

ACC1/19-007

February 18, 2019

Subject: Management Discussion and Analysis for the year ended December 31, 2018

To: Director and Managing Director

The Stock Exchange of Thailand

Qualitech Public Company Limited and Subsidiaries hereafter refer as (The Company) would like to clarify the Company's operating results for the year ended December 31, 2018. The Company had the net profit of 10.03 million baht, decreased by 16.36 million baht or 61.98% from the previous year as following details.

- In 2018, the total services revenue was 365.31 million baht decreased from the previous year by 19.90 million baht or 5.17%. The decrease is due to the market of Non-Destructive testing, Inspection and Certification testing and Mechanical testing services are not recover
- Cost of service and administrative expense were 364.07 million baht decreased from the previous year by 1.82 million baht or 0.50%.
- Net profit was 10.03 million baht decreased from the previous year by 16.36 million baht or 61.98%. Decrease of net profit was caused by the decrease of service revenue of the Company and the subsidiaries. And the company has recorded the cost of cancellation of the issuance and offering (ESOP-W2) on July 19, 2018 of 4.31 million baht.

Please be informed accordingly.

Yours sincerely,

(Mr.Domdej Sripinproach)

Managing Director