

No. Elth 012/2026

14 May 2026

Subject: Management Discussion and Analysis for the Operating Results of the First Quarter Ended
31 March 2026

To: President
The Stock Exchange of Thailand

Qualitech Public Company Limited and its subsidiaries (“the Company”) would like to clarify the operating results for the first quarter ended 31 March 2026, summarized as follows:

Overview of Operating Results

(Unit: Million Baht)

STATEMENTS OF COMPREHENSIVE INCOME (Consolidated Financial Statements)	Q1/2569	Q1/2568	Change	
			Amount	%
Revenue from sales and services	93.95	88.42	5.53	6.26%
Cost of sales and services	(68.84)	(62.37)	6.48	10.39%
Gross profit	25.11	26.05	-0.95	-3.63%
Other income	0.24	0.08	0.17	216.78%
Selling expenses	(2.95)	(2.77)	0.18	6.35%
Administrative expenses	(21.04)	(24.75)	-3.71	-14.99%
Finance costs	(0.46)	(0.52)	-0.06	-11.12%
Profit (loss) before income tax	0.91	(1.91)	2.81	147.44%
Income tax (expenses) income	(0.26)	(0.06)	0.20	338.90%
Profit (loss) for the period	0.65	(1.97)	2.62	133.04%
Profit (loss) attributable to owners of the parent	0.65	(1.97)	2.62	133.04%

1. Revenue

In the first quarter of 2026, the Company reported revenue from sales and services of Baht 93.95 million, increasing by Baht 5.53 million or 6.26% compared to the same period of the previous year. The increase was mainly attributable to revenue recognition from high-value Shutdown Turnaround projects from major customers. However, the overall industrial investment environment remained sluggish, as some customers postponed investment decisions and the commencement of new projects, resulting in revenue recognition from certain projects not meeting the Company's expectations. Nevertheless, the Company continues to focus on maintaining its existing customer base while expanding business opportunities in inspection and engineering maintenance services, which remain essential to safety and operational continuity in the industrial sector.

2. Cost of Sales and Services

In the first quarter of 2026, the Company reported cost of sales and services of Baht 68.84 million, increasing by Baht 6.48 million or 10.39% compared to the same period of the previous year. The increase was mainly attributable to higher personnel costs and operating expenses to support Shutdown Turnaround projects and more complex specialized services. Such increase was in line with the nature of the projects in order to maintain service quality, operational safety, and the Company's operating standards.

3. Gross Profit

In the first quarter of 2026, the Company reported gross profit of Baht 25.11 million, decreasing by Baht 0.95 million or 3.63% compared to the same period of the previous year. The decrease was mainly attributable to higher operating costs in line with the volume and nature of the service work.

4. Selling Expenses

In the first quarter of 2026, the Company reported selling expenses of Baht 2.95 million, increasing by Baht 0.18 million or 6.35% compared to the same period of the previous year. The increase was due to the Company increasing the number of sales and marketing staff in order to expand its customer base.

5. Administrative Expenses

In the first quarter of 2026, the Company reported administrative expenses of Baht 21.04 million, decreasing by Baht 3.71 million or 14.99% compared to the same period of the previous year. The decrease was mainly attributable to a lower allowance for expected credit losses, as the Company was able to follow up and receive repayments from certain overdue receivables during 2025.

6. Profit (Loss) Attributable to Owners of the Parent

In the first quarter of 2026, the Company reported profit attributable to owners of the parent of Baht 0.65 million. Compared to the same period of the previous year, in which the Company reported a loss attributable to owners of the parent of Baht 1.97 million, the operating results increased by Baht 2.62 million or 133.04%.

STATEMENTS OF FINANCIAL POSITION

Consolidated Financial Statements	Q1/2569		Year 2568		%
	Million	%	Million	%	
	Baht		Baht		
Total assets	361.99	100.00%	367.82	100.00%	-1.58%
Total liabilities	80.48	22.24%	86.96	23.65%	-7.45%
Equity attributable to owners of the parent	281.50	77.77%	280.85	76.35%	0.23%

Total Assets

As of 31 March 2026, the Company had total assets of Baht 361.99 million, decreasing by Baht 5.83 million or 1.58% from 31 December 2025. The Company's total assets consisted of the following:

Current Assets

As of 31 March 2026, the Company had current assets of Baht 177.68 million, decreasing by Baht 5.52 million or 3.01% from 31 December 2025, mainly due to the following factors:

- Cash and cash equivalents increased by Baht 2.39 million.
- Trade and other current receivables decreased by Baht 27.38 million.
- Contract assets increased by Baht 20.37 million.
- Inventories decreased by Baht 0.89 million.

The decrease in trade and other current receivables reflected improved efficiency in debt collection and receivables management, while contract assets increased in line with the progress of ongoing service projects.

Non-current Assets

As of 31 March 2026, the Company had non-current assets amounting to Baht 184.33 million, decreasing by Baht 0.31 million or 0.17% from 31 December 2025. The key details were as follows:

- Property, plant and equipment decreased by Baht 0.69 million.
- Right-of-use assets decreased by Baht 1.46 million.
- Intangible assets other than goodwill decreased by Baht 0.55 million.
- Deferred tax assets decreased by Baht 0.26 million.
- Refundable income tax increased by Baht 2.41 million.
- Other non-current assets increased by Baht 0.23 million.

Total Liabilities

As of 31 March 2026, the Company had total liabilities of Baht 80.48 million, decreasing by Baht 6.48 million or 7.45% from 31 December 2025. The Company's total liabilities consisted of the following:

Current Liabilities

As of 31 March 2026, the Company had current liabilities amounting to Baht 39.75 million, decreasing by Baht 5.61 million or 12.36% from 31 December 2025. The key details were as follows:

- Trade and other current payables decreased by Baht 5.57 million.
- Current portion of lease liabilities decreased by Baht 0.23 million.
- Current provisions for employee benefits increased by Baht 0.19 million.

Non-current Liabilities

As of 31 March 2026, the Company had non-current liabilities of Baht 40.73 million, decreasing by Baht 0.87 million or 2.10% from 31 December 2025, mainly due to the following factors:

- Lease liabilities decreased by Baht 1.39 million.
- Non-current provisions for employee benefits increased by Baht 0.62 million.
- Other non-current liabilities decreased by Baht 0.10 million.

Equity Attributable to Owners of the Parent

As of 31 March 2026, the Company had equity attributable to owners of the parent amounting to Baht 281.50 million, increasing by Baht 0.65 million or 0.23% from 31 December 2025. The increase was due to the operating results for the first quarter of 2026, in which the Company reported profit attributable to owners of the parent of Baht 0.65 million.

Statement of Cash Flows

Statement of Cash Flows (Consolidated Financial Statements)	For the three-month period ended 31 March 2026 (Million Baht)
Net cash provided by (used in) operating activities	5.41
Net cash provided by (used in) investing activities	(1.40)
Net cash provided by (used in) financing activities	(1.62)
Net increase (decrease) in cash and cash equivalents	2.39
Cash and cash equivalents at beginning of the period	59.21
Cash and cash equivalents at end of the period	61.60

As of 31 March 2026, the Company had cash and cash equivalents amounting to Baht 61.60 million. Net cash provided by operating activities was Baht 5.41 million. Net cash used in investing activities amounted to Baht 1.40 million, mainly from investments in tools and equipment. Net cash used in financing activities amounted to Baht 1.62 million, mainly from repayments of lease liabilities.

Financial Ratios

Financial Ratios (Consolidated Financial Statements)	Q1/2569	Q1/2568
<u>Profitability Ratios</u>		
Gross profit margin (%)	26.73%	29.47%
Operating profit margin (%)	1.45%	(1.57%)
Net profit margin (%)	0.69%	(2.22%)
Return on equity (%)	0.23%	(0.70%)
<u>Liquidity Ratios</u>		
Current ratio (times)	4.31	4.94
Trade receivable turnover ratio (times)	4.12	4.01
Average collection period (days)	89	92
Trade payable turnover ratio (times)	9.90	8.14
Average payment period (days)	37	45

- The Company's gross profit margin decreased due to the increase in cost of sales and services.
- The Company's operating profit margin and net profit margin increased due to improved operating results and lower selling and administrative expenses.
- The Company's return on equity increased due to improved operating results.
- The Company's current ratio decreased due to a decrease in current assets from trade and other current receivables, and a decrease in current liabilities from trade and other current payables.
- The Company's trade receivable turnover ratio increased and the average collection period decreased due to the Company's continuous improvement in receivables management and debt collection efficiency.
- The Company's trade payable turnover ratio increased and the average payment period decreased due to a decrease in trade payables.

Please be informed accordingly.

Yours sincerely,

(Miss Kunlanit Sarapab)

Director

(Mrs.Pattawan Chaipim)

Director