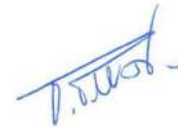
4. Screening and providing feedback on risk factors and organizational risk management practices in 2023, aligning with economic conditions, industry trends, and various uncertainties to ensure that the company can achieve its strategic objectives and business goals.

5. Considering measures to control risks within acceptable levels to ensure that risk management plans align with business plans and objectives.

6. Monitoring the implementation of the risk management plan set by management to ensure systematic and effective risk management.

7. The Risk Management Committee evaluates individual and committee performance to review past performance and issues and to enhance work efficiency moving forward.

The Risk Management Committee



( Thatchaphong Thamputthipong )  
Chairman of the Risk Management Committee



## 9. Internal Controls and Interactions

### 9.1 Internal Controls

#### 1. Adequacy of Internal Control System

At the 2nd/2024 Board of Directors Meeting on February 16, 2024, the Board reviewed the adequacy of the company's internal control system in organizational control, risk assessment, operational control, information and communication systems, and monitoring mechanisms. The Board deemed the internal control system to be sufficiently adequate and emphasized its importance. The company ensures comprehensive internal controls covering financial, operational, legal compliance, and regulatory aspects, with effective mechanisms for auditing and balancing to protect and safeguard the company's assets.

#### 2. Internal Audit Operational Policy

The company has established an internal audit unit, reporting directly to the Audit Committee quarterly, to assess the effectiveness and adequacy of the existing internal control system. In 2024, the Board received reports from the Audit Committee regarding the examination of financial statements, financial reports, and the internal audit unit's performance. The Board found that the company's internal control system, overall, has established measures for identifying and addressing deficiencies satisfactorily. It provides confidence that policies and relevant regulations are appropriate and trustworthy. Financial reports of the company are overseen to prevent misuse of assets by management and employees, including transactions with related parties and potential conflicts of interest. Operations are conducted in accordance with established procedures, with sufficiently robust and appropriate internal control systems in place.



Internal control

## 9.2 Intercompany Transactions

### 1. Intercompany Transactions of Qualitech Public Company Limited

Individuals / Entities Potentially Involved in Conflicts	Relationships	Nature and Value of Transactions	Necessity and Justification	Audit Committee's Opinion
<b>Qualitech Myanmar Company Limited</b>	Subsidiary company. The Company holds 80.00% of the shares. Both companies have common Directors and Management.	<b>Income</b> Wages, Management fee, and Tool rental <b>2023</b> : 0.03 million baht <b>2022</b> : 0.60 million baht	The remuneration for services rendered encompasses contracted work with values commensurate to those of similar engagements undertaken by other companies. Management fees are structured to cover regular operational activities that contribute to the company's operational efficacy and benefit.	The Audit Committee has reviewed and determined that the aforementioned transactions are transactions between the Company and its subsidiary, in which the Company holds an 80.00% share, and that these transactions are in line with normal commercial practices and are beneficial to the Company's operations.

Individuals / Entities Potentially Involved in Conflicts	Relationships	Nature and Value of Transactions	Necessity and Justification	Audit Committee's Opinion
<b>Duwell Intertrade Company Limited</b>	Subsidiary company. The Company holds 99.99% of shares. Both companies have common Directors and Management.	<p><b>Income</b></p> <p>Rental, Management fee, Wages, Material expense.</p> <p><b>2023</b> : 0.56 million baht</p> <p><b>2022</b> : 0.77 million baht</p> <p><b>Expenses</b></p> <p>Radiation expense, Consumable, Calibration fee, Property purchasing cost</p> <p><b>2023</b> : 9.15 million baht</p> <p><b>2022</b> : 10.71 million baht</p>	<p>Rental fees for buildings and furniture are priced comparably to market rates for the duration of the lease, from January 1, 2022, to December 31, 2023.</p> <p>Rental fees for location change for radiation sources are priced comparably to market rates for the duration from January 1, 2022, to December 31, 2023.</p> <p>Management fees are set at rates consistent with normal operations and beneficial to the Company's operations.</p> <p>The purchase of radiation sources (IRIDIUM 192 Source) is conducted only from licensed distributors.</p> <p>Consumables are purchased at market rates.</p> <p>Asset purchases are priced comparably to market rates.</p> <p>Job hiring costs are for contracted services, priced comparably to those of other companies.</p>	<p>The Audit Committee has reviewed and determined that these transactions are in line with normal commercial practices and are beneficial to the Company's operations.</p>



Individuals / Entities Potentially Involved in Conflicts	Relationships	Nature and Value of Transactions	Necessity and Justification	Audit Committee's Opinion
<b>Qualitech Solution Energy Company Limited</b>	Subsidiary company. The Company holds 99.99% of shares. Both companies have common Directors and Management.	<p><b><u>Income</u></b></p> <p>Building Rental</p> <p><b>2023</b> : 0.04 million baht</p> <p><b>2022</b> : 0.04 million baht</p> <p><b><u>Management fee</u></b></p> <p><b>2023</b> : 0.12 million baht</p> <p><b>2022</b> : 0.23 million baht</p>	<p>Qualitech Solution Energy Company Limited has entered into a lease agreement with Qualitech Public Company Limited for office space located at the Sri Racha branch office, occupying an area of 20 square meters. The monthly rental rate is 3,000 Baht, with the lease term starting from April 9, 2021, to April 8, 2024, at a rental price comparable to market rates.</p> <p>Management fees are set at rates consistent with normal operations and beneficial to the Company's operations.</p> <p>Management fees amount to 40,000 Baht per month from February 1, 2022, to May 31, 2022.</p> <p>Management fees amount to 10,000 Baht per month from June 1, 2022, to May 31, 2024.</p>	<p>The Audit Committee has reviewed and determined that the aforementioned transactions are transactions between the Company and its subsidiary, with the Company holding a 99.99 percent stake in the subsidiary. These transactions are in line with normal business practices and are beneficial to the Company's operations.</p> <p>The Audit Committee has also reviewed and determined that management fees are in line with normal business practices, beneficial to the Company's operations, and reasonable. This is because they are based on fair calculations derived from actual salaries and working hours.</p>

Individuals / Entities Potentially Involved in Conflicts	Relationships	Nature and Value of Transactions	Necessity and Justification	Audit Committee's Opinion
Creative Solutions Energy Company Limited	The Company holds shares. Both companies have common Directors and Management.	<p><b>Expenses</b></p> <p>Wages</p> <p><b>2023</b> : 0.00 million baht</p> <p><b>2022</b> : 0.44 million baht</p> <p><b>Management fee</b></p> <p><b>2023</b> : 0.06 million baht</p> <p><b>2022</b> : 0.20 million baht</p>	<p>Labor fees are expenses incurred for hiring services, with the value of the services rendered being comparable to those of other companies.</p> <p>Management fees are fees paid for regular operational management services that benefit the Company's operations.</p> <p>The monthly management fee is THB 32,500, effective from February 1, 2022, until May 31, 2022.</p>	<p>The audit committee has reviewed and found that the management fees are in line with normal business practices and beneficial to the Company's operations. They are deemed appropriate as they reflect the utilization of skilled and well-coordinated staff across various areas. These fees are calculated based on actual salaries and working hours.</p>

## **1. Measures or procedures for approving related-party transactions**

When engaging in transactions with individuals who may have conflicts of interest, proposals must be submitted to the company's board of directors for consideration and approval of such transactions to maximize benefits to the business and protect investors, including those associated with the company. These related-party transactions must comply with securities laws, regulations, orders, or rules of the Thai Securities and Exchange Commission and the Stock Exchange of Thailand. Individuals with conflicts of interest or vested interests in these transactions will not have the right to participate in approving such transactions, especially those involving normal trading activities such as purchasing and selling goods. The company has a policy to establish conditions that align with normal trading practices and market prices, which can be compared with prices occurring with external parties. The Audit Committee of the company will review and provide feedback on these transactions quarterly, ensuring they are reasonable and in the best interest of the company.

## **2. Trends in related-party transactions in the future**

Regarding related-party transactions that may occur in the future, conditions will adhere to general trading practices, referencing appropriate market prices and conditions. The company will involve the Audit Committee and/or independent directors to provide opinions on compensation rates, as well as the necessity and suitability of such transactions. If any future transactions involve individuals with potential conflicts of interest, the company will adhere to the rules, regulations, and/or directives of the Securities and Exchange Commission and the Stock Exchange of Thailand. The company may also seek opinions from independent experts or the company's auditors regarding these transactions to aid in the decision-making process of the board or shareholders, as applicable. The company will disclose related-party transactions in the footnotes accompanying the audited financial statements.

# Report of the Committee's Responsibility to the Financial Report

Presented to the shareholders of Qualitech Solution Energy Company Limited,

The company's board of directors is responsible for the overall financial statements of Qualitech Solution Energy Company Limited and its subsidiaries, prepared in accordance with generally accepted accounting principles in Thailand. The financial policies are consistently considered, logical, and prudent, with adequate disclosure of essential information in the financial statements to benefit shareholders and general investors.

The company's board has appointed an audit committee comprising independent non-executive directors, fully compliant with the Securities and Exchange Act and the regulations of the Securities and Exchange Commission. The committee's responsibilities include auditing the financial statements, ensuring compliance with accounting standards, reviewing internal control systems, internal audit systems, and risk management practices for adequacy and effectiveness. The committee's opinions on these matters are documented in the audit committee report, as presented in Form 56-1 One Report.

The company's board acknowledges that the internal control system overall is sufficient and appropriate. Confidence can be placed in the integrity of the consolidated financial statements of Qualitech Solution Energy Company Limited and its subsidiaries for the fiscal year ending December 31, 2023, reflecting the financial position, operating results, and cash flows accurately in accordance with financial reporting standards. The company's auditors have examined and provided their opinions in the auditors' report as presented in Form 56-1 One Report.



( Mr. Kitti Phuathavornskul )

Chairman of the Board of Directors





## 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, 2023, 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, 2023, 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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter**

I draw your attention to notes 9 to financial statements, in the second quarter of 2023 that pertaining to an associate (Property Aim Solutions Company Limited) has ceased its business operation caused by 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, and 2) three members of the Board of directors of associate had resigned from their position due to conflicts in management. Subsequently, on August 8, 2023, the Board of directors' meeting No. 8/2023, passed the resolution to offer all investment in associate for 14,700 shares at totaling price of Baht 1 because the Company was unable to solve any problems in the associates and assigned the Executive Committee as the authority to sell shares investment in the associates. And on October 27, 2023, the Company has sold investment in such associate to the individual in the price of Baht 1 and recognized loss on sale of investment in associate amount of Baht 122.94 million and Baht 126.47 million in the consolidated and separate financial statements, respectively.

**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, 2023, the Group has material amount of unbilled revenues from services of Baht 57.45 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, 2023 the Group has material amount of equipment and tools of Baht 21.32 million (net of accumulated depreciation amount of Baht 181.63 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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 the Code of Ethics for Professional Accountants 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.



(Miss Suphaphorn Mangjit)

C.P.A. (Thailand)

Registration No. 8125

February 16, 2024

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# Section 3 Financial Report







## QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	32,055,031.48	35,252,439.44	19,867,610.81	26,279,941.09
Trade and other current receivables	6	104,382,193.57	98,332,580.35	95,045,871.69	92,754,000.91
Contract assets	7	57,451,478.43	60,177,575.00	57,506,063.48	60,191,788.92
Inventories		8,743,931.00	7,735,226.76	4,887,594.06	4,437,124.64
<b>Total current assets</b>		<b>202,632,634.48</b>	<b>201,497,821.55</b>	<b>177,307,140.04</b>	<b>183,662,855.56</b>
<b>Non-current assets</b>					
Capital lease receivables	8	17,178,250.48	18,158,065.57	0.00	0.00
Investments in associate	9	0.00	122,935,115.86	0.00	126,466,276.77
Investment in subsidiaries	10	0.00	0.00	32,263,430.00	26,663,430.00
Property, plant and equipment	11	130,715,432.06	145,242,935.64	129,880,927.07	144,087,666.32
Right-of-use assets	12	16,375,162.74	14,653,868.09	16,375,162.74	14,653,868.09
Goodwill	13	4,844,339.37	4,844,339.37	0.00	0.00
Other intangible assets other than goodwill	14	3,499,524.18	2,085,292.72	3,499,524.18	2,085,292.72
Deferred tax assets	15	6,328,499.32	3,101,832.46	6,644,632.13	3,404,918.65
Income tax for refund		9,630,574.86	7,475,047.77	9,621,934.33	7,466,491.95
<b>Non-current non-cash financial assets</b>					
pledged as collateral		0.00	3,010,000.00	0.00	3,010,000.00
Others non-current assets	16	511,158.66	811,508.66	511,158.66	811,508.66
<b>Total non-current assets</b>		<b>189,082,941.67</b>	<b>322,318,006.14</b>	<b>198,796,769.11</b>	<b>328,649,453.16</b>
<b>Total assets</b>		<b>391,715,576.15</b>	<b>523,815,827.69</b>	<b>376,103,909.15</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 DECEMBER 31, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
<b>Bank overdrafts and short-term borrowings</b>					
from financial institutions	17	14,377,456.78	7,741,711.57	14,377,456.78	7,741,711.57
Trade and other current payables	18	44,929,882.52	42,906,337.34	44,377,338.81	43,870,602.18
Current portion of lease liabilities	19	3,389,118.07	3,185,562.40	3,389,118.07	3,185,562.40
Corporate income tax payable		449,058.23	354,741.24	0.00	0.00
<b>Total current liabilities</b>		<b>63,145,515.60</b>	<b>54,188,352.55</b>	<b>62,143,913.66</b>	<b>54,797,876.15</b>
<b>Non-current liabilities</b>					
Lease liabilities	19	6,280,241.05	3,444,016.73	6,280,241.05	3,444,016.73
Non-current provisions for employee benefit	20	23,664,943.96	20,009,067.38	23,534,070.61	19,902,113.23
Others non-current liabilities		2,928,289.69	2,995,000.00	0.00	0.00
<b>Total non-current liabilities</b>		<b>32,873,474.70</b>	<b>26,448,084.11</b>	<b>29,814,311.66</b>	<b>23,346,129.96</b>
<b>Total liabilities</b>		<b>96,018,990.30</b>	<b>80,636,436.66</b>	<b>91,958,225.32</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 DECEMBER 31, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
<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	100,909,420.34	242,992,040.47	89,374,618.90	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>295,881,979.22</b>	<b>437,763,105.40</b>	<b>284,145,683.83</b>	<b>434,168,302.61</b>
	Non-controlling interests	(185,393.37)	5,416,285.63	0.00	0.00
	<b>Total shareholders' equity</b>	<b>295,696,585.85</b>	<b>443,179,391.03</b>	<b>284,145,683.83</b>	<b>434,168,302.61</b>
	<b>Total liabilities and shareholders' equity</b>	<b>391,715,576.15</b>	<b>523,815,827.69</b>	<b>376,103,909.15</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 YEAR ENDED DECEMBER 31, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
Sales and services income		427,591,979.87	455,373,732.25	404,996,658.60	420,753,963.62
Cost of sale and services		(316,927,395.07)	(322,348,815.78)	(306,298,734.58)	(296,026,500.79)
Gross profit		110,664,584.80	133,024,916.47	98,697,924.02	124,727,462.83
Other income		3,016,031.63	2,300,191.91	3,439,127.10	3,156,326.98
Distribution costs		(12,373,714.28)	(9,916,737.05)	(9,719,456.82)	(8,457,509.82)
Administrative expenses		(236,588,953.60)	(110,568,782.80)	(236,678,153.29)	(109,066,291.51)
(Expected credit losses) reversed		(7,092,735.10)	9,371,083.36	(7,092,735.10)	9,371,083.36
Profit (loss) from operating activities		(142,374,786.55)	24,210,671.89	(151,353,294.09)	19,731,071.84
Share of loss from investments in associate		0.00	(4,111,261.95)	0.00	0.00
Finance costs		(1,079,320.13)	(728,443.50)	(1,075,849.66)	(726,345.06)
Profit (loss) before income tax expense		(143,454,106.68)	19,370,966.44	(152,429,143.75)	19,004,726.78
Tax (expense) income	23	2,317,800.01	(1,389,424.65)	3,186,139.46	(704,777.81)
Profit (loss) for the year		(141,136,306.67)	17,981,541.79	(149,243,004.29)	18,299,948.97
Other comprehensive income					
Components of other comprehensive income					
that will not be reclassified to profit or loss					
- Gains (loss) on remeasuments of defined benefit plans		(791,793.53)	6,042,996.83	(833,188.51)	6,042,996.83
- Share of other comprehensive income					
of associate		0.00	580,101.04	0.00	0.00
- Income tax of other comprehensive income					
that will not be reclassified to profit or loss		45,295.02	(363,425.83)	53,574.02	(363,425.83)
Total components of other comprehensive income					
that will not be reclassified to profit or loss		(746,498.51)	6,259,672.04	(779,614.49)	5,679,571.00
Other comprehensive income (expense) for the year - net of tax		(746,498.51)	6,259,672.04	(779,614.49)	5,679,571.00
Total comprehensive income (expense) for the year		(141,882,805.18)	24,241,213.83	(150,022,618.78)	23,979,519.97

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, 2023**

	Consolidated financial statements (Baht)		Separate financial statements (Baht)		
	Note	2023	2022	2023	2022
<b>Profit (loss) attributable to :</b>					
Owners of the Company		(141,336,121.62)	17,856,192.25	(149,243,004.29)	18,299,948.97
Non-controlling interests		199,814.95	125,349.54	0.00	0.00
<b>Total</b>		<u>(141,136,306.67)</u>	<u>17,981,541.79</u>	<u>(149,243,004.29)</u>	<u>18,299,948.97</u>
<b>Total comprehensive income (expense) attributable to :</b>					
Owners of the Company		(142,082,620.13)	24,115,864.29	(150,022,618.78)	23,979,519.97
Non-controlling interests		199,814.95	125,349.54	0.00	0.00
<b>Total</b>		<u>(141,882,805.18)</u>	<u>24,241,213.83</u>	<u>(150,022,618.78)</u>	<u>23,979,519.97</u>
<b>Earnings per share</b>					
Basic earnings per share		(1.43)	0.18	(1.51)	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 CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Note	Consolidated financial statements (Baht)										
	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	Non-controlling interests	Total shareholders' equity		
Appropriated				Unappropriated	Different of change in percentage of investment in subsidiary						
	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		
Beginning balance of the year 2022											
Changes in shareholders' equity for the year:											
Purchase of investment in subsidiary	3	0.00	0.00	0.00	0.00	201,493.95	201,493.95	(5,801,493.95)	(5,600,000.00)		
Loss for the year		0.00	0.00	0.00	(141,336,121.62)	0.00	(141,336,121.62)	199,814.95	(141,136,306.67)		
Other comprehensive expense for the year		0.00	0.00	0.00	(746,498.51)	0.00	(746,498.51)	0.00	(746,498.51)		
Ending balance of the year 2023		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	100,909,420.34	201,493.95	295,881,979.22	(185,393.37)	295,696,585.85	
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 year:											
Ordinary shares-additional paid-up	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500,020.00	1,500,020.00	
Dividend paid	22	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 year		0.00	0.00	0.00	17,856,192.25	0.00	17,856,192.25	125,349.54	17,981,541.79		
Other comprehensive income for the year		0.00	0.00	0.00	6,259,672.04	0.00	6,259,672.04	0.00	6,259,672.04		
Ending 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	

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, 2023

Note	Separate financial statements (Baht)						Total shareholders' equity
	Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Retained earnings	Unappropriated	Appropriated	
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 year:							
Loss for the year	0.00	0.00	0.00	0.00	(149,243,004.29)	(149,243,004.29)	
Other comprehensive expense for the year	0.00	0.00	0.00	0.00	(779,614.49)	(779,614.49)	
Ending balance of the year 2023	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	89,374,618.90	284,145,683.83	
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 year:							
Dividend paid	0.00	0.00	0.00	0.00	(19,711,597.00)	(19,711,597.00)	
Profit for the year	0.00	0.00	0.00	0.00	18,299,948.97	18,299,948.97	
Other comprehensive income for the year	0.00	0.00	0.00	0.00	5,679,571.00	5,679,571.00	
Ending balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	239,397,237.68	434,168,302.61	

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, 2023

	Consolidated financial statements (Baht)		Separate financial statements (Baht)		
	Note	2023	2022	2023	2022
<b>Cash flows from operating activities</b>					
Profit (loss) for the year		(141,136,306.67)	17,981,541.79	(149,243,004.29)	18,299,948.97
<b>Adjustments to reconcile profit (loss) to cash received (paid)</b>					
Unrealized (gain) loss on exchange rate		11,158.48	41,188.11	11,158.48	41,188.11
Expected credit losses (reversed)		6,269,299.02	(9,371,083.36)	6,269,299.02	(9,371,083.36)
Loss on devaluation of inventories		(13,051.24)	55,898.81	(13,051.24)	55,898.81
(Increase) decrease in unbilled service income		2,688,100.39	11,495,896.14	2,647,729.26	11,314,154.02
Impairment loss of investment in associate		(500,000.00)	18,583,723.23	(500,000.00)	18,583,723.23
Loss on dissolution of associate		123,169.12	0.00	123,169.12	0.00
Loss on sale of investment in associate		122,935,115.86	0.00	126,466,276.77	0.00
Impairment loss of investment in subsidiaries		0.00	0.00	0.00	1,751,443.20
Share of loss from investments in associate		0.00	4,111,261.95	0.00	0.00
Depreciation		26,056,936.46	22,275,339.24	25,646,322.04	21,853,941.54
Loss on sale of equipment		5,979,593.16	1,003,082.70	6,132,912.59	1,073,302.62
Impairment loss on properties foreclosed (reversed)		(6,728.76)	1,642,191.74	(6,728.76)	1,642,191.74
(Gain)loss on cancel of lease		(14,552.60)	0.00	(14,552.60)	0.00
Amortized other intangible assets other than goodwill		512,968.54	425,016.13	512,968.54	425,016.13
Provisions for employee benefits		2,829,380.87	1,825,669.50	2,767,537.16	1,799,127.25
Interest expenses		1,079,320.13	728,443.50	1,075,849.66	726,345.06
Tax expenses (income)		(2,317,800.01)	1,389,424.65	(3,186,139.46)	704,777.81
		<u>24,496,602.75</u>	<u>72,187,594.13</u>	<u>18,689,746.29</u>	<u>68,899,975.13</u>
<b>(Increase) Decrease in portion of operating assets</b>					
Trade and other current receivables		(11,857,370.57)	(11,919,068.81)	(8,057,900.26)	(8,955,267.76)
Inventories		(995,653.00)	2,746,689.19	(437,418.18)	1,672,300.42
Capital lease receivables		1,021,542.96	(19,003,783.56)	0.00	0.00
Non-current non-cash financial assets pledged as collateral		3,010,000.00	(3,010,000.00)	3,010,000.00	(3,010,000.00)
Other assets		300,355.00	(27,287.84)	300,355.00	(88,427.84)
<b>Increase (Decrease) in portion of operating liabilities</b>					
Trade and other current payables		3,020,062.11	2,915,609.44	1,503,253.56	2,811,608.35
Others non-current liabilities		(66,710.31)	2,995,000.00	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 YEAR ENDED DECEMBER 31, 2023

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2023	2022	2023	2022
Cash generated (paid) from operation		18,928,828.94	46,884,752.55	15,008,036.41	61,330,188.30
Employee benefit paid		(530,133.33)	0.00	(530,133.33)	0.00
Interest paid		(514,484.62)	(208,110.49)	(514,484.62)	(208,110.49)
Income tax paid		(6,044,164.00)	(5,914,680.09)	(5,274,824.45)	(5,387,528.33)
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>14,959,429.06</b>	<b>40,761,961.97</b>	<b>11,807,976.08</b>	<b>55,734,549.48</b>
<b>Cash flows from investing activities</b>					
Proceeds from equity securities of other parties		0.00	130,664,562.16	0.00	130,664,562.16
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 ordinary shares in associate		0.00	(145,050,000.00)	0.00	(145,050,000.00)
Payments for acquire of investment in subsidiaries		0.00	0.00	(5,600,000.00)	(3,499,980.00)
Proceeds from sales of equipment		1,543,801.31	5,652,028.20	1,308,401.31	5,231,130.92
Payments for equipment acquisition		(14,246,969.16)	(12,786,938.99)	(14,075,038.50)	(12,400,667.73)
Payments for right-of-use assets		(472,710.28)	(1,074,750.00)	(472,710.28)	(1,074,750.00)
Payments for other intangible assets acquisition other than goodwill		(1,507,200.00)	(61,950.00)	(1,507,200.00)	(61,950.00)
<b>Net cash provided by (used in) investing activities</b>		<b>(14,683,078.13)</b>	<b>(32,657,048.63)</b>	<b>(20,346,547.47)</b>	<b>(36,191,654.65)</b>
<b>Cash flows from financing activities</b>					
Bank overdrafts and short-term borrowings from financial institutions, increase (decrease)		6,635,745.21	7,741,711.57	6,635,745.21	7,741,711.57
Payments for lease liabilities		(4,509,504.10)	(3,271,391.36)	(4,509,504.10)	(3,271,391.36)
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>(3,473,758.89)</b>	<b>(13,741,256.79)</b>	<b>2,126,241.11</b>	<b>(15,241,276.79)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(3,197,407.96)</b>	<b>(5,636,343.45)</b>	<b>(6,412,330.28)</b>	<b>4,301,618.04</b>
<b>Cash and cash equivalents as at the beginning of the year</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 year</b>	5	<b>32,055,031.48</b>	<b>35,252,439.44</b>	<b>19,867,610.81</b>	<b>26,279,941.09</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, 2023****1. GENERAL INFORMATION**

- 1.1 Qualitech Public Company Limited (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, 1) at 50, Soi Pattanakarn 57, Prawet, Bangkok, and 2) 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 FINANCIAL STATEMENTS BASIS**

- 2.1 These financial statements 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.

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

**2.2 New Financial Reporting Standards****2.2.1 Financial reporting standards that became effective in the current year**

The Federation of Accounting Professions has announced for adoption a number of revised financial reporting standards, which are effective for the financial statements for the 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.

#### 2.2.2 Financial reporting standards that will become effective for the financial statements for fiscal year beginning on or after January 1, 2024

The Federation of Accounting Professions has announced the adoption a number of revised financial reporting standards, which are effective for the financial statements for the fiscal year beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with the most of the changes directed towards clarifying accounting treatment and providing the accounting guidance for users of the standards.

The management of the Group believes that these financial reporting standards does 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, and recognized investments in associate by using equity method as below :

	Registration in	Percentage of investment %		Type of business
		2023	2022	
<b>Subsidiaries</b>				
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
<b>Associates</b>				
Property Aim Solutions Company Limited. (Note 9)	Thailand	0.00	0.00	Providing real estate management services both purchase and sale, rent and related real estate services
NGINDX Co., Ltd. (Note 9)	Thailand	0.00	0.00	Artificial intelligence computer system Improve of information technology Research, development and design

- 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 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 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 will increase from 70% to 99.99% (note 10).

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

- 3.6 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 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.

Revenues from services that have been recognized as income but are not yet due per contracts, have been presented under caption "Contract assts" in the statements of financial position.



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. For sales contracts that are classified as capital leases, which the performance obligation in delivery of assets under the capital lease to customers is satisfied, the Company recognizes revenue from the sale of assets under capital leases in a point of time whenever the control of capital lease assets has been transferred to the customers.

4.1.3 Interest income under capital lease is gradually recognized on over time by using effective interest rate based on an accrual basis and systematically on over the relevant lease.

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

4.1.5 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.

#### 4.4 Other current financial assets

Investment in equity securities is 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 Investment

4.6.1 Investments in subsidiaries and associate in separate financial statement are stated at cost less impairment of investments (if any).

4.6.2 Investments in associate in consolidated financial statements are stated value by using the equity method.

#### 4.7 Property, plant and equipment

- 4.7.1 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.
- 4.7.2 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

Land and works under construction were not depreciated.

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.

#### 4.8 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.

#### 4.9 Goodwill

4.9.1 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.

4.9.2 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.

#### 4.10 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.

	<u>Number of years</u>
Computer software	10
Assets in process were not amortization.	

#### 4.11 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 lass recognized for goodwill is not reversed in a subsequent period.

#### 4.12 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.



#### 4.13 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.

#### 4.14 Related party transactions

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

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

#### 4.15 Employee benefits

##### 4.15.1 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.

##### 4.15.2 Post-employment 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.

#### 4.16 Income tax and deferred tax

4.16.1 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.

- 4.16.2 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.
- 4.16.3 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.
- 4.16.4 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.
- 4.16.5 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.

#### 4.17 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.

#### 4.18 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.

#### 4.19 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.

Amortization of intangible assets other than goodwill

To calculate the amortization of intangible assets, management is required to make an estimate of its useful life. and must be reconsidered If a change occurs.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized.

**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.

**4.20 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		Separate financial statements (Baht)	
	(Baht)			
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash	314,749.34	267,525.99	285,480.26	207,555.58
Cash at bank - current accounts	44,984.73	2,255,746.44	23,000.00	2,234,224.08
Cash at bank - savings deposit	31,695,297.41	32,729,167.01	19,559,130.55	23,838,161.43
<b>Total</b>	<b>32,055,031.48</b>	<b>35,252,439.44</b>	<b>19,867,610.81</b>	<b>26,279,941.09</b>

**5.2 Non-cash transaction**

Non-cash transaction for the year ended December 31, 2023 and 2022 are as follow :

	Consolidated and Separate financial statements (Baht)	
	2023	2022
Transfer equipment to be properties foreclosed	(752.88)	(1,167,191.74)
Transfer equipment to be other intangible assets other than goodwill	0.00	(610,396.43)
Transfer right-of-use assets to be equipment	(3,357,521.58)	(1,760,266.83)
Right-of-use assets under lease liabilities	8,486,178.05	3,224,250.00
Payables from acquire of equipment	996,516.93	935,979.99

**6. TRADE AND OTHER CURRENT RECEIVABLES**

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Trade accounts receivable	96,383,859.08	93,846,227.16	95,275,606.23	91,031,537.63
Other current receivables				
Prepaid expenses	8,546,040.43	4,886,289.66	8,499,427.34	4,815,788.48
Prepayment for purchase of goods	7,311,306.24	0.00	0.00	0.00
Employee welfare receivables	1,978,608.02	2,705,476.65	1,978,608.02	2,705,476.65
Others	3,056,287.35	4,005,136.95	2,186,137.65	1,311,748.22
Total	117,276,101.12	105,443,130.42	107,939,779.24	99,864,550.98
Less Allowance for expected credit losses - trade accounts receivable	(12,517,076.67)	(7,110,550.07)	(12,517,076.67)	(7,110,550.07)
Less Allowance for expected credit losses – other current receivables	(376,830.88)	0.00	(376,830.88)	0.00
Net	104,382,193.57	98,332,580.35	95,045,871.69	92,754,000.91

Billed trade accounts receivable separated on aging are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Undue trade accounts receivable	68,401,776.86	60,063,555.74	67,879,824.51	58,386,340.82
Overdue trade accounts receivable				
- Less than 3 months	13,326,146.72	24,809,194.82	12,888,515.22	24,036,055.21
- Over 3 months to 6 months	3,566,088.21	2,842,822.10	3,426,728.21	2,478,487.10
- Over 6 months to 9 months	904,131.20	139,163.00	894,822.20	139,163.00
- Over 9 months to 12 months	790,862.15	89,924.00	790,862.15	89,924.00
- Over 12 months	9,394,853.94	5,901,567.50	9,394,853.94	5,901,567.50
Total	96,383,859.08	93,846,227.16	95,275,606.23	91,031,537.63

For the year ended December 31, 2023 and 2022, movements of allowance for expected credit losses of trade and other current receivables are as follows:

	<b>Consolidated and Separate financial Statements (Baht)</b>	
	<b>2023</b>	<b>2022</b>
Carrying value as at January 1	7,110,550.07	19,390,765.04
Less Reversal of expected credit losses	0.00	(8,817,753.07)
Less Write-off bad debt	(447,945.36)	(4,129,579.89)
Add Expected credit losses increased	5,854,471.96	667,117.99
Carrying value as at December 31	<u>12,517,076.67</u>	<u>7,110,550.07</u>

## 7. CONTRACT ASSETS

### 7.1 Balance under contracts

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Contract assets	58,069,602.82	63,051,312.45	58,124,187.87	63,065,526.37
Less Allowance for expected credit losses	<u>(3,173,334.59)</u>	<u>(4,529,360.59)</u>	<u>(3,173,334.59)</u>	<u>(4,529,360.59)</u>
Net	<u>54,896,268.23</u>	<u>58,521,951.86</u>	<u>54,950,853.28</u>	<u>58,536,165.78</u>
Retention receivable under contracts	5,033,595.84	4,134,008.78	5,033,595.84	4,134,008.78
Less Allowance for expected credit losses	<u>(2,478,385.64)</u>	<u>(2,478,385.64)</u>	<u>(2,478,385.64)</u>	<u>(2,478,385.64)</u>
Net	<u>2,555,210.20</u>	<u>1,655,623.14</u>	<u>2,555,210.20</u>	<u>1,655,623.14</u>
Total	<u>57,451,478.43</u>	<u>60,177,575.00</u>	<u>57,506,063.48</u>	<u>60,191,788.92</u>

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

As at December 31, 2023 and 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 132.67 million and Baht 130.33 million respectively (Separate : Baht 132.67 million and Baht 130.33 million respectively). The Group expects to satisfy this performance obligation to be completed within 1 year (Separate : 1 year).



**8. CAPITAL LEASE RECEIVABLES**

	<b>Consolidated financial statements (Baht)</b>	
	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Capital lease receivables		
- Due within 1 year	2,386,272.40	2,455,803.84
- Due over 1 year to 5 years	8,974,453.86	8,936,542.30
- Due over 5 years to 15 years	20,151,001.20	22,408,790.19
<b>Total</b>	<b>31,511,727.46</b>	<b>33,801,136.33</b>
Less Deferred interest income	(13,529,486.86)	(14,797,352.77)
Capital lease receivables - net	17,982,240.60	19,003,783.56
Less Current portion due within 1 year	(803,990.12)	(845,717.99)
<b>Net</b>	<b>17,178,250.48</b>	<b>18,158,065.57</b>

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 purchaser agrees to enter into a power purchase contract by paying monthly electricity current purchase fees to the subsidiary at the rate specified in the contract, for a period of 15 years. The generating and sale of electricity current commenced in October 2022. At the termination of the contract, the subsidiary agreed to transfer the ownership of the solar power generation equipment to the buyer in the price of Baht 100.00. 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.

Transactions relating to capital leases for the year ended December 31, 2022 are as follows:

	<b>Consolidated financial statements (Baht)</b>
	<b>2022</b>
Revenues from sale of assets under capital lease	18,900,000.00
Cost of assets sold under capital lease	(17,305,000.00)
Gains on sale of assets	1,595,000.00
Interest income realized for the year	410,283.06

## 9. 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)	
			September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
			Carrying amounts under equity method		Cost method					
Property Aim Solutions Company Limited.	Providing real estate management services	The Company held 49.00% share capital,	3,000,000.00	49.00	0.00	122,935,115.86	144,550,000.00	144,550,000.00	144,550,000.00	
	both purchase and sale, rent and related real estate services	Shareholders and directorship								
NGIDX Co., Ltd.	Artificial intelligence computer system,	The Company held 40.00% share capital,	1,250,000.00	40.00	0.00	0.00	500,000.00	500,000.00	500,000.00	
	Improvement of information technology, research, development, design	Common directors								
	Total		0.00		0.00	122,935,115.86	145,050,000.00	145,050,000.00	145,050,000.00	
	Less Provision for impairment of investment		0.00		0.00	0.00	(145,050,000.00)	(145,050,000.00)	(18,583,723.23)	
	Net		0.00		0.00	122,935,115.86	0.00	0.00	126,466,276.77	

### 9.1 Property Aim Solutions Company Limited.

- According to the minutes of the Board of directors' meeting No. 6/2022 held on August 1, 2022, passed the resolution to approve the Company to acquire ordinary shares from the shareholders of Property Aim Solutions Co., Ltd., for 14,700 shares (at par value of Baht 100 each) equivalent to 49% of total share capital. Total acquisition price of Baht 144.55 million by gradually paid in 3 installments and on September 23, 2022, the Company has already paid for ordinary shares acquisition in full.
- 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 management of the Company deems that these incidents may result to the associate is unable to operate its business as a going concern, then allowance for impairment loss on investment in associate is provided in full.
- Subsequently, on August 8, 2023, the Board of directors' meeting No. 8/2023, passed the resolution to offer investment in all associate for 14,700 shares at totaling price of Baht 1 because the Company was unable to solve any problems in the associates and assigned the Executive Committee as the authority to sell shares investment in the associates.

On October 27, 2023, the Company has sold its investment in associate to the individual in the price of Baht 1 and recognized loss on sale of investment in associate amounting to Baht 122.94 million and Baht 126.47 million in the consolidated and separate financial statements, respectively.

- The financial statements for the year ended December 31, 2022 of above associate have been taken for preparing the consolidated financial statements were audited by the auditor.

<b>Consolidated financial statements</b>		
<b>(Baht)</b>		
	<b>2023</b>	<b>2022</b>
Total assets	0.00	48,452,435.64
Total liabilities	0.00	47,949,621.08
Total revenues for the year	0.00	174,158,051.33
Total comprehensive income (expense)	0.00	(7,983,156.17)

## 9.2 NGINDEX Co., Ltd.

- NGINDEX Co., Ltd. was established on August 4, 2022 with registered share capital of Baht 5 million (divided into 50,000 ordinary shares at a par value of Baht 100 each) by calling and receiving payment for establishment of 25% of the par value of which the Company has acquired 20,000 shares, representing 40% of total number of share capital.
- According to the minutes of the Boards of directors' meeting No.1/2023 held on February 3, 2023, passed the resolution to withdraw shares investment in NGINDEX Co., Ltd. due to the failure of business operation as plan and conflicts with the other shareholders.

On October 5, 2023, NGINDEX Co., Ltd. has registered its dissolution and completely registered the liquidation on December 13, 2023.



## 10. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital	Percentage of shareholding		Separate financial statements (Baht)	
				December 31, 2023	December 31, 2022	December 31, 2023	December 31, 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		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		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		17,849,930.00	12,249,930.00
Total						37,587,030.00	31,987,030.00
Less Provision for impairment of investment in Qualitech Myanmar Company Limited						(5,323,600.00)	(5,323,600.00)
Net						32,263,430.00	26,663,430.00

**10.1 Qualitech Solution Energy Company Limited**

- During the second quarter of 2022, subsidiary called for and received the additional payment for share capital another 10% of the par value, amounting to Baht 5 million, total paid-up share capital amounted to Baht 17.50 million (500,000 ordinary shares of Baht 35 each).
- 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.

**10.2 The financial statements for the year ended December 31, 2023 and 2022 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)								Total	
	Land	Building	Building improvement	Other furniture and fixtures	Tools and technical equipment	Office equipment	Utilities system	Vehicles		Assets under construction
Assets - cost :										
As at January 1, 2022	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
Acquisition	0.00	0.00	0.00	475,831.66	8,845,270.78	3,020,701.06	0.00	56,052.81	1,128,875.00	13,526,731.31
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,411,233.66	0.00	2,411,233.66
Transfer to other intangible assets other than goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(610,396.43)	(610,396.43)
Disposal	0.00	0.00	(333,891.11)	(299,076.78)	(17,990,189.33)	(2,158,678.78)	0.00	(3,913,430.59)	(1,152,828.92)	(25,848,095.51)
Inter-transaction transfer	0.00	0.00	0.00	31,970.00	(50,964.39)	18,994.39	0.00	0.00	0.00	0.00
As at December 31, 2022	47,981,180.48	62,237,904.91	19,940,179.75	11,185,088.50	203,689,117.60	17,118,850.10	2,746,683.78	44,813,936.89	775,992.68	410,488,934.69
Acquisition	0.00	0.00	483,200.00	541,347.39	5,976,267.17	2,185,187.66	88,491.20	60,350.00	3,558,970.71	12,893,814.13
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,888,962.61	0.00	4,888,962.61
Disposal	0.00	0.00	(2,870,635.05)	(244,085.53)	(7,487,862.54)	(1,547,748.99)	0.00	(6,018,804.68)	(264,557.87)	(18,433,694.66)
Inter-transaction transfer	0.00	0.00	3,138,905.05	68,438.86	770,539.91	92,521.70	0.00	0.00	(4,070,405.52)	0.00
As at December 31, 2023	47,981,180.48	62,237,904.91	20,691,649.75	11,550,789.22	202,948,062.14	17,848,810.47	2,835,174.98	43,744,444.82	0.00	409,838,016.77
Accumulated depreciation :										
As at January 1, 2022	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
Depreciation for the year	0.00	2,925,387.83	983,935.18	277,767.85	13,259,229.11	1,799,514.49	136,126.90	904,309.16	0.00	20,286,270.52
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	650,966.83	0.00	650,966.83
Depreciation - write off	0.00	0.00	(333,888.11)	(286,368.76)	(11,319,549.41)	(2,031,123.94)	0.00	(3,502,466.66)	0.00	(17,473,396.88)
Inter-transaction transfer	0.00	0.00	0.00	31,965.00	(50,954.39)	18,989.39	0.00	0.00	0.00	0.00
As at December 31, 2022	0.00	29,211,589.70	8,880,703.87	10,281,841.54	177,065,231.08	13,232,837.91	2,399,343.96	24,174,450.99	0.00	265,245,999.05
Depreciation for the year	0.00	2,925,387.83	1,406,498.13	353,904.50	11,574,841.17	2,157,017.26	118,206.71	4,662,951.08	0.00	23,198,806.68
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,531,441.03	0.00	1,531,441.03
Depreciation - write off	0.00	0.00	(401,183.98)	(240,417.01)	(7,013,488.16)	(1,525,614.26)	0.00	(1,672,958.64)	0.00	(10,853,662.05)
As at December 31, 2023	0.00	32,136,977.53	9,886,018.02	10,395,329.03	181,626,584.09	13,864,240.91	2,517,550.67	28,695,884.46	0.00	279,122,584.71
Net book value										
As at December 31, 2022	47,981,180.48	33,026,315.21	11,059,475.88	903,246.96	26,623,886.52	3,886,012.19	347,339.82	20,639,485.90	775,992.68	145,242,935.64
As at December 31, 2023	47,981,180.48	30,100,927.38	10,805,631.73	1,155,460.19	21,321,478.05	3,984,569.56	317,624.31	15,048,560.36	0.00	130,715,432.06

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

	Separate financial statements (Baht)								Total	
	Land	Building	Building improvement	Other furniture and fixtures	Tools and technical equipment	Office equipment	Utilities system	Vehicles		Assets under construction
Assets - cost :										
As at January 1, 2022	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
Transfer to other intangible assets other than goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(610,396.43)	(610,396.43)
Disposal	0.00	0.00	(49,746.58)	(284,646.98)	(17,602,474.76)	(2,114,457.98)	0.00	(3,913,430.59)	(1,152,828.92)	(25,117,585.81)
Inter-transaction transfer	0.00	0.00	0.00	31,970.00	(50,964.39)	18,994.39	0.00	0.00	0.00	0.00
As at December 31, 2022	47,981,180.48	62,237,904.91	19,940,179.75	11,144,934.28	202,394,171.92	16,905,321.27	2,746,683.78	44,364,104.37	775,992.68	408,490,473.44
Acquisition	0.00	0.00	483,200.00	535,055.39	5,936,569.04	2,059,247.13	88,491.20	60,350.00	3,558,970.71	12,721,883.47
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,888,962.61	0.00	4,888,962.61
Disposal	0.00	0.00	(2,870,635.05)	(244,085.53)	(7,295,062.54)	(1,547,748.99)	0.00	(6,018,804.68)	(264,557.87)	(18,240,894.66)
Inter-transaction transfer	0.00	0.00	3,138,905.05	68,438.86	770,539.91	92,521.70	0.00	0.00	(4,070,405.52)	0.00
As at December 31, 2023	47,981,180.48	62,237,904.91	20,691,649.75	11,504,343.00	201,806,218.33	17,509,341.11	2,835,174.98	43,294,612.30	0.00	407,860,424.86
Accumulated depreciation :										
As at January 1, 2022	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
Depreciation for the year	0.00	2,925,387.83	983,935.18	268,116.03	12,981,070.69	1,755,893.33	136,126.90	814,342.86	0.00	19,864,872.82
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	650,966.83	0.00	650,966.83
Depreciation - write off	0.00	0.00	(49,744.58)	(271,943.96)	(11,279,022.09)	(1,990,387.25)	0.00	(3,502,466.66)	0.00	(17,093,564.54)
Inter-transaction transfer	0.00	0.00	0.00	31,965.00	(50,954.39)	18,989.39	0.00	0.00	0.00	0.00
As at December 31, 2022	0.00	29,211,589.70	8,880,703.87	10,265,772.29	176,528,076.60	13,138,288.31	2,399,343.96	23,979,032.39	0.00	264,402,807.12
Depreciation for the year	0.00	2,925,387.83	1,406,498.13	344,341.14	11,322,430.57	2,095,343.10	118,206.71	4,572,984.78	0.00	22,788,192.26
Transfer from right-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,531,441.03	0.00	1,531,441.03
Depreciation - write off	0.00	0.00	(401,183.98)	(240,417.01)	(6,902,768.73)	(1,525,614.26)	0.00	(1,672,958.64)	0.00	(10,742,942.62)
As at December 31, 2023	0.00	32,136,977.53	9,886,018.02	10,369,696.42	180,950,738.44	13,708,017.15	2,517,550.67	28,410,499.56	0.00	277,979,497.79
Net book value										
As at December 31, 2022	47,981,180.48	33,026,315.21	11,059,475.88	879,161.99	25,866,095.32	3,767,032.96	347,339.82	20,385,071.98	775,992.68	144,087,666.32
As at December 31, 2023	47,981,180.48	30,100,927.38	10,805,631.73	1,134,646.58	20,855,479.89	3,801,323.96	317,624.31	14,884,112.74	0.00	129,880,927.07



As at December 31, 2023 and 2022, assets at cost of Baht 218.65 million and Baht 218.21 million respectively, in the consolidated financial statements, and Baht 218.35 million and Baht 217.93 million respectively, in the separate financial statements which were fully depreciated but are still in operation.

As at December 31, 2023 and 2022, land with its construction at cost of Baht 61.56 million and Baht 36.94 million in the consolidated and separate financial statements are mortgaged as collateral against overdrafts line amount of Baht 30 million, bills credit limit of Baht 60 million and letter of guarantee line amount of Baht 30 million.

## 12. RIGHT-OF-USE ASSETS

	Consolidated and Separate financial statements (Baht)		
	Vehicles	Building space	Total
<b>Assets - cost :</b>			
As at January 1, 2022	16,012,448.63	0.00	16,012,448.63
Acquisition	4,299,000.00	0.00	4,299,000.00
Transfer to property, plant and equipment	(2,411,233.66)	0.00	(2,411,233.66)
As at December 31, 2022	17,900,214.97	0.00	17,900,214.97
Acquisition	7,752,477.75	1,106,809.62	8,859,287.37
Transfer to property, plant and equipment	(4,888,962.61)	0.00	(4,888,962.61)
Disposal	0.00	(1,106,809.62)	(1,106,809.62)
As at December 31, 2023	20,763,730.11	0.00	20,763,730.11
<b>Accumulated depreciation :</b>			
As at January 1, 2022	1,908,244.99	0.00	1,908,244.99
Depreciation for the year	1,989,068.72	0.00	1,989,068.72
Transfer to property, plant and equipment	(650,966.83)	0.00	(650,966.83)
As at December 31, 2022	3,246,346.88	0.00	3,246,346.88
Depreciation for the year	2,673,661.52	184,468.26	2,858,129.78
Transfer to property, plant and equipment	(1,531,441.03)	0.00	(1,531,441.03)
Depreciation - write off	0.00	(184,468.26)	(184,468.26)
As at December 31, 2023	4,388,567.37	0.00	4,388,567.37
<b>Net book value</b>			
As at December 31, 2022	14,653,868.09	0.00	14,653,868.09
As at December 31, 2023	16,375,162.74	0.00	16,375,162.74

As at December 31, 2023 and 2022 vehicles at cost of Baht 20.76 million and Baht 17.90 million in the consolidated and separate financial statements which is still pending the payment under the leases (note 19).

### 13. GOODWILL

Subsidiary considers the recoverable value of cash generating units of assets from value in use of assets by assessing the expected future cash inflows based on financial projections, which have been approved by management.

The significant assumption used in calculating the value in use of assets are summarized as follows:

	(Unit: % per annum)
	<b>2024 - 2027</b>
Growth rate	7.98
Discounted rate before tax	6.73

Management considers the growth rates based on historical performance and market growth forecasts, and discount rates are pre-tax rates that reflect the risks characteristic of the segment. Management believes that goodwill does not incur impairment

## 14. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

	Consolidated and Separate financial statements (Baht)					
	Computer software		Assets in progress		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Intangible assets - cost ::						
Beginning balance	5,218,405.48	4,567,759.05	0.00	0.00	5,218,405.48	4,567,759.05
Increase	107,200.00	672,346.43	1,820,000.00	0.00	1,927,200.00	672,346.43
Disposal	(120,500.00)	(21,700.00)	0.00	0.00	(120,500.00)	(21,700.00)
Ending balance	7,025,105.48	5,218,405.48	1,820,000.00	0.00	7,025,105.48	5,218,405.48
Accumulated amortization :						
Beginning balance	3,133,112.76	2,729,796.63	0.00	0.00	3,133,112.76	2,729,796.63
Amortization for the year	392,468.54	403,316.13	0.00	0.00	392,468.54	403,316.13
Ending balance	3,525,581.30	3,133,112.76	0.00	0.00	3,525,581.30	3,133,112.76
Net intangible assets value						
Beginning balance	2,085,292.72	1,837,962.42	0.00	0.00	2,085,292.72	1,837,962.42
Ending balance	1,679,524.18	2,085,292.72	1,820,000.00	0.00	3,499,524.18	2,085,292.72

## 15. DEFERRED TAX ASSETS

	Consolidated financial statements (Baht)							
	Recognize as (expenses) income in				Recognize as (expenses) income in			
	As at January 1, 2022	Profit or loss (Note 23.2)	Income (Note 23.4)	As at December 31, 2022	Profit or loss (Note 23.2)	Income (Note 23.4)	As at December 31, 2023	Profit or loss (Note 23.2)
			Other comprehensive Income			Other comprehensive Income		
Trade accounts receivable (allowance for expected credit loss)	354,447.77	73,180.71	0.00	427,628.48	377,219.55	0.00	804,848.03	0.00
Contract assets (allowance for expected credit loss)	342,827.04	(70,431.29)	0.00	272,395.75	(68,350.33)	0.00	204,045.42	0.00
Investments in associate (provision for impairment)	0.00	1,117,625.12	0.00	1,117,625.12	(1,117,625.12)	0.00	0.00	0.00
Other non-current assets (provision for impairment)	686.03	69,508.88	0.00	70,194.91	3,880.13	0.00	74,075.04	0.00
Provisions for employee benefit	1,464,516.22	112,897.81	(363,425.83)	1,213,988.20	280,132.19	45,295.02	1,539,415.41	45,295.02
Deficit from operations	1,066,844.82	(1,066,844.82)	0.00	0.00	3,706,115.42	0.00	3,706,115.42	0.00
Total	3,229,321.88	235,936.41	(363,425.83)	3,101,832.46	3,181,371.84	45,295.02	6,328,499.32	45,295.02
			Other comprehensive Income			Other comprehensive Income		
Trade accounts receivable (allowance for expected credit loss)	354,447.77	73,180.71	0.00	427,628.48	377,219.55	0.00	804,848.03	0.00
Contract assets (allowance for expected credit loss)	342,827.04	(70,431.29)	0.00	272,395.75	(68,350.33)	0.00	204,045.42	0.00
Investments in associate (provision for impairment)	0.00	1,117,625.12	0.00	1,117,625.12	(1,117,625.12)	0.00	0.00	0.00
Investments in subsidiaries (provision for impairment)	219,044.65	101,116.65	0.00	320,161.30	22,146.18	0.00	342,307.48	0.00
Other non-current assets (provision for impairment)	686.03	69,508.88	0.00	70,194.91	3,880.13	0.00	74,075.04	0.00
Provisions for employee benefit	1,448,853.53	111,485.39	(363,425.83)	1,196,913.09	262,753.63	53,574.02	1,513,240.74	53,574.02
Deficit from operations	1,066,844.82	(1,066,844.82)	0.00	0.00	3,706,115.42	0.00	3,706,115.42	0.00
Total	3,432,703.84	335,640.64	(363,425.83)	3,404,918.65	3,186,139.46	53,574.02	6,644,632.13	53,574.02



**16. OTHER NON-CURRENT ASSETS**

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	Properties foreclosed	1,152,359.82
Others	511,158.66	811,508.66
<b>Total</b>	<b>1,663,518.48</b>	<b>1,978,700.40</b>
Less Provisions for impairment of assets	(1,152,359.82)	(1,167,191.74)
<b>Net</b>	<b>511,158.66</b>	<b>811,508.66</b>

**17. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS.**

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	Bank overdrafts	14,377,456.78
short-term borrowings	0.00	7,741,711.57
<b>Total</b>	<b>14,377,456.78</b>	<b>7,741,711.57</b>

17.1 As at December 31, 2023, the Group has an overdraft facility with a bank amount of Baht 30 million at the interest rate of MOR-1.75% per annum, guaranteed by mortgaging land with its construction (note 11).

17.2 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 (note 6) and pledging the right to receive the fixed deposit of the said bank.

**18. TRADE AND OTHER CURRENT PAYABLES**

	<b>Consolidated financial statements (Baht)</b>		<b>Separate financial statements (Baht)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Trade accounts payable	24,609,737.45	15,988,907.48	24,977,958.07	17,728,386.97
Other current payables				
Accrued expenses	16,412,182.57	21,886,541.38	15,818,388.60	21,190,566.05
Revenue Department payable	2,648,571.75	3,166,233.02	2,591,206.79	3,110,151.83
Assets payables	634,263.90	1,630,780.83	634,263.90	1,630,780.83
Others	625,126.85	233,874.63	355,521.45	210,716.50
<b>Total</b>	<b>44,929,882.52</b>	<b>42,906,337.34</b>	<b>44,377,338.81</b>	<b>43,870,602.18</b>

**19. LEASE LIABILITIES**

19.1 Lease liabilities excluded future interest expenses as follows :

	<b>Consolidated and Separate financial statements (Baht)</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Hire purchase payable	10,522,223.00	6,820,166.00
Less Future interest expenses of financial lease	(852,863.88)	(190,586.87)
<b>Total</b>	<b>9,669,359.12</b>	<b>6,629,579.13</b>
Less Current portion of long-term liabilities	(3,389,118.07)	(3,185,562.40)
<b>Net</b>	<b>6,280,241.05</b>	<b>3,444,016.73</b>

19.2 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>December 31, 2023</b>	<b>December 31, 2022</b>
Vehicles	20,763,730.11	17,900,214.97

## 20. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

20.1 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.

20.2 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.

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

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Beginning balance	20,009,067.38	23,706,061.70	19,902,113.23	23,627,748.24
<b>Recognized in other comprehensive income</b>				
(Gains) loss on remeasurement of defined benefit plans	791,793.53	(6,042,996.83)	833,188.51	(6,042,996.83)
<b>Recognized in profit or loss</b>				
Current service costs and interest	3,394,216.38	2,346,002.51	3,328,902.20	2,317,361.82
Employee benefits decrease	(530,133.33)	0.00	(530,133.33)	0.00
Ending balance	<u>23,664,943.96</u>	<u>20,009,067.38</u>	<u>23,534,070.61</u>	<u>19,902,113.23</u>

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

	Consolidated financial statements (%)		Separate financial statements (%)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	Discount rate	2.76 – 3.26	2.82 – 3.18	2.76
Salary increase rate	4	4	4	4

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

## 20.6 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, 2023 by the amounts shown below :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1,309,921.89)	1,419,385.11	(1,298,508.57)	1,406,726.25
Salary increase rate (0.5% movement)	1,263,420.49	(1,179,047.01)	1,251,902.07	(1,168,546.02)
Turnover rate (10% movement)	(1,448,139.37)	1,592,700.04	(1,433,515.41)	1,575,987.40

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.

## 21. 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.

## 22. DIVIDEND PAID

According to the annual general shareholders' meeting for the year 2022 held on April 5, 2022, passed the resolution to pay dividend from profit for the year 2021 to the shareholders at Baht 0.20 per share, amount of Baht 19.71 million in which the Company has fully paid such dividend on April 28, 2022.

## 23. INCOME TAX

### 23.1 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 28).



## 23.2 Income tax recognized in profit or loss for the year ended December 31, 2023 and 2022 are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2023	2022	2023	2022
Current income tax				
For the current year	863,571.83	1,625,361.06	0.00	1,040,418.45
Deferred tax				
Changes in temporary differences	(3,181,371.84)	(235,936.41)	(3,186,139.46)	(335,640.64)
Total tax expense (income)	<u>(2,317,800.01)</u>	<u>1,389,424.65</u>	<u>(3,186,139.46)</u>	<u>704,777.81</u>

## 23.3 Reconciliation for effective income tax rate for the year ended December 31, 2023 and 2022 are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2023	2022	2023	2022
Profit (loss) before income tax	(143,454,106.68)	19,370,966.44	(152,429,143.75)	19,004,726.78
Income tax rate (%)	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>
Income tax	(28,690,821.34)	3,874,193.29	(30,485,828.75)	3,800,945.36
Prohibited taxable expenses	29,161,987.74	7,652,013.57	29,836,638.22	3,238,459.84
Additional taxable expenses	(460,897.92)	(407,542.86)	(256,115.54)	(356,778.73)
Exempted income	(334,488.25)	(3,862,056.61)	0.00	0.00
Additional taxable income	545,708.97	91,328.69	0.00	0.00
Accumulated losses from operation	(112,186.57)	(1,247,201.04)	0.00	(1,247,201.04)
Effects from elimination with subsidiaries	8,328.19	19,337.23	0.00	0.00
Promoted profit				
- Tax exemption	(2,435,430.83)	(4,108,835.87)	(2,280,833.39)	(3,830,609.99)
- Tax rate deduction	<u>0.00</u>	<u>(900,037.63)</u>	<u>0.00</u>	<u>(900,037.63)</u>
Total income tax	<u>(2,317,800.01)</u>	<u>1,389,424.65</u>	<u>(3,186,139.46)</u>	<u>704,777.81</u>
Effective income tax rate (%)	2	7	2	4

23.4 Income tax recognized in other comprehensive income for the year ended December 31, 2023 and 2022 are as follow:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2023	2022	2023	2022
Gains (loss) on remeasurement				
of defined benefit plans	791,793.53	6,042,996.83	833,188.51	6,042,996.83
Share of other comprehensive				
income of associate	0.00	580,101.04	0.00	0.00
Tax (income) expenses	(45,295.02)	(363,425.83)	(53,574.02)	(363,425.83)
Net of tax	746,498.51	6,259,672.04	779,614.49	5,679,571.00

## 24. 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 :

### 24.1 General information

Name	Relationship	Description	Pricing policy
<b><u>Subsidiaries</u></b>			
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
		Other service charges	Close to market value
Purchase of fixed assets	At agreed price		

Name	Relationship	Description	Pricing policy
Qualitech Solution Energy Company Limited	The Company held 70% share capital, has common director and management	Income - rental Income - management service fee	At agreed price At agreed price
<u>Other related parties</u>			
Creative Solutions Energy Company Limited	Shareholding and common directors and executives in subsidiary	Contractor wages Management service fee	At agreed price At agreed price

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

	Separate financial statements (Baht)			
	December 31, 2023	December 31, 2022		
<u>Subsidiaries</u>				
Qualitech Myanmar Company Limited				
Trade and other current receivables	0.00	20,634.78		
Duwell Intertrade Company Limited				
Trade and other current receivables	93,522.35	83,910.69		
Contract assets	9,585.05	0.00		
Trade and other current payables	377,932.56	1,781,303.90		
Qualitech Solution Energy Company Limited				
Trade and other current receivables	27,400.00	27,400.00		
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<u>Other related parties</u>				
Creative Solutions Energy Company Limited				
Trade and other current payables	0.00	21,400.00	0.00	0.00

24.3 Revenues and expenses transaction with related persons and parties for the year ended December 31, 2023 and 2022 are as follows :

	<u>Separate financial statements (Baht)</u>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b><u>Subsidiaries</u></b>		
<b>Qualitech Myanmar Company Limited</b>		
Service income - wages	0.00	472,000.00
Other income - management fee	30,757.53	126,515.94
<b>Duwell Intertrade Company Limited</b>		
Service income - wages	0.00	43,000.00
Other income - rental	261,029.01	257,111.92
Other income - management fee	224,299.08	420,560.76
Other income - other service charges	75,501.54	49,064.07
Cost of sales and services - material supply	8,987,243.00	10,602,310.00
Cost of sales and services - contractor wages	161,800.00	94,230.00
Cost of sales and services - other service charges	0.00	9,000.00
Administrative expenses – other service charges	0.00	29,220.00
<b>Qualitech Solution Energy Company Limited</b>		
Other income – rental	36,000.00	36,000.00
Other income - management fee	120,000.00	230,000.00

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b><u>Other related parties</u></b>				
<b>Creative Solutions Energy Company Limited</b>				
Cost of sales and services - contractor wages	0.00	435,000.00	0.00	0.00
Administrative expenses – management fee	60,000.00	200,000.00	0.00	0.00

24.4 Other transaction with related persons and parties for the year ended December 31, 2023 and 2022 are as follows :

	<u>Separate financial statements (Baht)</u>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b><u>Subsidiaries</u></b>		
<b>Duwell Intertrade Company Limited</b>		
Fixed assets - equipment	220,000.00	602,800.00



**25. DIRECTORS' REMUNERATION**

Directors' remuneration represented 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.

**26. 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.

**27. EXPENSES ANALYZED BY NATURE**

Expenses analyzed by nature for the year ended December 31, 2023 and 2022 are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Changes in inventories	(558,230.66)	945,210.94	0.00	0.00
Employee benefit expenses	233,294,848.60	222,113,924.46	229,035,859.02	218,244,334.76
Depreciation	26,056,936.46	22,275,339.24	25,646,322.04	21,853,941.54
Supplies used	22,516,991.69	21,564,496.82	31,501,956.17	31,980,680.21
Contractor wage	47,441,758.26	35,604,751.60	47,483,519.08	35,619,523.32
Travelling and accommodation expenses	8,621,702.63	8,893,407.10	8,456,827.26	8,527,264.98
Office expenses	12,108,124.78	11,851,512.26	11,726,326.39	11,300,082.37
Fee and consulting fee	15,262,230.09	17,179,113.71	14,806,537.07	16,865,868.65
Repairs and maintenance expenses	3,379,773.69	4,044,971.28	3,372,716.77	4,018,335.55
Directors' remuneration	2,342,600.00	1,494,400.00	2,342,600.00	1,494,400.00
Management benefit expenses	29,201,949.00	24,708,116.44	28,841,949.00	24,258,116.44
Expected credit losses (reversed)	7,092,735.10	(9,371,083.36)	7,092,735.10	(9,371,083.36)
Impairment loss of investment in associate and subsidiaries	(500,000.00)	18,583,723.23	(500,000.00)	20,335,166.43
Loss on sale of investment in associate	122,935,115.86	0.00	126,466,276.77	0.00

## 28. PROMOTIONAL PRIVILEGES

28.1 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, and generating and distributing electricity current from solar energy, the certificate No. 4 dated March 4, 2013(income tax deductible), No. 5 dated March 21, 2016, No. 6 dated March 27, 2017 and No. 1 dated June 8, 2022 (subsidiary). The significant privileges are as follows:

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

28.1.2 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.

28.1.3 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.

28.2 The results of operation of the Group for the year ended December 31, 2023 and 2022 separated into promoted business and non-promoted business as follows:

	Consolidated financial statements (Million Baht)					
	Promoted business		Non-promoted business		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Sales	0.00	18.90	19.72	13.78	19.72	32.68
Services income	204.21	195.82	203.66	226.87	407.87	422.69
Other income	0.33	0.26	2.68	2.04	3.01	2.30
<b>Total</b>	<b>204.54</b>	<b>214.98</b>	<b>226.06</b>	<b>242.69</b>	<b>430.60</b>	<b>457.67</b>

## 29. OPERATING SEGMENTS

29.1 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.

29.2 The Group' operations involve virtually in the core services providing: 1) for nondestructive testing and inspect, testing and certification of welding work, metal work and equipment, 2) sale of material and equipment used in inspection engineering services, and 3) generate and distribute of electricity current from solar or alternative energy.

29.3 The Group' operations 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.

29.4 Revenues separated by nature of services for the year ended December 31, 2023 and 2022 are as follows :

	<b>Consolidated financial statements</b>	
	<b>(Million Baht)</b>	
	<b>2023</b>	<b>2022</b>
Sales	19.72	32.68
Services income		
Non-Destructive Testing	185.66	206.40
Inspection and certificate	174.09	189.34
Others	48.12	26.95
Total	407.87	422.69
Total	427.59	455.37

29.5 For the year ended December 31, 2023 and 2022, the Group has revenues from five major customers in the amount of Baht 146.83 million and Baht 156.79 million respectively.

## 30. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

### 30.1 Accounting policy

The significant accounting policies and method adopted including the basis of recognition and measurement relating to each class of assets and liabilities have been disclosed in note 4.13.

### 30.2 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.

### 30.3 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 does not use derivative financial instruments to hedge such risk.

As at December 31, 2023 and 2022, the significant financial assets and liabilities can be classified by interest rate as follows :

Unit : Million Baht

		Consolidated financial statements										
		Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate		
Note		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
<b>Financial assets</b>												
	Cash and cash equivalents	5	31.70	32.73	0.00	0.00	0.36	2.52	32.06	35.25	0.15% - 0.55%	0.08% - 0.35%
	Trade and other current receivables	6	0.00	0.00	0.00	0.00	104.38	99.14	104.38	99.14	-	-
	Capital lease receivables	8	0.00	0.00	17.98	19.00	0.00	0.00	17.98	19.00	8.38% - 8.71%	8.38%
	Other non-current financial assets	-	0.00	0.00	0.00	3.01	0.00	0.00	0.00	3.01	-	0.70%
<b>Financial liabilities</b>												
<b>Bank overdrafts and short-term</b>												
	borrowings from financial institutions	17	0.00	0.00	14.38	7.74	0.00	0.00	14.38	7.74	6.10%	3.9875%
	Trade and other current payables	18	0.00	0.00	0.00	0.00	44.93	42.91	44.93	42.91	-	-
	Lease liabilities	19	0.00	0.00	9.67	6.63	0.00	0.00	9.67	6.63	0.00% - 6.47%	0.00% - 5.40%



Unit : Million Baht

		Separate financial statements									
		Floating interest rate		Fixed interest rate		Non-interest rate		Total		Interest rate	
Note		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Financial assets</b>											
Cash and cash equivalents	5	19.56	23.84	0.00	0.00	0.31	2.44	19.87	26.28	0.15% - 0.55%	0.15% - 0.35%
Trade and other current receivables	6	0.00	0.00	0.00	0.00	95.05	94.41	95.05	94.41	-	-
Other non-current financial assets	-	0.00	0.00	0.00	3.01	0.00	0.00	0.00	3.01	-	0.70%
<b>Financial liabilities</b>											
<b>Bank overdrafts and short-term borrowings</b>											
from financial institutions	17	0.00	0.00	14.38	7.74	0.00	0.00	14.38	7.74	6.10%	3.9875%
Trade and other current payables	18	0.00	0.00	0.00	0.00	44.38	43.87	44.38	43.87	-	-
Lease liabilities	19	0.00	0.00	9.67	6.63	0.00	0.00	9.67	6.63	0.00% - 6.47%	0.00%-5.40%

### 30.4 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, 2023 and 2022, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

		Consolidated financial statements (Baht)			
Note		Less than 1 year	1 - 3 years	3 - 5 years	Total
<b>As at December 31, 2023</b>					
<b>Bank overdrafts and short-term borrowings from financial institutions</b>					
	17	14,377,456.78	0.00	0.00	14,377,456.78
Trade and other current payables	18	44,929,882.52	0.00	0.00	44,929,882.52
Lease liabilities	19	3,453,040.80	4,502,280.90	1,714,037.42	9,669,359.12
<b>Total</b>		<b>62,760,380.10</b>	<b>4,502,280.90</b>	<b>1,714,037.42</b>	<b>68,976,698.42</b>
<b>As at December 31, 2022</b>					
<b>Bank overdrafts and short-term borrowings from financial institutions</b>					
	17	7,741,711.57	0.00	0.00	7,741,711.57
Trade and other current payables	18	42,906,337.34	0.00	0.00	42,906,337.34
Lease liabilities	19	3,264,771.28	2,792,186.64	572,621.21	6,629,579.13
<b>Total</b>		<b>53,912,820.19</b>	<b>2,792,186.64</b>	<b>572,621.21</b>	<b>57,277,628.04</b>

<b>Separate financial statements (Baht)</b>				
Note	<u>Less than 1 year</u>	<u>1 - 3 years</u>	<u>3 – 5 years</u>	<u>Total</u>
<b>As at December 31, 2023</b>				
	Bank overdrafts and short-term borrowings from financial institutions			
17	14,377,456.78	0.00	0.00	14,377,456.78
18	44,377,338.81	0.00	0.00	44,377,338.81
19	3,453,040.80	4,502,280.90	1,714,037.42	9,669,359.12
<b>Total</b>	<b>62,207,836.39</b>	<b>4,502,280.90</b>	<b>1,714,037.42</b>	<b>68,424,154.71</b>
<b>As at December 31, 2022</b>				
	Bank overdrafts and short-term borrowings from financial institutions			
17	7,741,711.57	0.00	0.00	7,741,711.57
18	43,870,602.18	0.00	0.00	43,870,602.18
19	3,264,771.28	2,792,186.64	572,621.21	6,629,579.13
<b>Total</b>	<b>54,877,085.03</b>	<b>2,792,186.64</b>	<b>572,621.21</b>	<b>58,241,892.88</b>

### 30.5 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.

## 31. COMMITMENT AND CONTINGENT LIABILITIES

31.1 As at December 31, 2023 and 2022, the Group has commitment under purchase and hire of work agreements with several seller in the amount of Baht 38.70 million and Baht 44.14 million respectively in the consolidated financial statements and in the amount of Baht 33.75 million and Baht 45.08 million in the separate financial statements respectively.

31.2 The Company has contingent liabilities from a local bank's issuance of letter of guarantee for the results of performance to customers of the Company and guarantee the electricity usage to government agency, as at and December 31, 2023 and 2022 total amount of Baht 10.99 million and Baht 8.30 million respectively. Contingent liabilities are guaranteed by mortgaging land with its construction (note 11).

31.3 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.

31.4 The Company has a litigation arising from the employment of workers as at December 31, 2023 and 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.

## **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 2023 and 2022, the Group has contribution expenses in the amount of Baht 3.48 million and Baht 2.59 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, 2023 and 2022, the Group has debt-to-equity ratios at 0.55 : 1 and 0.46 : 1 in the consolidated financial statements and debt-to-equity ratios at 0.53 : 1 and 0.45 : 1 in the separate financial statements, respectively.

### 34. 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

### 35. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Board of directors of the Company on February 16, 2024.



# Attachment 1

**Information of the Board of Directors, Executives, and Key Controllers of the Company, individuals entrusted with the highest responsibility in the accounting and finance functions, directly responsible for overseeing accounting activities**





## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>1. Mr. Kitti Phuathavorskul</b> President / Chairman of the Board of Directors	57	3,888,000	3.94%	-
Ms. Pinruck Prasitsirikul (spouse)		1,648,200	1.67%	

**Appointment Date** 01/10/2022

**The number of years in the position** 1 year 3 Months

## Education / Training Background

### Education

- Bachelor of Administration, Assumption University

### Training Background

- Training of Director Accreditation Program (DAP) Batch 103 from Thai Institute of Directors (IOD)
- Training of Director Certification Program (DCP) Batch 197 from Thai Institute of Directors (IOD)
- Certificate of Executive Program (CMA) Batch 22 from Capital Market Academy
- Training of Associate Justice Course Batch 12 from The International Intellectual Property and International Trade Court
- Training of Good Governance for Medical Executive Curriculum Batch 6 from The King Prajadhipok's Institute
- The Thai National Defense of The Kingdom of Thailand Batch 63 year 2020 – 2021, The National Defense College

## Working Experiences

### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2021 To Present	Director / Executive Director	CMO Public Company Limited
2013 To 2023	Director / Executive Director	NCL International Logistics Public Company Limited

### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2023 To Present	Director	Cheese Digital Network Co., Ltd.
2017 To Present	Director	LNG Food Product Company Limited
2018 To 2023	Director / Executive Director	LG Container Line Pte. Ltd.
2018 To 2023	Director / Executive Director	NCL International Logistics USA Inc.
2017 To 2023	Director	Zim (Thailand) Company Limited
2016 To 2023	Director	Grace Water Med Company Limited



## Working Experiences

### Holding positions in other businesses (non-registered companies)

Length of Employment	Length of Employment	Length of Employment
2014 To 2023	Director	NCL Inter Logistics (S) Pte. Ltd.
2016 To 2019	Director	LG Container Line Pte. Ltd.
2016 To 2019	Director	SSk Inter Logistics Company Limited

**Hold a position in a company that may cause a conflict of interest** - None -

### Director's meeting Attendance in 2023

- The Board of Directors Meeting 11/11 times
- The Executive Committee Meeting 9/9 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently



## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>2. Mr.Tatchaphong Thamputthipong</b> Director / Independent Director / Vice Chairman of the Board of Directors / Chairman of Audit Committee / Chairman of Risk Management Committee / Nomination and Remuneration Committee	60	-	-	-

**Appointment Date** 14/05/2022

**The number of years in the position** 1 year 8 Months

### Education / Training Background

#### Education

- Bachelor of Business Administration in Banking and Finance, Chulalongkorn University
- Master of Business Administration, Thammasat University

#### Training Background

- Training of Director Certification Program (DCP) from Thai Institute of Directors (IOD) 2010
- Training of Advanced Certificate Course in Public Economics Management for Executives Batch 9 The King Prajadhipok's Institute 2010
- Training of Good Governance for Medical Executive Curriculum Training Course Batch 1 The King Prajadhipok's Institute 2012
- Advance Certificate Course in Public Economics Management for Executives from Capital Market Academy 2022
- Training of Risk Management Program for Corporate Leaders (RCL) from Thai Institute of Directors (IOD) 2023

### Working Experiences

#### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2020 To 2022	General Manager and Head of Corporate Banking	Bank of China (Thai) Public Company Limited
2015 To 2020	Senior Director	The Siam Commercial Bank Public Company Limited
2014 To 2020	Independent Director / Audit Committee	WIJK Public Company Limited
2018	Executive Director	Nation Multimedia Group Public Company Limited

**Holding positions in other businesses (non-registered companies)** -None-

**Hold a position in a company that may cause a conflict of interest** -None-

#### Director's meeting Attendance in 2023

- The Board of Directors Meeting 11/11 times
- The Audit Committee Meeting 5/5 times
- Risk Management Committee Meeting 3/3 times
- The Nomination and Remuneration Committee Meeting 2/2 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently



## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
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<b>3. Col. Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul</b> Director / Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee	43	-	-	-
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**Appointment Date** 10/07/2023

**The number of years in the position** 6 Months

### Education / Training Background

#### Education

- Bachelor of Biomedical Sciences, Mahidol University International College – MUIC
- Master of Management, University of Surrey, England
- International PhD. Ecoomics Major Finance and Econometrics, Chiang Mai University

#### Training Background

- Training of Director Certification Program (DCP) Batch 278/2019 from Thai Institute of Directors (IOD)
- The Advanced Integrated Medical Management (AIMM) Program, Chulabhorn International College of Medicine, Batch 2, Thammasat University

### Working Experiences

#### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2019 To 2023	Independent Director / Audit Committee / Chairman of Director Corporate Governance Committee / Risk Management Committee / Nomination and Remuneration Committee	NCL International Logistics Public Company Limited

#### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2019 To Present	Assistant Professor	Chulachomklao Royal Military Academy
2018 To Present	Deputy Director of Executive Integrated Medical Management Program	Thammasat University
2016 To Present	Director	The Boss Care Center Company Limited
2016 To Present	Co-Advisor	Chulalongkorn University
2013 To Present	Teacher in Basic Economics Instructor, English Program	Armed Forces Academies Preparatory School

**Working Experiences****Holding positions in other businesses (non-registered companies)**

<b>Length of Employment</b>	<b>Length of Employment</b>	<b>Length of Employment</b>
2017 To 2019	Secretary	Assumption Convent Alumni Association
2015 To 2017	Specialist to General Porpol Maneerin	National Reform Steering Assembly
2014 To 2015	Specialist to General Porpol Maneerin	Member of the National Reform Council
2012 To 2014	Sub-Committee on Relations with Neighboring Countries : Case Study of CLMV Countries(Kingdom of Cambodia, Lao People's Democratic Republic, Republic of the Union of Myanmar, and Socialist of Republic of Vietnam)	The Senate of Thailand
2011 To 2012	Advisor to ASEAN Economic Community Sub-committee	The Senate of Thailand
2011 To 2012	Special Committee for Studying and Following Up on Solving Integrated Problems in the Northeast Region	The Senate of Thailand
2009 To 2010	Specialist to The Committee on Monetary Affairs, Finance, Financial Institutions, and Financial Market	The Senate of Thailand
2009 To 2010	Advisor attached to The Committee on Monetary Affairs, Finance, Financial Institutions, and Financial Market	The Senate of Thailand
2009 To 2010	Sub-Committee on Monetary Affairs, Finance, Financial Institutions, and Financial Market	The Senate of Thailand

**Hold a position in a company that may cause a conflict of interest** -None-

**Director's meeting Attendance in 2023**

- The Board of Directors Meeting 4/11 times
- The Audit Committee Meeting 2/5 times
- The Nomination and Remuneration Committee Meeting 1/2 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
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**4. Mr. Lersak Kancvalskul**

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Director / Independent  
Director / Audit Committee

**Appointment Date** 03/11/2023

**The number of years in the position** 2 Months

### Education / Training Background

#### Education

- LL.B. with Honors, Thammasat University
- Master of Law, New York University, New York, USA

#### Training Background

- Training of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)
- Thai Barrister at Institute of Legal Education of the Thai Bar, Thai Bar Association

### Working Experiences

**Holding positions in other registered companies** -None-

#### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2009 To Present	Partnership lawyers	LS Horizon Limited
1999 To 2009	Partnership lawyers	Clifford Chance (Thailand) Company Limited
1998 To 1999	Attorneys	Wirot International Law Offices Limited
1994 To 1998	Attorneys	Baker & Mckenzie Company Limited
1989 To 1992	Managing Attorneys	P And P Law And Business Company Limited
1987 To 1989	Head of Legal Department	Technographics Company Limited
1985 To 1987	Attorneys	Suppachai Suppabundit Law Firm
1982 To 1984	Practising Lawyer	Wichian panyangam Law Firm

**Hold a position in a company that may cause a conflict of interest** -None-

#### Director's meeting Attendance in 2023

- The Board of Directors Meeting 2/11 times
- The Audit Committee Meeting 1/5 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of the board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
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<b>5. Mr. Somkiat Aramruangkul</b> Director / Risk Management Committee	57	-	-	-
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**Appointment Date** 01/10/2022

**The number of years in the position** 1 year 3 Months

### Education / Training Background

#### Education

- Bachelor of Engineering (Mechanical Engineering) Chulalongkorn University
- Master of Engineering (Industrial Systems Engineering) Asian Institute of Technology (AIT)
- Master of Business Administration, Thammasat University

#### Training Background

- Training of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)
- Training of Director Certification Program (DCP) from Thai Institute of Directors (IOD) 2023

### Working Experiences

#### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2022 To 2023	Executive Director / CEO	Qualitech Public Company Limited
2012 To 2020	CEO / The Secretary of the Risk Management Committee	National Power Supply PLC.

#### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2011 To 2022	Executive Director	Absolute Energy Tech Co., Ltd.
2007 To 2012	Maintenance / Turnaround Manager	HMC Polymers (Thailand) Co., Ltd.

**Hold a position in a company that may cause a conflict of interest** -None-

#### Director's meeting Attendance in 2023

- |                                     |             |
|-------------------------------------|-------------|
| - The Board of Directors Meeting    | 11/11 times |
| - Risk Management Committee Meeting | 3/3 times   |

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently



## Information of the board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>6. Mr. Sannpat Rattakham</b> Director	67	3,244,500	3.29%	-
<b>Appointment Date</b> 28/12/2023				
<b>The number of years in the position</b> -				
Education / Training Background				
<b>Education</b>				
<ul style="list-style-type: none"> <li>- Bachelor of Engineering, Chulalongkorn University</li> <li>- Master of Business Administration, Thammasat University</li> </ul>				
<b>Training Background</b>				
<ul style="list-style-type: none"> <li>- Training of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)</li> <li>- Training of Role of the Chairman Program (RCP) from Institute of Directors (IOD)</li> <li>- Certificate of Executive Program (CMA) Batch 16 from Capital Market Academy</li> </ul>				
Working Experiences				
Holding positions in other registered companies				
Length of Employment	Position	Organization / Company / Type of Business		
2022 To Present	Advisor to Executive Director	Qualitech Public Company Limited		
2021 To 2022	Chairman of The Board of Directors / Chairman of Executive Director / Acting Managing Director	Qualitech Public Company Limited		
2019 To 2021	Chairman of The Board of Directors / Chairman of Executive Director	Qualitech Public Company Limited		
2018 To 2019	Chairman of The Board of Directors / CEO	Qualitech Public Company Limited		
1991 To 2017	Director / Managing Director	Qualitech Public Company Limited		
Holding positions in other businesses (non-registered companies)				
Length of Employment	Position	Organization / Company / Type of Business		
2017 To Present	Director	Qualitech Myanmar Company Limited		
2021 To 2022	Director	Qualitech Solution Energy Company Limited		
2020 To 2022	Director	Duwell Intertrade Company Limited		
2011 To 2020	Director	QLT International Company Limited		
2011 To 2016	Director	Qualitech Myanmar Company Limited		
<b>Hold a position in a company that may cause a conflict of interest</b> -None-				
<b>Director's meeting Attendance in 2023</b> -None-				
<b>The criteria and procedures for recruitment</b> Approved through consideration by the Nomination and Remuneration Committee				
<b>Legal disputes</b> This committee member has not been involved in any legal cases over the past 5 years				
<b>Prohibited Qualifications</b> No criminal record of property offences committed fraudulently				

## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
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<b>7. Mr. Sumet Techachainiran</b> Director / Executive Director / Advisor to Chief Executive Officer	64	72,900	0.07%	-
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**Appointment Date** 28/12/2023

**The number of years in the position** -

### Education / Training Background

#### Education

- Bachelor of Engineering (Mechanical Engineering) Chiang Mai University
- Master of Business Administration Chulalongkorn University

#### Training Background

- Training of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

### Working Experiences

#### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2021 To 2022		Qualitech Public Company Limited
2017 To 2021		Qualitech Public Company Limited
2007 To 2016		Qualitech Public Company Limited

#### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2016 To 2019	Director / Managing Director	QLT International Company Limited
2011 To 2016	Director	QLT International Company Limited
2011 To 2016	Director	Qualitech Myanmar Company Limited

**Hold a position in a company that may cause a conflict of interest** -None-

**Director's meeting Attendance in 2023** -None-

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of The Chief Financial Officer

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>8. Ms. Kunlanit Sarapab</b> Director / Executive Director / Nomination and Remuneration Committee / Risk Management Committee / CFO / Company Secretary	47	2,075	0.00%	-

**Appointment Date** 01/10/2022

**The number of years in the position** 1 year 3 months

### Education / Training Background

#### Education

- Bachelor of Business Administration (Accounting), Huachiew Chalermprakiet University
- Bachelor of Laws Sukhothai Thammathirat Open University
- Master of Business Administration, Burapha University

#### Training Background

- Fundamental Practice for Corporate Secretary (FPCS 21) From Thai Listed Companies Association
- Training of Anti-Corruption : The Practical Guide (ACPG 34/2016) From Thai Institute of Directors (IOD)
- Training of The ESG Performance : Strategic Management and Disclosure of ESG Information for The Companies Listed on The Stock Exchange of Thailand, SET
- Training of Course "Driving Business Growth through Mergers & Acquisition : CFO you can do"
- Training of Funding Capital for Enhancing Enterprise Value by Using Funding instruments traded in The Capital Markets
- Training of Director Accreditation Program ( DAP ) Batch 200/2023 from Thai Institute of Directors (IOD)
- E-learning CFO' Refresher from The Stock Exchange of Thailand
- Training of Risk Management Program for Corporate (RCL) Batch 33/2023 from Thai Institute of Directors (IOD)
- Training of The Art of CFO Leadership 2023 From the Association of Companies Listed on MAI

### Working Experiences

**Holding positions in other registered companies** -None-

#### Holding positions in other businesses (non-registered companies)

Length of Employment	Position	Organization / Company / Type of Business
2023 To Present	Director	Qualitech Solution Energy Company Limited
2023 To Present	Director	Duwell Intertrade Company Limited

**Hold a position in a company that may cause a conflict of interest** -None-

#### Director's meeting Attendance in 2023

- The Board of Directors Meeting 11/11 times
- The Executive Committee Meeting 9/9 times
- Risk Management Committee Meeting 3/3 times
- The Nomination and Remuneration Committee Meeting 2/2 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>9. Mr. Supoj Kaewmanee</b> Director	63	100	0.00%	-

**Appointment Date** 28/12/2023

**The number of years in the position** -

### Education / Training Background

#### Education

- Bachelor of Laws, Thammasat University
- Master of Laws, Ramkhamhaeng University

#### Training Background

- Training of tax law conducted by Institute of Legal Education of the Thai Bar
- Training of tax law for the public sector conducted by Judicial Training Institute, Office of Judicial Affairs
- Director Accreditation Program (DAP) Batch 107/2014 from Thai Institute of Directors (IOD)

### Working Experiences

- Managing Director of The Training Office of Lawyers Council of Thailand Under the Royal Patronage 1999 - 2004
- Accountant for Mobil Oil Thailand Company Limited
- Licensed attorney with license number 15998/2529, practicing law and legal consultancy for over 30 years
- Director at The Royal Ceramic Industry Public Company Limited
- Auditor for Comanche International Public Company Limited

### Holding positions in other registered companies

Length of Employment	Position	Organization / Company / Type of Business
2019 To Present	Independent Director / Audit Committee	The Union Mosaic Industry Public Company Limited
2019 To Present	Director	Thai Investors Association
2018 To Present	Independent Director / Audit Committee Risk Management Committee / Nomination and Remuneration Committee	M.C.S Steel Public Company Limited
2014 To Present	Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee	Salee Printing Public Company Limited
2013 To Present	Independent Director / Chairman of Audit Committee / Chairman of The Nomination and Remuneration Committee	LDC Dental Company Limited

**Holding positions in other businesses (non-registered companies)** -None-

**Hold a position in a company that may cause a conflict of interest** -None-

**Director's meeting Attendance in 2023** -None-

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of The Board of Directors and Executives

<b>Name Surname</b> Position / Field of Work <b>(Appointment Date)</b>	<b>Age (Years old)</b>	<b>The number of shares held (by oneself / spouse / underage children)</b>	<b>Proportion of Shareholding (%)</b>	<b>The family relationship among the board of directors</b>
<b>10. Mr. Wallop Luangseenak</b> Executive Director / Chief Executive Officer	57	-	-	-
<b>Appointment Date</b> 01/01/2024				
<b>The number of years in the position</b> -				
<b>Education / Training Background</b>				
<b>Education</b>				
- Bachelor of Engineering (Electrical engineering) Mahanakorn University of Technology				
<b>Training Background</b>				
- Training of Class of The Public Transport Program Batch 3 from The King Prajadhipok's Institute				
- AOT Training Course on Work Skill Development in Japan				
- Training and Internship on Power Generation and Maintenance Systems in Japan				
- MLD and SLT Training Course on Senior Management by Mercer				
- Auditor Training for ISO 9001, 14001, OHSAS 45001				
- Training of Course for those responsible for General enery in factories				
<b>Working Experiences</b>				
<b>Holding positions in other registered companies</b> -None-				
<b>Holding positions in other businesses (non-registered companies)</b> -None-				
<b>Hold a position in a company that may cause a conflict of interest</b> -None-				
<b>Director's meeting Attendance in 2023</b> -None-				
<b>The criteria and procedures for recruitment</b> Approved through consideration by the Nomination and Remuneration Committee				
<b>Legal disputes</b> This committee member has not been involved in any legal cases over the past 5 years				
<b>Prohibited Qualifications</b> No criminal record of property offences committed fraudulently				



## Information of The Board of Directors and Executives

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
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<b>11. Mrs. Pattawan Chaipim</b> Executive Director / Administration Department Manager	41	225	0.00%	-
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**Appointment Date** 01/01/2024

**The number of years in the position** -

### Education / Training Background

#### Education

- Bachelor of Business Administration (Management) Kasetsart University

#### Training Background

- Training of Succession Planning Systems Management
- Training of Anti-Corruption : The Practical Guide (ACPG)
- Training of Corporate Sustainability Strategy
- Training of Professional Development of Company Secretaries
- Training of Labor Law
- Training of Strategic Business Plan
- Training of Objectives and Key Results (OKRs)

### Working Experiences

**Holding positions in other registered companies** -None-

**Holding positions in other businesses (non-registered companies)**

Length of Employment	Position	Organization / Company / Type of Business
2023 To Present	Director	Qualitech Solution Energy Company Limited
2023 To Present	Director	Duwell Intertrade Company Limited

**Hold a position in a company that may cause a conflict of interest** -None-

**Director's meeting Attendance in 2023** -None-

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

## Information of an Executive

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>Mr. Purin Kaewklom</b> Assistance to Chief Executive Officer	41	-	-	-

**Appointment Date** 01/01/2024

**The number of years in the position** -

## Education / Training Background

### Education

- Bachelor of Engineering (Electronic Engineering), Ubon ratchathani University
- Master of Business Administration (MBA) Phranakhon Si Ayutthaya Rajabhat University

## Working Experiences

Length of Employment	Position	Organization / Company / Type of Business
2024 To Present	Assistance to Chief Executive Officer	Qualitech Public Company Limited
2021	General Affair Department Manager	Honda automobile Thailand
2019 - 2021	Facility Department Manager	Honda automobile Thailand
2018 - 2019	Infrastructure Section Manager	Honda automobile Thailand
2012 - 2017	Engineering Section Manager	Honda automobile Thailand
2007 - 2012	Engineering Group Manager	Honda automobile Thailand

## Information of The Chief Financial Officer

Name Surname Position / Field of Work (Appointment Date)	Age (Years old)	The number of shares held (by oneself / spouse / underage children)	Proportion of Shareholding (%)	The family relationship among the board of directors
<b>Ms. Kunlanit Sarapab</b> Director / Executive Director / Nomination and Remuneration Committee / Risk Management Committee / Chief financial Officer / Company Secretary	47	2,075	0.00%	-

**Appointment Date** 01/10/2022

**The number of years in the position** 1 year 3 months

### Education / Training Background

#### Education

- Bachelor of Business Administration (Accounting), Huachiew Chalermprakiet University
- Bachelor of Laws Sukhothai Thammathirat Open University
- Master of Business Administration, Burapha University

#### Training Background

- Fundamental Practice for Corporate Secretary (FPCS 21) From Thai Listed Companies Association
- Training of Anti-Corruption : The Practical Guide (ACPG 34/2016) From Thai Institute of Directors (IOD)
- Training of The ESG Performance : Strategic Management and Disclosure of ESG Information for The Companies Listed on The Stock Exchange of Thailand, SET
- Training of Course "Driving Business Growth through Mergers & Acquisition : CFO you can do"
- Training of Funding Capital for Enhancing Enterprise Value by Using Funding instruments traded in The Capital Markets
- Training of Director Accreditation Program ( DAP ) Batch 200/2023 from Thai Institute of Directors (IOD)
- E-learning CFO' Refresher from The Stock Exchange of Thailand
- Training of Risk Management Program for Corporate (RCL) Batch 33/2023 Thai Institute of Directors (IOD)
- Training of The Art of CFO Leadership 2023 From the Association of Companies Listed on MAI

### Working Experiences

**Holding positions in other registered companies** -None-

**Holding positions in other businesses (non-registered companies)**

Length of Employment	Position	Organization / Company / Type of Business
2023 To Present	Director	Qualitech Solution Energy Company Limited
2023 To Present	Director	Duwell Intertrade Company Limited

**Hold a position in a company that may cause a conflict of interest** -None-

#### Director's meeting Attendance in 2023

- The Board of Directors Meeting 11/11 times
- The Executive Committee Meeting 9/9 times
- Risk Management Committee Meeting 3/3 times
- The Nomination and Remuneration Committee Meeting 2/2 times

**The criteria and procedures for recruitment** Approved through consideration by the Nomination and Remuneration Committee

**Legal disputes** This committee member has not been involved in any legal cases over the past 5 years

**Prohibited Qualifications** No criminal record of property offences committed fraudulently

The background features a stylized globe with a network overlay, set against a background of glowing lines and a red vertical bar. The globe is composed of a network of white dots connected by thin lines, with a bright light source behind it. The background is a light blue gradient with glowing white and blue lines and dots, suggesting a global network or data flow. A solid red vertical bar is positioned on the left side of the page.

# Attachment 2 Details of Subsidiaries

## Details of Subsidiaries

### Qualitech Myanmar Company Limited

Name	Position
Mr. Sannpat Rattakham	Director
Mr. Hlaing Thurein Minn	Director

### Duwell Intertrade Company Limited

Name	Position
Ms. Kunlanit Sarapab	Director
Mrs. Pattawan Chaipim	Director
Ms. Patcharin Yusuksamran	Director

### Qualitech Solution Energy Company Limited

Name	Position
Ms. Kunlanit Sarapab	Director
Mrs. Pattawan Chaipim	Director



# Attachment 3

## Details of Head of Internal Audit



# Details of Head of Internal Audit

## Responsibilities

The Head of Internal Audit, reporting to the Audit Committee, is responsible for ensuring the effectiveness of internal audit management in accordance with the internal audit charter and definition, as per ethical principles and international professional standards of internal auditing. The Audit Committee provides approval for the appointment of the Head of Internal Audit and the Secretary of the Audit Committee to assist in facilitating the committee's operations, including scheduling meetings, preparing meeting agendas, distributing meeting materials, recording meeting minutes, and other related tasks

## Profile of the person holding the position of Internal Audit Department Manager and Secretary of The Audit Committee

Ms. Wimol Saephung (1 January 2009 To Present)

## Education

- Bachelor of Business Administration (Marketing), Ramkhamhaeng University
- Master of Business Administration Program in Managerial Accounting, Burapha University

## Working experiences

- Internal Audit Department Manager, Qualitech Public Company Limited.

# Attachment 4

# Corporate Governance

# Policy





**นโยบายการกำกับดูแลกิจการที่ดี**  
**Corporate Governance Policy**

**บริษัท ควอลิเทค จำกัด (มหาชน)**  
**Qualitech Public Company Limited**

(Update 2024)

The company has reviewed the corporate governance policy to be consistent and in line with the good corporate governance principles. For CG Code 2017 listed companies, the Board of Directors of Qualitech Public Company Limited was approved by the board meeting No. 1/2024 on February 2, 2024.

## Overview of Corporate Governance Policies and Practices

The company is committed to effective management principles with established systems and processes for corporate governance as a critical factor. It has formulated policies for good corporate governance in accordance with the principles set forth by the Thai Listed Company Corporate Governance 2017 (CG Code), along with its own code of business ethics, to guide the Board of Directors, executives, employees, and subsidiaries in their practices. The company continually reviews its corporate governance policies and codes of conduct to ensure their relevance to the evolving business environment and global standards. Additionally, it enhances measures for reporting misconduct, fraud, non-compliance, and unethical behavior, ensuring transparency, accountability, and fairness to whistleblowers, reporters, complainants, or collaborators. These policies are reviewed at least annually during board meetings to assess compliance with the company's governance guidelines, including the five categories:

1. Shareholders' Rights
2. Equal Treatment of Shareholders
3. Consideration of Stakeholders' Interests
4. Disclosure and Transparency
5. Board Responsibilities

The Board of Directors has established corporate governance policies to guide the company's directors, executives, and employees in their duties as follows:

1. The Board of Directors, executives, and all employees shall perform their duties diligently, responsibly, and with full accountability for the benefit of the company. They shall adhere to the principles of good corporate governance and the company's code of ethics as guidelines for their work.

2. The Board of Directors plays a crucial role alongside management in setting the company's vision, strategy, policies, and business objectives, including appropriate management and operational guidelines.





3. The Board of Directors, executives, and employees must fulfill their responsibilities with responsibility, vigilance, compliance with company regulations, and related announcements.

4. The Board of Directors, executives, and employees must uphold fairness by treating all stakeholders equally and preventing any decisions or actions that may conflict with their interests.

5. The Board of Directors, executives, and employees must adhere to honesty, integrity, and transparency in their duties.

6. Implementing appropriate internal control and risk management systems to ensure the accuracy and reliability of financial accounting and reporting.

7. Treat employees fairly, promote and instill ethical and moral values, alongside continuous personnel development.

8. Provide adequate, accurate, reliable, and timely disclosure of both financial and non-financial information to shareholders, investors, and stakeholders.

9. Implement policies to combat corruption and continuous monitoring and control.

10. Conduct business with responsibility towards society, communities, and the environment, including all stakeholders, leading to sustainable development.

The Board of Directors is aware of the importance of promoting the duties and responsibilities of directors, executives, and employees in accordance with the principles of good corporate governance as established by the Board.

Accordingly, the Board has ensured that there is regular communication of the company's good corporate governance policies and code of ethics to directors, executives, and employees at all levels through various channels, including:

- Employee Handbook
- Good Corporate Governance Policy Manual
- Code of Business Ethics Manual
- Company Website
- Company Email Communications
- Company's Intranet System



## Board Policy and Practices:

The company's Board of Directors comprises qualified individuals with expertise and experience from various professions, including engineering, management, and other relevant fields beneficial to the company's operations. They exercise independent judgment for the maximum benefit of the company and its shareholders. The Board actively participates in setting the company's vision, mission, values, goals, policies, long-term business strategies, and annual budgets. While the management team leads the presentations, the Board provides feedback and engages in discussions with management to ensure mutual consensus. Moreover, the Board oversees the efficient execution of the business plan and budget, as well as the adequacy of internal control processes, financial reporting, and regular performance tracking.

In the first meeting of the Board for the fiscal year 2023, held on February 3, 2023, the Board reviewed the company's vision, mission, strategy, objectives, and business direction, along with the significant policies to ensure alignment with good corporate governance practices and suitability for current business operations.

## Board Structure

The company has established that the composition of the Board of Directors must include independent directors, constituting at least one-third of the total number of directors but not fewer than three individuals. These directors serve as representatives of minority shareholders and are responsible for overseeing and balancing the management of various aspects of the company's operations to ensure accuracy, fairness, and maximum benefit for shareholders.

The Board of Directors promotes diversity in its structure, ensuring that it comprises qualified individuals with diverse knowledge, experience, expertise, and skills beneficial to the company's operations. The Board upholds integrity and honesty without limitation based on gender, race, religion, age, professional qualifications, or any other specific attributes.



Currently, the Board of Directors comprises 9 qualified individuals, which is deemed appropriate and effective for the company's operations. It consists of 3 executive directors, 3 non-executive directors who are not independent, and 3 non-executive directors who possess the qualifications of independence, exceeding one-third of the total number of board members.

- Audit Committee: The company has an Audit Committee composed of 3 independent directors who perform specific tasks and make recommendations to the Board of Directors for consideration and acknowledgment. The Audit Committee has rights and duties as defined within its scope, authority, and responsibilities. At least 1 member of the Audit Committee must have sufficient knowledge and experience in accounting to effectively scrutinize the company's financial statements. The Audit Committee members include.

Mr. Tatchapong Thamputipong, who possesses knowledge and experience in the company's business operations.

Additionally, the company has appointed a Corporate Secretary to fulfill duties and responsibilities as mandated by the Securities and Exchange Act. In the future, the company may appoint other committees to lighten the management workload of the Board of Directors.

### **Diversity Policy of the Board of Directors**

The Board of Directors recognizes the benefits of board diversity and considers it a crucial factor in enhancing decision-making efficiency and board performance.

Diversity, in this context, extends beyond gender and encompasses factors such as age, educational background, professional experience, skills, and knowledge. Therefore, the selection and appointment of board members are based on their qualifications and adhere to criteria that consider the benefits of diversity.

The company is committed to promoting diversity within the board of directors, acknowledging its importance in fostering a dynamic and inclusive decision-making environment.





## Board Tenure Policy

During each annual ordinary shareholders' meeting, the Company requires one-third of the directors to retire, or the nearest number to one-third of the total number of directors at that time, with the retiring directors eligible for re-election at the shareholders' meeting.

For the audit committee, each member serves a term of three years. However, a retiring audit committee member may be reappointed in cases where the position becomes vacant for reasons other than term expiration. Additionally, to ensure the audit committee has the requisite number of members, a replacement audit committee member may serve only for the remaining term of the member being replaced.

The Company has defined the qualifications for individuals to serve as independent directors, tailored to the specific characteristics of the Company. Independence must conform to criteria set forth by The Securities and Exchange Commission, Thailand. The Company stipulates that independent directors may serve continuously for up to nine years from their initial appointment as independent directors. To clarify roles and responsibilities and prevent undue concentration of power, the Company distinguishes between the Chairman of the Board and the CEO, designating an independent director as Chairman of the Board. In the fiscal year 2023, no independent director served beyond nine years.

## Chairman of the Board of directors Roles and Responsibilities

The Chairman of the Board of Directors serves as the leader of the board and is responsible for presiding over board meetings and shareholder meetings. Additionally, the Chairman of the Board is accountable to the board for ensuring that company management operates in accordance with the guidelines and policies established by the board. The board specifies that the Chairman of the Board should be a separate individual from the CEO and the President to foster a balance between management and oversight functions that promotes effective governance.

## Roles, Duties, and Responsibilities of the Board of Directors

The Company stipulates that the Board of Directors shall adhere to the Code of Best Practices for Registered Company Directors as per the guidelines of the Stock Exchange of Thailand. The board members must understand and be aware of their roles, duties, and responsibilities, and they must act in accordance with the laws, objectives, and regulations of the Company.

Decisions made during board meetings should be honest, transparent, and considerate of the Company's and shareholders' interests. The Board of Directors is responsible for setting policies, business strategies, business plans, and budgets for the Company, and they oversee the management to ensure efficient and effective implementation of policies, objectives, plans, and budgets for the maximum benefit of the Company and shareholders as a whole.

In the fiscal year 2023, the Board of Directors acted in accordance with the Code of Best Practices for Registered Company Directors, following the guidelines of the Stock Exchange of Thailand, with integrity, caution, and vigilance for the utmost benefit of the Company and shareholders as a whole. The summary of their performance is as follows:

1. There were no instances of comparison, penalties, or legal actions taken by regulatory bodies such as the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), or the Anti-Corruption Commission (NACC) regarding misconduct in corporate governance.
2. There were no non-executive directors who resigned due to issues related to corporate governance oversight.
3. There were no instances of misconduct by directors or executives of the Company related to ethics.

## Board Meetings

Board meetings are conducted in accordance with the Company's regulations, relevant laws governing public companies, and the regulations of the Stock Exchange. Special meetings are convened as necessary, with at least six board meetings scheduled annually to effectively monitor the Company's operations. The Audit Committee holds a minimum of four meetings per year.





The Company Secretary prepares an annual meeting calendar, distributed to the Board of Directors in November of each year, allowing sufficient time for preparation. Meeting notices, agendas, and meeting documents are provided to the Board of Directors at least seven days in advance, except in urgent cases to safeguard the Company's interests, where alternative notification methods may be used, and meetings may be scheduled sooner. In addition, if two or more directors request it, they may petition the Chairman of the Board to convene a board meeting. Should two or more directors make such a request, the Chairman of the Board must schedule the meeting within 14 days from the date of the request.

A minimum of two-thirds of the total number of directors must be present to constitute a quorum for board meetings. All directors must have a participation rate of at least 75% of the total annual meetings and an aggregate attendance rate of no less than 80% of the total board meetings held during the year. The Company maintains written records of meetings and stores certified meeting reports, which are available for review by the Board of Directors and relevant parties.

The Board has established a policy allowing non-executive directors the opportunity to meet independently at least once a year without executive or management participation to discuss various business issues, such as management strategies, sustainable growth initiatives, and other matters of interest. Meeting outcomes are communicated to the executive management for acknowledgment. In the year 2023, one such meeting was held on November 10, 2023.

## Remuneration of Directors and Executives

The Company establishes remuneration for directors and executives at a level deemed appropriate and sufficient to retain quality board members and executives without overpayment. Factors considered include experience, duties and responsibilities, and the scope of roles. Payment of director remuneration must be approved by the Company's shareholder meeting. Executive remuneration aligns with principles and policies set by the Board, considering duties, responsibilities, performance, and company operation.

## Committee Reports

The Board is responsible for managing the preparation of financial reports, including the financial statements of the Company, consolidated financial statements, and subsidiary companies, as well as financial information appearing in Form 56-1 One Report. These financial reports are prepared in accordance with generally accepted accounting standards in Thailand, using appropriate and consistently applied accounting policies. Prudent judgment is exercised in preparing and disclosing sufficient key information in the footnotes accompanying the financial statements.

## Self-Assessment of Board Performance

The Board has established a regular self-assessment of its own performance annually. This assessment comprises three formats: 1) the entire board, 2) individual members, and 3) subcommittees within the board. It allows the Board to review achievements, identify issues, and address challenges encountered during the preceding year, enabling improvements and enhancing efficiency in operations.

The evaluation of the Board's performance follows guidelines recommended by the Stock Exchange of Thailand and is tailored to suit the Company's business operations.

### **1. The evaluation of the Board's performance encompasses six main evaluation criteria:**

- 1) board structure and qualifications
- 2) roles, responsibilities, and duties of the board
- 3) board meeting conduct
- 4) board functions
- 5) relationships with management
- 6) self-development of board members and management enhancement.

### The evaluation process entails.

1) Conducting performance evaluations of the Board of Directors as a whole at least once annually.

2) The Company Secretary summarizes and presents the results of the Board of Directors' performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies for enhancing operational efficiency.

### 2. The evaluation of individual Board members' performance (self-assessment) is structured into three main categories

- 1) Board structure and qualifications.
- 2) Board meetings.
- 3) Roles, responsibilities, and duties of the Board.

### The evaluation process entails.

1) Individual Board members conducting self-assessments at least once annually.

2) The Company Secretary summarizes and presents the results of individual Board members' performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies for enhancing operational efficiency.

### 3. Evaluation of the Sub-Committee's Performance as a Whole The evaluation of the Sub-Committee's performance is categorized into three main areas

- 1) Structure and qualifications of the Sub-Committee.
- 2) Sub-Committee meetings.
- 3) Roles, responsibilities, and duties of the Sub-Committee.

### The evaluation process involves.

1) Conducting performance assessments of the Sub-Committee's performance as a whole at least once annually.



2.) The Company Secretary summarizes and presents the results of the Sub-Committee's performance evaluations to the Board of Directors' meetings for consideration of the evaluation outcomes and development strategies to enhance operational efficiency.

In the year 2023, there was an assessment of the Sub-Committee's performance, including evaluations conducted for the Board of Directors as a whole, individual Board members' self-assessments, and evaluations of the Sub-Committee as a whole. The overall evaluation results were highly satisfactory.

### Development of Directors and Management

The Company supports the participation of Board members and executives in seminars and courses beneficial to their duties. Board members are encouraged to attend courses offered by the Institute of Directors (IOD), such as the Directors Certification Program (DCP), Directors Accreditation Program (DAP), or Audit Committee Program (ACP), or courses provided by relevant regulatory authorities on a regular basis. The Company Secretary is tasked with coordinating with the Board to communicate training programs aimed at enhancing the Company's knowledge and experience continually.

Currently, nine Board members have undergone training in courses related to their roles and responsibilities, such as the Director Certification Program (DCP) or Director Accreditation Program (DAP), organized by the Institute of Directors (IOD).



## Qualitech Public Company Limited

In the fiscal year 2023, directors participated in training sessions aimed at enhancing their knowledge and understanding of their roles and responsibilities in effective corporate governance.

Directors	Position	Education	Training history related to roles, responsibilities and skills of committee member
1. Mr. Tatchapong Thamputthipong	Independent Director / The Nomination and Remuneration Committee / Chairman of the Risk Management Committee / Chairman of The Audit Committee / Vice Chairman of the Board of Directors	Master's degree of Business Administration	- Risk Management Program for Corporate Leaders (RCL) 33 / 2023
2. Mr. Somkiat Aramruangkul	Director	Master's degree of Administration	- Director Certification Program (DCP) 336 / 2023
3. Ms. Kunlanit Sarapab	Director / Executive Director / The Nomination and Remuneration Committee / The Risk Management Committee / Chief Financial Officer / Company Secretary	Master's degree of Accounting	- Director Accreditation Program (DAP 200 / 2023) - Risk Management Program for Corporate Leaders (RCL) 33 / 2023 - CFO' Refresher - The Art of CFO Leadership 2023

The company ensures that each year, at least one director attends training to enhance and broaden their knowledge, understanding, and role as a director.





## New Director Orientation

The Board of Directors mandates a comprehensive orientation program for newly appointed directors. The Company Secretary is tasked with organizing the preparation of company information, business overview, shareholding structure, organizational structure, board manuals, and meeting schedules. This orientation aims to acquaint new directors with their roles, responsibilities, corporate governance policies, practices, and business operations. It also facilitates understanding of risk management and addresses inquiries. Additionally, visits to various operational units of the Company are arranged to prepare directors for their duties effectively.

## Policy on Holding Positions in Other Companies

To align with sound corporate governance principles and recommendations from the Securities and Exchange Commission, the Board has established a policy limiting the number of directorships in other companies listed on the Stock Exchange of Thailand to a maximum of five for each director. Currently, all nine Board members hold directorships in other companies, not exceeding five registrations each.

Furthermore, the Chairman, CEO, and senior executives are permitted to hold directorships in other companies as necessary, provided that such appointments do not conflict with the duties and responsibilities of the Company and are approved by the Board of Directors or authorized personnel beforehand.

## Succession Planning

To ensure continuity in management and acknowledge the importance of succession planning for senior executives, the Board of Directors recognizes the necessity of identifying critical positions and potential vacancies due to nearing retirement age (60 years), the complexity of finding replacements in the labor market, or market trends. Therefore, the Company has established a succession planning process for key positions such as the CEO, COO, and Deputy CEO. This plan aims to identify suitable



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candidates based on knowledge, skills, experience, vision, leadership qualities, integrity, and job-specific attributes, including regular reviews to align with current circumstances.

For senior executive positions, the Company has developed a succession plan covering management position from department managers upwards. Individuals have been identified to assume responsibilities in case of immediate vacancies.

In cases where immediate replacements are unavailable, a talent development system has been implemented to ensure readiness. External recruitment is also considered to maintain confidence among investors, stakeholders, and employees that the Company's operations will continue seamlessly.

### Disclosure of Interests Reporting

The Board of Directors has established guidelines for the disclosure of interests by directors and executives of the Company to ensure transparency and prevent potential conflicts of interest. The guidelines include the following provisions:

- Directors or executives, including individuals in related families or shareholders of the Company, must prepare and submit disclosure of interests reports to the Company. Each director and executive are required to prepare such reports from the date of assuming their position.

- The Board mandates regular review of the disclosed interests reports, scheduled annually in August.

- Directors or executives are responsible for preparing and reporting the Company's securities holdings when changes occur to the Securities and Exchange Commission (SEC) within 3 days of the change.

- The Board delegates the Company Secretary as the custodian of the disclosure of interests reports.

In the fiscal year 2023, no violations of the conflict-of-interest policy were identified.



## Appointment and Selection of Directors, and Top Executives

### Appointment of Independent Directors

The Company has defined the term “independent director” in line with the minimum requirements set forth by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as per the SEC Announcement (พ.ร.บ.4/2552) dated February 20, 2009, regarding the qualifications of independent directors.

An independent director is defined as an external director who possesses independence in expressing opinions, safeguards the interests of all shareholders equally, and helps prevent conflicts of interest between the Company and related parties. The qualifications for holding the position include :

1. Holding shares not exceeding 1% of the total voting shares of the Company, its subsidiaries, major shareholders, or controlling persons, including shares held by related parties of the independent director.
2. Not being, or having been, involved in the management of the Company, subsidiaries, major shareholders, or controlling persons as an employee, consultant receiving regular salary, or controlling person, unless exempted for a period of not less than 2 years.
3. Not being a blood relative or spouse, parent, sibling, child, or spouse of a child of another director, executive, major shareholder, controlling person, or individual proposed to be a director, executive, or controlling person of the Company or its subsidiaries.
4. Having no current or previous business relationships with the Company, its subsidiaries, major shareholders, or controlling persons that may obstruct independent judgment, unless exempted for a minimum of 2 years.
5. Not being, or having been, an auditor of the Company, its subsidiaries, major shareholders, or controlling persons, and not holding shares that are significant to or controlled by the auditing firm of the Company, its subsidiaries, major shareholders, or controlling persons, unless exempted for a minimum of 2 years.





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6. Not providing any professional services, including legal or financial consulting services, that generate fees exceeding 2 million baht per year from the Company, its subsidiaries, major shareholders, or controlling persons, and not holding shares significant to or controlled by such professional service providers, unless exempted for a minimum of 2 years.

7. Not being appointed as a director to represent the interests of another director of the Company, major shareholders, or shareholders related to major shareholders.

8. Not engaging in businesses that are similar in nature and compete directly with the Company's operations, subsidiaries, or being a significant shareholder in partnerships or joint ventures that engage in similar business activities that compete directly with the Company or its subsidiaries. Additionally, not serving as a director involved in managing employees, consultants receiving regular salaries, or holding shares exceeding 1% of the total voting shares of other companies that engage in similar competitive business operations.

9. Having no other characteristics that would compromise the ability to provide independent opinions regarding the Company's operations.

Upon being appointed as independent directors and meeting the criteria outlined in points 1 through 9, they may be delegated by the Board to make decisions regarding the Company, its subsidiaries, affiliates, joint ventures, co-owned companies, major shareholders, or controlling persons, using a collective decision-making process.

The Board of Directors comprises three independent members who possess expertise and genuine independence in fulfilling their duties. They have no business relationships with the Company and no other affiliations that could compromise their ability to exercise independent judgment and perform their duties impartially.

### Term of Office for Independent Directors

The Board has established a term of office for independent directors, each serving a term of 3 years, rotating one-third of the total number of directors at each annual general meeting. Upon completion



of their term, independent directors may be re-nominated for consecutive appointment at the ordinary shareholders' meeting for consideration and election as company directors. They are eligible to return to office for up to 3 terms or 9 years from the date of their initial appointment and the company's registration on the stock exchange. When considering reappointment of independent directors, the Board should duly assess the necessity for such continuation. Notably, in the year 2023, no independent directors of the Company served in excess of 9 years.

### Recruitment and Appointment of Directors and Senior Management

The selection of qualified individuals for directorship positions, whether to fulfill term limits or in other circumstances, is proposed to the Board for consideration of nomination and election, and subsequently presented to shareholders for approval. The Company employs a rigorous selection process to identify qualified candidates based on expertise, vision, leadership qualities, integrity, transparent work history, and the ability to express independent opinions.

The selection of individuals for directorship positions aligns with the Company's business strategies. To facilitate the selection process, the Company has developed a Board Skill Matrix, which serves as a reference for identifying necessary knowledge and expertise that may be lacking in the Board. The Board evaluates qualified individuals for directorship positions based on nominations received from shareholders, recommendations from external professional search firms, recruitment from director databases, or other suitable processes as deemed appropriate by the Board.

In the selection and appointment of the company's directors, the Board sets forth a diverse composition of directors with varied qualifications, skills, experiences, expertise beneficial to the company, gender, and at least one director who is not an executive director and has experience in the industry or main business conducted by the company. The components and procedures for selection, appointment, resignation, or removal of directors are stipulated in the company's regulations. The key points are summarized as follows:





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1. The Board of Directors comprises a minimum of 5 and a maximum of 15 directors, elected at the shareholders' meeting, with no fewer than 3 audit committee members. Additionally, at least half of the total number of directors must have a residence in Thailand.
2. Shareholders' meeting elects directors based on the following criteria and procedures:
  1. Each shareholder is entitled to one vote per share.
  2. Each shareholder may cast all of their votes according to (1) to elect one or multiple individuals as directors. In the case of electing multiple individuals as directors, the votes are distributed among the candidates.
  3. The individuals with the highest number of votes, in descending order, become the elected directors up to the number of directors required or to be elected at that meeting. In the event of a tie in the number of votes received by individuals, exceeding the required or to be elected directors, the chairman of the meeting shall cast the deciding vote.
3. At each ordinary shareholders' meeting, one-third (1/3) of the directors then in office must retire from office. If the number of directors cannot be divided into three equal parts, the closest number to one-third shall retire. Directors to retire in the first and second year after the registration of the company shall be determined by drawing lots. For subsequent years, the director who has served the longest tenure shall retire. A retiring director may be re-elected to the position.
4. Any director wishing to resign from office must submit a resignation letter to the company, and the resignation shall take effect from the date the resignation letter is received by the company.
5. To pass a resolution for the removal of any director before the expiration of their term, a vote of not less than three-fourths of the shareholders present and entitled to vote, representing at least one-half of the total voting rights of the shareholders present and entitled to vote, must be obtained.

The company provides shareholders with the opportunity to nominate suitable candidates for directorship. In the year 2023, no shareholder proposed any director candidate for consideration.



### **Appointment of Audit Committee**

The company's Audit Committee must consist of directors appointed by the Board of Directors, who possess qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand. The committee shall comprise not less than three members. At least one member of the Audit Committee must have expertise in accounting and finance.

### **Appointment of Risk Management Committee**

The Risk Management Committee is appointed by the Board of Directors to determine and formulate overall risk management strategies. Additionally, the committee is tasked with developing and reviewing risk management systems to ensure alignment with established policies on a regular basis. The Board of Directors appoints one member of the Risk Management Committee as the committee's chairman, who possesses qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand.

### **Appointment of Nomination and Remuneration Committee**

The Board of Directors is responsible for proposing the appointment of the Nomination and Remuneration Committee, selecting members from independent directors and executives, as deemed appropriate, to ensure independence in the selection of committee members and determination of appropriate remuneration for the company. The Board of Directors appoints one member of the Nomination and Remuneration Committee as the chairman, who possesses qualifications as stipulated by the Securities and Exchange Commission of Thailand, including announcements, regulations, and/or rules of the Stock Exchange of Thailand.



## Appointment of Management Committee

The Board of Directors proposes the appointment of the Management Committee, selecting members from the Board of Directors and/or executives as deemed appropriate. The Board of Directors appoints one member of the Management Committee as the chairman.

## Supervision of Subsidiaries and Joint Ventures

The Company prioritizes a robust corporate governance policy aligned with business operations throughout. Policies on corporate governance and business ethics have been developed as guiding principles. The objective is to govern the operations of both the Company and its subsidiaries. The Board of Directors has disseminated policies on good corporate governance and business ethics to ensure adherence by directors, executives, and employees at all levels. The Company believes that effective corporate governance will enable it to achieve its corporate mission. The guiding principle of the Company's corporate governance is to control and oversee organizational operations responsibly and transparently, fostering competitiveness ethically. Additionally, adherence to good governance principles mitigates risks and enhances the long-term competitiveness of the organization, with a focus on maximizing shareholder value.

Furthermore, in proposing and exercising voting rights to appoint individuals as directors of subsidiaries, operations are conducted by the Company's management. Procedures for proposing nominations and exercising such voting rights must receive approval from the Board of Directors. Individuals appointed as directors of subsidiaries are tasked with acting in the best interests of both the subsidiary and the Company. The Company stipulates that appointed individuals must receive approval from the Board of Directors before making decisions or exercising voting rights on significant matters at the same level as required by the Board of Directors. If actions are taken by the Company itself, the proportion of directors sent as representatives to such subsidiaries corresponds to the Company's shareholding.





Moreover, for subsidiaries, the Company establishes regulations mandating that appointed individuals ensure compliance with transactional regulations, asset acquisitions or disposals, and other significant transactions of the Company. Compliance must adhere to the same disclosure and reporting criteria as those of the Company. Furthermore, overseeing data storage and accounting records of subsidiaries is crucial to enable the Company to audit and consolidate financial statements in a timely manner as required.

## Policy and Practices Regarding Shareholders and Stakeholders

### Shareholder Rights

The Company is mindful of and places importance on the rights of shareholders, respecting their ownership rights without engaging in any actions that would infringe upon or undermine these rights. It fulfills its duty to safeguard shareholders' interests fairly, including promoting the exercise of their rights. Fundamental shareholder rights, regardless of whether they are domestic or foreign shareholders, major or minority shareholders, or institutional shareholders, encompass activities such as trading or transferring shares and participating in profit sharing of the Company.

Shareholders receive sufficient information from the Company, including the opportunity to attend meetings to exercise their voting rights, such as shareholder meetings for the appointment, removal of directors, appointment of auditors, and matters significantly impacting the Company, such as profit allocation, amendments to regulations and bylaws, capital reduction or increase, and approval of special transactions.

Beyond the aforementioned fundamental rights, the Company also engages in initiatives to promote and facilitate shareholder rights. It convenes annual ordinary shareholder meetings within four months from the end of the Company's fiscal year. In urgent situations requiring consideration of special agenda items that may affect shareholders' interests, which necessitate approval from shareholders, the Board of Directors may call extraordinary shareholder meetings as needed.

1. **Facilitating Shareholder Participation:** The Company provides opportunities for shareholders to propose meeting agendas and nominate individuals for consideration as directors in advance.





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The Company ensures a minimum of 30 days for shareholders to consider and submit proposals. Criteria for shareholders to propose agenda items for meetings and/or nominate individuals for consideration as directors at the annual ordinary shareholder meetings for the year 2023 have been established. These criteria and submission procedures have been publicly disclosed through the Stock Exchange of Thailand's website ([www.set.or.th](http://www.set.or.th)) and the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) from October 1, 2021, to December 31, 2021. Upon the closure of the submission period, if no proposals are received from shareholders, the Company will proceed accordingly.

2. Issuance of Meeting Invitations: The Company prepares and distributes annual ordinary shareholder meeting invitations to all shareholders, including institutional shareholders. These invitations include details of the meeting agenda, important and necessary information for shareholders' consideration, committee opinions, reports from previous meetings, Form 56-1 (One Report), proxy forms according to the Ministry of Commerce's regulations, and clear instructions for proxy appointments, along with the date, time, venue, and map showing the meeting location. The meeting invitations also specify the documents shareholders must present at the meeting to exercise their meeting rights. These meeting invitations and related documents, in both Thai and English languages, are sent at least 7 days in advance. In cases of urgent matters such as asset transactions, related transactions, securities withdrawals, share offerings, appointments or dismissals of directors and employees, new share offerings at a lower price to limited persons, capital increases or reductions, letters of invitation including complete meeting information must be sent to shareholders at least 14 days in advance. Additionally, announcements are published in Thai-language newspapers for 3 consecutive days, at least 3 days before the meeting date.

The Company publishes complete annual ordinary shareholder meeting invitations along with related documents on its website.

The Thai-language version is published at least 30 days before the meeting, while the English-language version is published at least 28 days before the meeting. This is to ensure that shareholders receive timely, comprehensive, transparent information to make informed decisions. Additionally, it serves as advanced notice for shareholders to prepare for the



meeting. The Company also notifies shareholders through the Stock Exchange of Thailand's news system that the meeting invitations and accompanying documents have been published on the Company's website.

In the year 2023, the Company sent out shareholder meeting invitations along with meeting-related documents on March 27, 2023, providing a 23-day advance notice before the meeting.

3. **Additional Agenda Notification:** In the event of adding agenda items, shareholders will be promptly notified in urgent cases to safeguard their rights or interests. Meeting notices will be sent no less than 7 days before the meeting, along with the advance publication of meeting agenda information before document distribution. In the year 2023, the Company did not add agenda items or alter significant information without prior notice to shareholders. Furthermore, shareholders are granted the right to express opinions and ask questions at the meeting before any resolutions are made.
4. **Shareholder Convenience:** The Company facilitates shareholders who wish to receive the One Report (Form 56-1) by providing various channels for request submission, including email, telephone, fax, and business-reply envelopes.
5. **Meeting Day Convenience:** Equal convenience is provided to shareholders on meeting days through staff assistance for document inspection and registration, utilizing barcode registration for efficiency. Additionally, the Company has prepared stamp duties for cases where shareholders delegate proxies without incurring costs. Adequate meeting venues have been arranged to accommodate shareholders, located in conveniently accessible areas within Bangkok.
6. **Enhanced Communication Channels:** The Company has expanded its avenues for shareholders to receive information and updates through the company website. Various information and updates are prominently displayed on the Company's website, particularly meeting invitations to shareholders, which are published well in advance of the meeting date. This allows shareholders to conveniently download meeting agenda information and have sufficient time to review meeting-related materials in advance.





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7. Non-Restriction on Meeting Participation: The Company refrains from any actions that could limit shareholders' rights to attend meetings. All shareholders have the right to participate in both ordinary and extraordinary meetings throughout the meeting period.
8. Proxy Representation: Should any shareholders be unable to attend meetings, the Company provides the opportunity for shareholders to delegate proxies to independent directors or any other individuals to attend meetings on their behalf. This delegation can be facilitated through the submission of a duly authorized proxy form sent along with the meeting invitation. Proxy recipients, in accordance with the law, have the right to participate and vote at meetings on behalf of shareholders, with the Company presenting a list of independent directors as proxy options for shareholders to choose from.
9. Shareholder Meeting Procedures: During each shareholder meeting, the chairperson will explain to shareholders the criteria used in the meeting, including voting procedures and the right to express opinions. Additionally, shareholders will be given equal opportunities during the meeting to express their views and ask questions freely in accordance with meeting agendas. The chairperson of the board will allocate appropriate and adequate time for the meeting, and board members, executives, company secretaries, and relevant personnel will attend the shareholder meeting to address questions raised.
10. Vote Counting Process: The Company ensures that independent external personnel, such as external auditors, legal advisors, or volunteer shareholders selected and approved by the meeting, conduct vote counting or verification at ordinary and extraordinary shareholder meetings. The process is transparent, and the meeting is informed of and records the procedures in the meeting report.
11. Post-Meeting Shareholder Rights: Shareholders attending ordinary or extraordinary shareholder meetings have the right to vote or cast ballots on agenda items that are under consideration and have not yet been resolved after the meeting has commenced.
12. Director's Conflict Disclosure: The Company specifies the involvement of directors in the shareholder meeting invitations for both ordinary and extraordinary shareholders. During such meetings, if any director has a conflict of interest or is involved in considering any agenda item, the meeting chairperson will notify attendees before the item is discussed.



13. Resolutions and Voting Results Disclosure: The Company discloses resolutions and voting results for each agenda item at ordinary and extraordinary shareholder meetings on the same day of the meeting or no later than 9:00 a.m. on the next business day through the Stock Exchange of Thailand website ([www.set.or.th](http://www.set.or.th)) and the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)).
14. Meeting Report Documentation: Comprehensive and accurate meeting reports are prepared, including recording significant questions and comments, enabling shareholders to verify proceedings. Additionally, the Company submits meeting reports to the Stock Exchange of Thailand within 14 days from the date of the shareholder meeting and publishes these reports on its website.
15. Dividend Entitlement Rights: Shareholders are entitled to dividends and profit allocations of the Company. The Company notifies shareholders of its dividend payment policy, rationale, and relevant information for consideration regarding dividend payments or suspensions, both in the 56-1 One Report (details under the "Dividend Payment Policy" section) and on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)).
16. Compensation Committee Responsibilities: The Nomination and Compensation Committee is responsible for deliberating on the format and criteria for director remuneration, considering factors such as business type, company size, and board responsibilities. This assessment involves benchmarking against other registered companies on the Stock Exchange of Thailand with similar market capitalization. The committee proposes director remuneration in the form of meeting fees, director's fees, and presents them for shareholder consideration annually. Details of director's remuneration are disclosed in the 56-1 One Report under the "Director and Management Compensation" section.
17. Auditor Appointment Approval and Compensation Determination Rights: The Audit Committee is responsible for selecting and determining the compensation of auditors, presenting recommendations to the Board of Directors for approval and consideration by shareholders at meetings. The committee provides sufficient details about proposed auditors, including qualifications, independence, experience, and auditor compensation, to facilitate shareholder deliberation.





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In the fiscal year 2023, the Company convened its Annual General Meeting of Shareholders for the fiscal year 2023 on April 19, 2023, at 13:30, held at the Boardroom, Head Office of Qualitech Public Company Limited, located at 21/3 Banplong Road, Maptaphut, Muang, Rayong, 21150. The meeting was attended by a total of 8 committee members, including the Chairman of the Board, the Audit Committee, the Chief Executive Officer, the Chairpersons of all sub-committees, company directors, as well as the Chief Financial Officer, Company Secretary, Auditor, and Legal Advisor. All members participated fully in the meeting, addressing various shareholder inquiries comprehensively. The Company prepared both Thai and English versions of the invitation letter for the Annual General Meeting of Shareholders, which were delivered by Securities Depository Center (Thailand) Co., Ltd., the Company's registrar, to shareholders in advance, and were also published on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) at least 30 days before the meeting. Additionally, the minutes of the Annual General Meeting of Shareholders for the fiscal year 2023 were published on the Company's website within 14 days after the meeting. Minority shareholders were provided with the opportunity to propose agenda items for consideration and nominate individuals for director positions.

The Company has undertaken the operation by announcing and disclosing the criteria and procedures for proposals through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the Company's website ([www.qualitechplc.com](http://www.qualitechplc.com)). Shareholders were allowed to propose according to the aforementioned criteria from October 1, 2022, to December 31, 2022.

However, upon the deadline, it was noted that no shareholders had proposed any such matters. In the registration for the meeting, the Company provided convenience to shareholders by ensuring sufficient and appropriate staff and computer systems. Registration of attendees was facilitated through a barcode system, and voting cards were printed for each agenda item, provided to shareholders attending in person, and those who had delegated proxies.

### Equal Treatment of Shareholders

1. The Company prioritizes all shareholders by providing opportunities for them to exercise their rights. Shareholders are allowed to propose additional agenda items for the meeting and



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nominate qualified candidates for election as directors at least 45 days before the end of the accounting year. The criteria for exercising such rights are disclosed through the channels of the Stock Exchange of Thailand, and clear criteria for considering proposed matters are communicated, including publication on the Company's website.

2. The Company ensures equal treatment of shareholders during meetings and refrains from any actions that restrict, violate, or undermine shareholders' rights. Staff members are assigned to welcome and provide information for document inspection and registration to attend the meeting adequately. / The Company utilizes a Barcode system for registration to enhance efficiency and speed. The scores obtained through pre-submitted votes in the proxy forms are combined with the votes cast during the meeting before announcing the resolution. To ensure transparency, the Company collects voting cards from shareholders for later verification and prepares revenue stamps in case shareholders delegate proxies without incurring any expenses. Additionally, adequate meeting facilities are provided to accommodate shareholders, and meeting venues are conveniently located within the Bangkok metropolitan area.
3. Enhanced convenience is provided for shareholders unable to attend meetings in person. Shareholders have the option to delegate proxies to a single individual or appoint at least one independent director to attend and vote on their behalf, with the names of such independent directors disclosed in the meeting invitation.
4. During shareholder meetings, votes are cast according to the predetermined agenda without altering crucial information. Meetings are conducted in accordance with the specified agenda outlined in the meeting invitation, without introducing additional agenda items and without prior notification to shareholders. This allows shareholders sufficient time to review supplementary information before making decisions.
5. Independent directors are appointed as custodians of shareholder interests. Shareholders are encouraged to express their opinions, suggestions, or complaints to the independent directors, who are responsible for appropriately addressing each matter. In the case of complaints, independent directors will investigate the facts and take appropriate corrective actions. For suggestions, independent directors will evaluate them and provide feedback. If





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the independent directors deem a matter to be significant and impactful on overall stakeholders' interests or the Company's business operations, they will propose the matter to be included as an agenda item for the next shareholder meeting.

6. The Chairman of the Board, directors, and relevant executives have a responsibility to participate in shareholder meetings to address questions from shareholders. Additionally, they are tasked with documenting key points, inquiries, and significant comments in the meeting report to facilitate shareholder review.
7. The Company provides an opportunity for shareholders to register for meetings even after the registration deadline has passed, allowing interested shareholders to participate in meetings without forfeiting their rights.
8. The Company disseminates current information through its website to ensure shareholders are informed of significant Company developments, including information disclosed pursuant to various regulations. Subsequently, after disclosure to the Stock Exchange, such information is published on the Company's website in both Thai and English. Moreover, channels for communication between the Company and shareholders are established on the Company's website to facilitate equitable inquiry and information dissemination.
9. Providing knowledge and understanding to the Board of Directors and management regarding their responsibilities in reporting shareholding to the Securities and Exchange Commission (SEC) as stipulated in Section 59 of the Securities and Exchange Act B.E. 2535. Additionally, regular updates on news and regulations from the SEC and Stock Exchange are communicated to the Board of Directors and management as notified by these regulatory bodies.
10. The Company establishes an internal data usage policy that prohibits the unauthorized use of data by related individuals, including directors, executives, employees, and spouses and underage children of these individuals associated with the data. This policy is strictly enforced, with penalties defined for the unauthorized disclosure or misuse of Company data. Furthermore, everyone within the organization is informed to adhere to this policy. The Company has adopted an internal data usage policy and a policy for preventing conflicts of



interest, both of which were reviewed and approved during the 1st/2566 Board of Directors meeting held on February 3, 2566, as detailed below.

## Internal Data Use Policy

The Company establishes a policy for the storage, protection, and use of internal data, communicated explicitly to the directors, executives, employees, and staff via the Intranet system for universal acknowledgment and adherence. The policy aims to prevent directors, executives, employees, and staff from utilizing internal data for personal gain or dis-closing it to unauthorized parties, as outlined below:

1. Directors, executives, employees, and staff of the Company and its subsidiaries must maintain the confidentiality of internal information.
2. Directors, executives, employees, and staff of the Company and its subsidiaries must not disclose or exploit confidential information or internal data of the Company or its subsidiaries for personal gain or for the benefit of any other individual, directly or indirectly, whether or not there is any resulting compensation.
3. Provide knowledge to directors and executives regarding their responsibilities in re-ported their securities holdings, as well as those of their spouses and underage children, to the Securities and Exchange Commission (SEC) under Section 59 and the penalty provisions under Section 275 of the Securities and Exchange Act B.E. 2535 (as amended), including reporting the acquisition or disposal of their securities holdings, as well as those of their spouses and underage children, to the SEC under Section 246 and the penalty provisions under Section 298 of the Securities and Exchange Act B.E. 2535 (as amended).
4. The directors and executives of the Company, including spouses and minor children, are required to prepare and disclose reports on securities holdings and changes in securities holdings of the Company to the Securities and Exchange Commission (SEC) under Section 59 and penalty provisions under Section 275 of the Securities and Exchange Act B.E. 2535





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(as amended), and deliver copies of this report to the Company on the same day as submission to the SEC.

5. Directors, executives, employees, and staff of the Company and its subsidiaries (including spouses and minor children) are prohibited from utilizing internal information deemed material to changes in the trading price of the Company's securities within 30 days before the financial statements or internal information are disclosed to the public. Those involved with internal information must not disclose it to others until it has been reported to the Securities and Exchange Commission (SEC). Penalties will be imposed for violations of these regulations, with the Company considering disciplinary action appropriate to each case, including verbal warnings, written warnings, suspension, or termination of employment, depending on the severity. Notably, in the year 2022, there were no instances found where directors, executives, or employees engaged in securities transactions during the Company's specified blackout period.

6. Directors, executives, employees, and staff of the Company are strictly prohibited from using internal information of the Company that may have or may have an impact on changes in the price of the Company's securities, which has not been disclosed to the public, and which they have acquired in their position or status, for the purpose of buying or selling, or soliciting others to buy or sell, or offering to buy or sell, such shares or other securities (if any) of the Company, whether directly or indirectly, in a manner that may cause damage to the Company, whether directly or indirectly, and regardless of whether such actions are for their own benefit or for the benefit of others, or disclosing such facts to others for personal gain or otherwise, whether they have received compensation or not.

7. It is stipulated that directors, executives, including managerial-level employees in the accounting or finance department at a level equivalent to or higher than a manager (as defined by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand), must prepare and submit reports on securities holdings issued by the Company, including themselves, spouses, and minor children, within 30 days from the date of appointment as a director or executive (as defined by the SEC and the Stock Exchange of Thailand), and whenever there is a change, reports on changes in securities holdings must



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be prepared within 3 business days from the date of purchase, sale, transfer, or receipt of such securities, to be submitted to the Securities and Exchange Commission (SEC), with a copy provided to the company secretary for acknowledgment each time, to be compiled into quarterly reports for presentation at board meetings.

In the year 2566, it was found that there were no instances of directors or executives trading company securities without prior notification as stipulated. Each individual complied with the company's policy accurately and completely. Moreover, there were no instances of being compared, penalized, or subjected to legal proceedings by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regarding trading shares using internal information by directors and executives of the Company.

### **Conflict of Interest Prevention Policy**

The company's board of directors establishes a policy regarding conflict-of-interest prevention based on the principle that any decision-making in conducting business activities must be for the maximum benefit of the company. It is essential to avoid actions that may result in conflicts of interest. Therefore, individuals involved or having a vested interest in any considered transactions must inform the company of their relationship or vested interest in those transactions. They must refrain from participating in decision-making processes and do not have the authority to approve such transactions as a whole. Thus, the policy and practices are outlined as follows:

1. Directors and executives must inform the company of any relationships or related transactions in business activities that may lead to conflicts of interest.
2. Avoid transactions involving directors or executives that may cause conflicts of interest with the company. In cases where such transactions are necessary, present the transactions for review by the audit committee for consideration before submitting them for approval to the board of directors, in accordance with good corporate governance principles and compliance with criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.





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3. Directors and executives with significant vested interests that may compromise their ability to provide independent opinions must abstain from participating in the deliberations at meetings and must notify their vested interests prior to such deliberations, recording them in the meeting reports.
4. Establish a clear and transparent management structure without major shareholders holding a controlling stake to avoid conflicts of interest for any party and disclose the shareholding structure of the Company and its subsidiaries in Form 56-1 (One Report).
5. Directors, executives, and employees must adhere strictly to the company's regulations and code of conduct, which are crucial for maintaining the company's credibility and trustworthiness among stakeholders. The company provides continuous awareness to directors, executives, and employees through various channels such as the Good Corporate Governance Policy, Code of Business Ethics Handbook, Intranet, Email, etc.

In the past year 2566, the Company operated in accordance with the established practices, and no violations of the Conflict-of-Interest Prevention Policy were found.

### Conflict of Interest Prevention Policy

The company's board of directors establishes a policy to prevent conflicts of interest based on the principle that any decision-making in conducting business activities must be aimed at maximizing the company's benefits. It is crucial to avoid actions that may lead to conflicts of interest. Therefore, individuals involved or having a vested interest in any considered transactions must notify the company of their relationship or vested interest in those transactions. They must refrain from participating in decision-making processes and do not have the authority to approve such transactions as a whole. Consequently, the policy and guidelines are established as follows:

1. Directors and executives must inform the company of any relationships or transactions related to business activities that may lead to conflicts of interest.



2. Avoid transactions involving directors or executives that may result in conflicts of interest with the company. In cases where such transactions are necessary, present the transactions for review by the audit committee for consideration before submitting them for approval to the company's board of directors, following the principles of good corporate governance and complying with criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
3. Directors and executives with significant vested interests that may compromise their ability to provide independent opinions must abstain from participating in the deliberations at meetings and must notify their vested interests prior to such deliberations, recording them in the meeting reports.
4. Establish a clear and transparent management structure without major shareholders holding a controlling stake to avoid conflicts of interest for any party and disclose the shareholding structure of the Company and its subsidiaries in Form 56-1 (One Report).
5. Directors, executives, and employees must strictly adhere to the company's regulations and code of conduct, which are crucial for maintaining the company's credibility and trust among stakeholders. The company provides continuous awareness to directors, executives, and employees through various channels such as the Good Corporate Governance Policy, Code of Business Ethics Handbook, Intranet, Email, etc.
6. In the past year 2566, the Company operated in accordance with the established practices, and no violations of the Conflict-of-Interest Prevention Policy were found.

## Role of Stakeholders

The company recognizes the importance of overseeing the interests of all stakeholders, including shareholders, customers, competitors, suppliers, employees, and various creditors, as well as the environment, the public, and society as a whole. Therefore, the company has established policies to ensure fair and equitable treatment of each stakeholder group, considering their rights under the law or agreements with the company. This is to ensure that their rights are protected, and that fair and equal





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treatment is provided. Accordingly, the company has developed a Code of Conduct to guide interactions with each stakeholder group, as well as considerations for communities, society, and the environment for sustainable development, combating corruption and collusion, avoiding intellectual property infringement, and respecting human rights. The company will not engage in any activities that violate the rights of these stakeholders. Details are as follows:

**Shareholders:** The company is committed to conducting business with integrity and management expertise, fulfilling its responsibilities with honesty and integrity, and conducting operations fairly for the benefit of all shareholders. Additionally, the company regularly discloses accurate and comprehensive information.

**Customers:** The company is dedicated to providing quality services and standards at reasonable prices, continuously seeking ways to enhance customer benefits, and strictly adhering to various conditions imposed on customers while responding promptly to their needs. Furthermore, the company has established policies and practices regarding measures to prevent corruption and collusion, concerning the receipt and provision of goods or any other benefits to motivate compliance with unacceptable practices, thereby avoiding conflicts of interest. These guidelines are widely acknowledged among the company's customers.

**Suppliers and Creditors:** The company will not engage in fraudulent trading practices with suppliers and creditors and is committed to adhering strictly to various conditions imposed on creditors, regardless of the purpose of expenditure, repayment, asset quality maintenance, business negotiation, or any other agreements made with creditors to achieve mutual benefits while refraining from claiming or receiving any benefits that are not legitimately obtained through fair trading.

**Competitors:** The company will conduct itself within the framework of fair competition regulations and established laws, maintaining the principles of competition conduct and avoiding unethical methods to destroy competitors, infringe upon or disclose competitors' trade secrets through dishonest or inappropriate means.

In the past year 2566, there were no disputes or legal proceedings between the company or its subsidiaries and competitors.



## Policy on Promoting Persons with Disabilities

The Company recognizes the importance of enhancing the quality of life for persons with disabilities and aims to promote their abilities, thereby enabling them to generate income, become self-reliant, and reduce the burden on families and society in providing care. Additionally, this initiative seeks to empower persons with disabilities to contribute significantly to the economic development of families and the nation, particularly those in the working-age group. In accordance with the Disability Promotion and Development Act of 2007, the Company's objectives include promoting the quality of life for persons with disabilities and establishing measures to promote employment and protect the employment rights of persons with disabilities. In the year 2023, the Company complied with the provisions of the Disability Promotion and Development Act of 2007, Articles 33 and 35, by hiring persons with disabilities to work in various departments as mandated by law.

**Employees:** The Company provides fair and appropriate compensation and benefits to its employees, recognizing that employees are integral to the Company's success and value. It is the Company's policy to act fairly in providing opportunities and appropriate compensation. The Company implements a performance evaluation policy using Key Performance Indicators (KPIs) to measure actual performance success.

Furthermore, the Company maintains a safe working environment conducive to the development potential of employees, adheres strictly to laws and regulations related to employees, and avoids any unfair practices. Channels are open for employees to lodge complaints about potential misconduct, and guidelines are provided to protect employees or whistleblowers from adverse actions that may impact their job security. Appointments, transfers, rewards, and penalties are carried out with integrity, based on the knowledge, abilities, and suitability of employees.



## Employee Grievance Procedure

The Company has established channels for employees to report misconduct or violations of discipline and law. Employees can lodge complaints or provide feedback to the Company through various channels as follows:

Website: <http://www.qualitechplc.com>

Email: [info@qualitechplc.com](mailto:info@qualitechplc.com)

Phone: 0-3869-1408-10

Fax: 0-3869-2028

Mail: Addressed to 1. Mrs. Pattawan Chaipim, Administration Department Manager 2. Ms. Wimol Saephung, Secretary of the Audit Committee of Qualitech Public Company Limited, 21/3 Banplong Road, Maptaphut, Muang, Rayong 21150

The Company promptly follows up and evaluates complaints received and provides feedback to the relevant parties as soon as possible. Employees can also directly lodge complaints or provide suggestions to management via email through the Company's Intranet system. Reporting employees will not face any repercussions for reporting complaints in good faith. Employee information provided will be kept confidential at all times. However, it is important for complainants to gather information cautiously and ensure the accuracy of the disclosed information before lodging a complaint.

## Policy and Practice Regarding Human Rights

The company has established a policy for respecting human rights and adhering to international human rights principles as fundamental ethics in conducting business. It is imperative to respect the dignity of each individual, ensuring freedom, privacy, legal rights, and human rights, as well as considering the interests of stakeholders. Management decisions should be impartial and equitable to all, without discrimination based on gender, social class, or ethnicity. The board of directors, management, and all employees, including those in subsidiary companies, are required to rigorously





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adhere to these principles as part of their work discipline, emphasizing human dignity, freedom, and personal equality. No actions should promote or tolerate human rights violations. The company and its subsidiaries will not engage with any entities or individuals involved in human rights violations under any circumstances.

Furthermore, in the year 2566, the company did not receive any complaints or reports regarding human rights violations concerning its activities, business operations, or throughout its supply chain.

### Data Protection Policy

Qualitech Public Company Limited and its subsidiaries ("Company") respect and prioritize the privacy rights regarding personal data of customers, shareholders, employees, and other individuals associated with the Company. This is to ensure confidence that the Company is committed to managing personal data in a secure, reliable, and trustworthy manner, and will receive full protection of rights as prescribed by data protection laws. The Company has therefore developed this Data Protection Policy to outline the procedures regarding personal data, including sensitive data, and provide details on data collection, processing, usage, disclosure, and purposes for which the Company processes personal data, along with notifying various rights.

The Company acknowledges and respects the privacy of personal data. Therefore, the Company has developed this Data Protection Policy to govern the operations concerning the collection, usage, and disclosure of personal data, with a commitment to responsibility and protection of personal data of all parties concerned, including shareholders, employees, customers, and business partners, to demonstrate transparency in operations and compliance with the Personal Data Protection Act (PDPA).

1. **Scope:** This policy applies to all personal data collected by the Company for the purpose of offering products and services to individuals. In this policy, "personal data" refers to information about an individual that directly or indirectly identifies that person but does not include information about deceased individuals.
2. **Consent:** The Company will collect, use, and disclose personal data only when consent is obtained from the individuals concerned. Such consent may be provided electronically or in





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writing. However, personal data may be collected, used, or disclosed without consent in the following situations:

2.1 When the Company collects personal data for research, study, or statistical purposes.

2.2 When the Company is required to prevent danger to individuals, third parties, or property belonging to such individuals.

2.3 When the personal data has already been publicly disclosed.

2.4 When the Company is required to comply with relevant laws, regulations, or announcements.

- 3 Data Collection: The Company will collect personal data as necessary for the purposes specified in this policy. Personal data will be collected using appropriate methods and in compliance with the law.
- 4 Use of Personal Data: The Company will not use personal data for purposes other than those specified in this policy or as required by law. The Company is committed to educating employees within the organization on the management of such personal data, ensuring that access to collected personal data is controlled and safeguarded against loss, alteration, disclosure, and other risks. Additionally, appropriate security measures will be implemented and continuously reviewed and improved to ensure the security of data storage.
- 5 Disclosure of Personal Data: The Company will not sell or disclose employees' personal data to third parties or other organizations unless the individual has requested and consented to such action, or when disclosure is permitted or required by law, such as disclosure pursuant to a government order, court order, or legal process. In cases where the Company engages third parties to enhance the efficiency of its systems, agreements will be made to ensure that such third parties handle personal data confidentially.
- 6 Data Retention: The Company will retain personal data for as long as necessary to achieve the purposes specified in this policy or as required by applicable laws and regulations. When the Company determines that data is no longer necessary, appropriate steps will be taken to securely delete or destroy the personal data.
- 7 Access to Personal Data: Individuals may request access to their personal data held by the Company for the purpose of correcting, changing, or deleting such data. Requests can be made in writing to



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(www.qualitechplc.com), and the Company will verify the identity of the individual before processing such requests. The Company will respond to all requests within a reasonable timeframe. However, in certain situations, the Company may deny such requests, such as when the information refers to another individual or cannot be disclosed due to legal or security reasons.

- 8 **Right to Opt-Out:** Individuals have the right to decide how their personal data is collected, used, and disclosed, including opting out, setting privacy preferences, and unsubscribing from certain emails or mailings.
- 9 **Security Measures:** The Company has implemented appropriate information security controls and measures to safeguard personal data. While the Company endeavors to protect data on its website or computer programs to the best of its ability, it cannot guarantee 100% security of data transmission over the internet. If you find that the Company's services are not sufficiently secure, please notify the Company immediately by submitting details through the "Contact Us" page on the website.

### **Policy and Practices Regarding Workplace Safety, Health, and Environment.**

**Community Engagement:** The Company conducts its business with consideration for its impact on the environment, emphasizing the cultivation of a sense of responsibility and the improvement of the quality of life for everyone in the community and society. It refrains from engaging in any activities that violate or contravene the law, while actively promoting social well-being both internally and externally through continuous community engagement activities.

**Environment:** The Company commits to refrain from actions that adversely affect natural resources and the environment. It fosters a sense of awareness and responsibility among its employees towards society and the environment, emphasizing the efficient use of resources. Additionally, it ensures the involvement of all parties, including stakeholders, in environmental care and maintenance.

Moreover, in the fiscal year 2566, the Company organized regular knowledge dissemination and training sessions on environmental matters for its employees. These sessions focused on the Company's environmental conservation measures and standards of environmental responsibility.



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ในปี 2566 มีสถิติการเกิดอุบัติเหตุ ประสบอันตรายจากการทำงาน ดังนี้

จำนวนพนักงาน ทั้งหมด (คน)	จำนวนพนักงานที่ประสบอันตราย						
	รวม	เสียชีวิต	ทุพพล ภาพ	สูญเสี ยอวัยวะ บางส่วน	หยุดงาน ไม่เกิน 3 วัน	หยุดงาน เกิน 3 วัน	ไม่หยุด งาน
451	3	-	-	-	1	-	2

### Policy and Efficient Resource Utilization Guidelines

The company is committed to promoting efficient resource utilization practices by fostering awareness within the organization. This is achieved through knowledge dissemination and the establishment of guidelines for efficient resource utilization, as outlined below:

1. Development of resource utilization plans and plans for utilizing recycled water in various processes.
2. Implementation of plans and campaigns to conserve water and electricity.
3. Implementation of plans to reduce paper usage.
4. Organizing activities to promote conservation of natural resources and the environment.
5. Creation of communication materials to raise awareness.

These policies and guidelines are documented in the Engineering Company's annual report, committee's report, and safety report, demonstrating the company's dedication to sustainable practices and environmental stewardship.





## Policy and Practice Guidelines on Intellectual Property and Non-Infringement

The company adheres to policies that comply with relevant laws regarding intellectual property or copyright. When utilizing external works or data, the company ensures thorough examination to prevent infringement of intellectual property or copyright of others, as follows:

1. The company shall refrain from actions that violate the intellectual property of others or engage in unfair competition.
2. Management and employees shall not seek trade secrets of competitors or specific information through unlawful means or violate agreements not to disclose competitor information, whether obtained from customers or others. This also includes the company's trade secrets such as business plans, technical information, and new innovations, which employees are responsible for maintaining confidentiality without disclosure to external parties, whether competitors or not.
3. The company prioritizes non-infringement of intellectual property and copyrights, with a policy for employees to use computer programs as prescribed and installed by the company, which are legally copyrighted. Employees are prohibited from installing or downloading programs with illegal copyrights. The Information Technology department oversees and regularly checks computer systems and is part of the internal audit plan to raise employee awareness of the importance of these matters.

These policies and guidelines are integral to the Engineering Company's annual report, committee's report, and safety report, demonstrating the company's commitment to upholding intellectual property rights and non-infringement principles.

## Policy and Guidelines for Combating Corruption

The company is committed to promoting a business environment that is ethical, transparent, and upholds moral principles. It prohibits all forms of corruption and bribery, whether direct or indirect.





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Therefore, the company has established policies to combat corruption and bribery, prohibiting board members, executives, employees, and affiliated individuals from engaging in any form of corrupt practices. This includes, but is not limited to, offering, promising, soliciting, demanding, giving, or accepting bribes. The company categorically rejects all forms of corruption, encompassing all business dealings and transactions in every country and department related to the company. Regular audits of operational procedures are conducted to ensure compliance with evolving laws, regulations, and business practices while upholding the company's reputation.

### - Process for Assessing Risks of Corruption

The company establishes a risk assessment system that identifies events/opportunities that may lead to corruption, such as involvement in political assistance, giving or receiving bribes, monetary donations, and business relationships and procurement practices, considering various forms of corruption. These include falsifying financial reports, causing asset losses, corruption, management override of internal controls, altering significant report data, acquiring or using assets improperly. Additionally, it evaluates the likelihood of corruption occurrence and the severity of its impact, considering both internal and external factors. Appropriate anti-corruption and anti-bribery measures are defined based on the assessed risks, and performance assessments are regularly monitored.

### - Guidelines for Supervision, Control, Prevention, and Monitoring of Corruption Risks

The company establishes guidelines for supervision, control, prevention, and monitoring of corruption risks to ensure compliance with the policy against corruption. These guidelines are summarized as follows:

1. The company's board members, executives, and employees at all levels must adhere to the anti-corruption policy by refraining from involvement in any form of corruption, whether directly or indirectly.
2. Employees are required to promptly report any observed or suspected acts of corruption that may involve the company. They should notify their supervisors or designated individuals



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responsible for reporting and cooperate in investigating the truthfulness of the matter through various established channels for reporting anti-corruption practices.

3. The company guarantees fairness and protection to employees who refuse to engage in or report corruption incidents involving the company. Protective measures are in place for complainants or individuals assisting in reporting corruption incidents in accordance with the company's specified procedures.
4. Individuals engaging in corruption violate the company's anti-corruption policy and are subject to disciplinary action as per the company's regulations. Additionally, legal penalties may be imposed if the actions are unlawful.
5. The company recognizes the importance of disseminating knowledge and understanding to individuals responsible for tasks related to the company or those who may impact the company regarding compliance with this anti-corruption policy.
6. The company is committed to fostering and maintaining an organizational culture that firmly rejects corruption, whether in transactions with the public or private sectors.

The company operates using fair competition strategies, transparency, and a commitment to delivering high-quality services. It strictly adheres to relevant laws under the business conduct principles of "accuracy, safety, customer focus, and quality maintenance." Consequently, the company is cognizant of the importance and remains steadfast in combating all forms of corruption.

With this in mind, the company's board of directors has established an anti-corruption policy to declare the company's stance against corruption and ensure understanding among all individuals associated with the company, including those with relevant responsibilities. The company has been certified by the Thai Private Sector Collective Action against Corruption (CAC). The initial certification was granted on July 22, 2016, followed by the first renewal on November 4, 2019, and the second renewal in December 2019, which expires in December 2025.

This anti-corruption policy mandates that the board of directors, executives, and employees of the company, its subsidiaries, affiliates, and any other entities under its control, along with individuals associated with its business operations, strictly adhere to its principles. The company's board regularly



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reviews the suitability of the anti-corruption policy, and employees are trained and notified of its provisions. The policy is also published on the company's website at [www.qualitechplc.com](http://www.qualitechplc.com) under the Investor Relations > Anti-Corruption Policy section.

Notably, in the year 2023, the company did not encounter any issues or deficiencies related to corruption in its business operations.

### **Policy and Practices for Financial Assistance**

The company has a policy of not providing financial assistance to companies other than its subsidiaries in transactions resembling financial aid to subsidiaries. The company's board of directors has established guidelines for conducting transactions resembling financial assistance in the Articles of Association and carries out such transactions only with the approval of the board of directors.

### **Disclosure and Transparency Policy**

The board of directors emphasizes the importance of disclosing information that is vital to the company, including financial reports, non-financial data, and other information, in accordance with the criteria set by the Stock Exchange of Thailand and the Securities and Exchange Commission to be accurate, clear, complete, transparent, prompt, and equitable. The company also includes policy and governance structure reports in the annual One Report Form 56-1 and, on the website, ([www.qualitechplc.com](http://www.qualitechplc.com)) in both Thai and English within 120 days from the end of the accounting period.

Additionally, the company discloses shareholder meeting reports to allow shareholders to track meeting details and contact Investor Relations :

Tel. : 038-691408-10 or

Email : [ir@qualitechplc.com](mailto:ir@qualitechplc.com)

for inquiries, ensuring equal access to information for shareholders and stakeholders.





## Preparation of Financial Reports

The board of directors is responsible for the significant operations and governance oversight of the company, including the financial statements of the company and financial information presented to the public in the annual financial statement format and Form 56-1 (One Report). The preparation of such financial statements shall adhere to generally accepted accounting standards, selecting appropriate accounting policies and consistently applying them, exercising due caution and best estimates in the preparation, and providing adequate disclosure of significant information in the financial statement footnotes. Additionally, the board also prepares the board's responsibility report accompanying the financial statements, which is presented together with the auditor's report in Form 56-1 (One Report).

In this regard, the board appoints an audit committee consisting of independent non-executive directors responsible for overseeing the quality of the financial reporting, internal control systems, and the audit committee's opinion on these matters, as stated in the audit committee's report presented in Form 56-1 (One Report).

## Whistleblowing Policy and Practices, and Protection Measures

The company is committed to maintaining organizational standards and adhering to principles of good corporate governance for the benefit of all stakeholders, as outlined in the corporate governance policy and business ethics code. Therefore, this policy has been established as a mechanism, granting rights to employees and stakeholders alike. The board of directors has designated channels for communication with the board via mail or email, facilitating avenues for the provision of information and guidance to initiate investigations according to the complaint and whistleblowing procedures pertaining to legal violations, accuracy of financial reporting, deficient internal control systems, infringements of rights, or ethical misconduct by management and employees. The company shall maintain confidentiality of information obtained from such reports, and the reporters will be protected by the company.





## Scope of the Policy

This policy is established to support employees and stakeholders in disclosing information concerning actions that contravene the laws, regulations, and business ethics of the company, such as:

- Corruption
- Fraud, embezzlement, misappropriation
- Acts of misconduct for personal gain or benefit to others
- Actions endangering health, safety, or the environment.
- Intentional acts causing harm or loss to the company.
- Clear violations of business ethics
- Supporting acts contrary to laws, regulations, and business ethics, including covering up or assisting in covering up such actions.

## Confidentiality of Information

This policy is established to ensure that employees and all stakeholders can trust that their complaints will be taken seriously, and whistleblowers will not face retaliation for reporting complaints in good faith. Employee identity disclosing information will always be kept confidential. However, complainants should gather information cautiously and ensure the accuracy of disclosed information.

## False Allegations

If any employee or stakeholder makes false allegations or acts in bad faith towards the accused, the company will consider such complaints as a violation of business ethics. The company will conduct investigations according to its regulations.

Complaints and suggestions will be considered and acted upon appropriately on a case-by-case basis without disclosing the whistleblower's identity. Complaint data will be kept confidential, and



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protective measures will be implemented to ensure whistleblowers and complainants are not adversely affected.

If disclosure of information by the company is necessary, only essential information will be disclosed, considering the safety and well-being of the complainant and whistleblower.

### Complaint Channels

Registered mail addressed to the Independent Committee/Audit Committee, Qualitech Public Company Limited, 21/3 Banplong Road, Maptaphut, Muang, Rayong 21150

The company secretary is responsible for receiving documents sent to the Board of Directors and forwarding them to the relevant sub-committees or related committees. They will summarize all proposals and issues to present to the Board of Directors on a quarterly basis, except for documents sent directly to the Audit Committee, which will be forwarded directly to them.

### Contact Channels with the Company

Contact Channels with the Company: In the year 2023, there were no employees or stakeholders who reported grievances or complaints through the company's complaint channels to the Board of Directors. However, the company will enhance communication to ensure all stakeholders are aware of the complaint channels available.

### Internal Control Policy

The Board of Directors places great importance on maintaining adequate and appropriate internal control systems at all levels of operations. The internal control system encompasses all aspects, including creating a conducive environment, risk assessment, control activities, information and communication, and monitoring, ensuring compliance with laws, regulations, relevant rules, and establishing effective



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auditing and oversight mechanisms to safeguard and manage the shareholders' investments and the company's assets continuously.

The Board of Directors is responsible for evaluating the internal control system by assigning the Audit Committee to coordinate with the external independent auditors. The company engages external entities to present preliminary assessments of the adequacy of the internal control system to provide insights and recommendations for improving the company's internal control system efficiency and effectiveness. The Audit Committee reports to the Board of Directors every three months.

Furthermore, the Audit Committee has appointed Dharmniti Internal Audit Co., Ltd. as the internal auditors of the company for the year 2023 (details of the internal auditors can be found in Annex 3). Ms. Wimol Saephung, the Manager of the Internal Audit Department (Compliance Unit), has been tasked with coordinating with the internal auditors.

### **Monitoring and Evaluation Process for Compliance with Good Corporate Governance**

The Board of Directors has established a monitoring and evaluation process for compliance with good corporate governance, including the ethics and business conduct of the company, as follows:

- Monitoring and evaluation by Dharmniti Internal Audit Co., Ltd., the internal auditors of the company.
- Self-assessment by management and employees.

Additionally, the company has communicated to management and employees at the executive level to oversee subordinates and must immediately report to their supervisors if any non-compliance with the established policies is detected. These policies are also incorporated into the performance evaluation of management and employees on an annual basis.





## Business Ethics

The company promotes transparency and adherence to the law, ethics, and morality in all its business operations and decision-making processes by the board of directors, management, and employees. To ensure this, a Code of Business Ethics has been developed as part of the corporate governance policy to serve as guidelines and standards for the conduct of directors, management, and all employees within the organization. These guidelines are strictly followed and continuously monitored, with the dissemination of the "Corporate Governance Policy" and "Code of Business Ethics" on the company's website ([www.qualitechplc.com](http://www.qualitechplc.com)) for external stakeholders' awareness. Training and internal communication are conducted to ensure that directors, management, and employees of the company are informed and able to adhere to these principles accurately.

## Change and Development of Significant Policies, Practices, and Systems

Qualitech Public Company Limited ("Company") recognizes the importance of good corporate governance and cooperates well in complying with various regulations with relevant authorities such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), the Thai Listed Companies Association (TLCA), the Thai Investors Association, the Thai Institute of Directors (IOD), and the Thai Private Sector Collective Action Coalition Against Corruption (CAC), among others. We firmly believe that building trust or achieving good business performance alone may not be sufficient for being a good, registered company. Instead, the company must be able to adapt to changes in business conditions and have good relationships with stakeholders in all aspects of the business to grow and survive, have long-term business performance, be reliable for shareholders and stakeholders, and create sustainable value for the business, in line with the aspirations of the business sector, investors, capital markets, and society as a whole.

The Company has reviewed its corporate governance policy to align it with the principles of good corporate governance. The CG Code 2023 for Listed Companies through the Company's board of





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directors annually. In the past year, the company has reviewed various documents such as good corporate governance policies, code of business ethics, board charters, and various policies.

Furthermore, in the past year, the Company has been evaluated by relevant organizations, including the assessment results of the "Quality Assessment of Shareholders' Meeting Management" project for the year 2023 conducted by the Thai Investors Association, which was assigned by the Office of the Securities and Exchange Commission (SEC). The company received an assessment score of 94%.

# Attachment 5

# Code of Conduct





## คู่มือจรรยาบรรณธุรกิจ

### Code of Conduct

บริษัท ควอลิเทค จำกัด (มหาชน)

Qualitech Public Company Limited

(Update 2024)

The company has reviewed the code of conduct to be consistent and in line with the good corporate governance principles. For CG Code 2017 listed companies, the Board of Directors of Qualitech Public Company Limited was approved by the board meeting No. 1/2024 on February 2, 2024.

Qualitech Public Company Limited ("the Company") upholds ethical principles in conducting business operations, which the Board of Directors, Management, and Employees adhere to as guidelines for work practices, as follows:

- 1) The Company adheres to legal principles in business operations, and it is the duty of the board of directors, management, and employees to be aware of the Company's regulations, relevant laws, and future enactments that may impact its management and operations. Therefore, the board of directors, management, and employees must study and understand the regulations governing the Company's operations, both those currently in effect and those that may come into effect in the future. They must comply with the relevant laws related to the Company's business and adhere strictly to the Company's work regulations, avoiding any actions that may adversely affect the Company's business reputation.
- 2) The board of directors, management, and employees must not seek trade secrets of competitors or proprietary information of competitors through illegal means, such as theft, espionage, or violations of agreements not to disclose competitor information, whether obtained from customers or other individuals.
- 3) The Company makes decisions and conducts operations in a transparent manner that allows stakeholders to be informed and verified under laws, regulations, and the Company's operational procedures related to preventing leakage of trade secrets to competitors. The Company respects shareholders' rights to receive necessary information for evaluating the Company, and discloses financial performance and financial status, along with accurate supporting information, as required by the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 4) In cases where board members, management, or employees engage in transactions related to the Company, the Company shall act as if it were dealing with external parties, and the involved board members or employees shall not participate in the decision-making process.
- 5) Board members, management, employees, and close relatives should not accept money, benefits, or goods from business-related parties with the Company if such acceptance may be perceived as bias or a special business relationship with the provider, resulting in potential harm to the Company or stakeholders.



- 6) Board members, management, employees, and those related to employees should not engage in any business/activity that may appear to conflict with the Company's interests, directly or indirectly, to the general public.
- 7) Board members, management, and employees handling sensitive information should take precautions to prevent eavesdropping, wiretapping, or recording of conversations and should refrain from discussing sensitive matters in public places or with family members and close associates that may lead to disclosure to others.
- 8) Board members, management, and employees must manage, store, and segregate specific data details in accordance with Company regulations diligently.
- 9) Board members, management, and employees must not disclose the Company's specific information to unauthorized persons under regulations or business agreements, especially customer confidentiality unless expressly authorized in writing by authorized personnel and responsible units.
- 10) Employees must not disclose Company information considered confidential for the benefit of anyone, whether it be electronic data, financial information, work practices, business information, or future plans of the Company, during or after their employment with the Company.
- 11) Board members, management, and employees shall not utilize proprietary information for securities trading purposes or disclose such information to others for securities trading.
- 12) Board members, management, and employees must perform their duties with integrity, impartiality, and refrain from using their positions to seek personal benefits for themselves or others.
- 13) Board members, management, and employees must not intentionally make false or erroneous reports or records, nor intentionally conceal or provide false or erroneous information to the Company. Upon discovering inaccurate or erroneous reports or records, they must promptly report to superiors.
- 14) Board members, management, and employees must not misuse communication systems and computer systems for illegal activities or actions contrary to the Company's policies. They must not use the internet or similar services in a manner that may cause damage, embarrassment, loss of trust, or harm to the Company's reputation. They must use communication and computer systems responsibly and

avoid actions that may cause division, harm to others, destruction of morale, or promotion of hostility in the workplace.

- 15) Board members, management, and employees are responsible for safeguarding and utilizing the Company's assets solely for the benefit of the Company's operations and must not use them for any other unauthorized purposes. They must not use, sell, lend, borrow, or dispose of Company assets without permission, regardless of the value or condition of the assets.
- 16) Board members, management, and employees must assist or attempt to obtain patents, copyrights, or protect trademarks that are intellectual property assets of the Company. They must not infringe on the intellectual property rights of others or trade competitors.
- 17) Board members, management, and employees must comply with the Company's safety regulations in the use of tools, equipment, and work environments.
- 18) Board members, management, and employees must maintain a work environment free from violations of personal rights, show mutual respect, cooperation, offer suggestions, and work together to solve problems.
- 19) Board members, management, and employees must refrain from engaging in acts that incite conflict, defamation, or imitation, and must refrain from appropriating others' work as their own. They must not behave in a manner that is offensive to others, use vulgar language, engage in misconduct, incur excessive debts, gamble, use drugs, consume alcoholic beverages during work, or engage in any behavior that may appear to be morally reprehensible.
- 20) Board members, management, and employees must not engage in any acts of sexual harassment towards colleagues. If sexual harassment is observed or known between colleagues, it must be reported to superiors immediately.
- 21) The Company respects and supports the rights of stakeholders to freedom under the constitution.
- 22) Board members, management, and employees must act with fairness and not discriminate in employment practices, including recruitment, compensation considerations, employment termination, promotions, transfers, performance evaluations, training, compliance with regulations, termination of employment,

dismissal, and rehiring. They must also refrain from participating in society and recreational activities that are harmful.

- 23) Board members, management, and employees must be aware of their role in conserving natural resources, preserving the environment, and being socially and community responsible in the Company's operations. They must also endeavor to help the Company avoid actions that may endanger or pollute natural resources, the environment, and related ecosystems.



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21/3 ถนนบ้านพลอง ตำบลมาบตาพุด | โทรศัพท์ 0-3869-1408 ถึง 10 | [www.qualitechplc.com](http://www.qualitechplc.com)  
อำเภอเมืองระยอง จังหวัดระยอง 21150 | อีเมล [info@qualitechplc.com](mailto:info@qualitechplc.com)