

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014
(UNAUDITED/REVIEWED ONLY)



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of
Qualitech Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Qualitech Public Company Limited and subsidiaries and of Qualitech Public Company Limited as at September 30, 2014, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2014, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month periods then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with accounting standard No.34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

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

Conclusion

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

D I A International Audit Co., Ltd.

Somjintana Polhirunrat

(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

November 8, 2014

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2014 (UNAUDITED/REVIEWED ONLY)

Assets	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Current assets					
Cash and cash equivalents		19,682,165.19	38,744,385.05	12,351,751.77	33,309,761.23
Current investment	5	83,457,816.17	75,180,963.50	81,457,297.23	75,180,963.50
Trade and other receivables	6	66,159,613.04	66,048,169.17	61,902,438.06	65,100,635.24
Unbilled services income		99,199,542.17	91,819,560.12	99,393,419.54	91,869,896.86
Short-term loan		0.00	0.00	1,000,000.00	0.00
Inventories		9,985,437.16	9,048,478.88	7,961,632.42	8,090,974.23
Total current assets		278,484,573.73	280,841,556.72	264,066,539.02	273,552,231.06
Non-current assets					
Investment in subsidiaries	7	0.00	0.00	6,019,400.00	3,519,550.00
Pledged bank deposits	8	19,203,651.49	13,958,077.02	19,203,651.49	13,958,077.02
Property, plant and equipment	9	162,833,357.75	130,295,541.24	161,193,035.17	128,799,971.78
Withholding income tax		5,547,067.15	4,548,807.91	5,529,878.41	4,538,223.20
Other non-current assets	10	896,637.92	934,530.92	896,637.92	934,530.92
Total non-current assets		188,480,714.31	149,736,957.09	192,842,602.99	151,750,352.92
Total assets		466,965,288.04	430,578,513.81	456,909,142.01	425,302,583.98

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT SEPTEMBER 30, 2014 (UNAUDITED/REVIEWED ONLY)

Liabilities and shareholders' equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Current liabilities					
Trade and other payables	11	59,956,693.26	51,527,281.15	61,446,567.99	52,897,011.95
Current portion of long-term liabilities	12	4,033,960.93	3,289,373.24	3,891,000.32	3,151,524.79
Accrued income tax		189,111.42	506,289.42	0.00	0.00
Total current liabilities		64,179,765.61	55,322,943.81	65,337,568.31	56,048,536.74
Non-current liabilities					
Financial lease liabilities	12	5,054,809.90	4,698,356.33	4,760,251.78	4,295,887.77
Employee benefit obligations	13	12,111,750.07	10,089,271.00	12,085,296.73	10,089,271.00
Total non-current liabilities		17,166,559.97	14,787,627.33	16,845,548.51	14,385,158.77
Total liabilities		81,346,325.58	70,110,571.14	82,183,116.82	70,433,695.51
Shareholders' equity					
Share capital					
Authorized share capital	14				
99,000,000 common shares of					
Baht 1 each		99,000,000.00	99,000,000.00	99,000,000.00	99,000,000.00
Issued and paid-up share capital	14				
98,127,390 common shares of		98,127,390.00		98,127,390.00	
Baht 1 each					
96,577,285 common shares of			96,577,285.00		96,577,285.00
Baht 1 each					
Premium on share capital		76,718,065.03	67,852,859.52	76,718,065.03	67,852,859.52
Equity-settled share-based payment reserve		671,639.97	501,897.88	671,639.97	501,897.88
Retained earnings					
Appropriated - legal reserve		10,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00
Unappropriated	15	198,493,125.95	183,878,010.51	189,208,930.19	179,936,846.07
Total owners of the Company		384,010,220.95	358,810,052.91	374,726,025.19	354,868,888.47
Non-controlling interests		1,608,741.51	1,657,889.76	0.00	0.00
Total shareholders' equity		385,618,962.46	360,467,942.67	374,726,025.19	354,868,888.47
Total liabilities and shareholders' equity		466,965,288.04	430,578,513.81	456,909,142.01	425,302,583.98

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2014
(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Services income		130,371,140.96	99,582,182.63	126,166,684.76	99,290,642.63
Cost of services		(88,955,590.22)	(65,840,792.18)	(89,027,441.34)	(68,058,582.37)
Gross profit		41,415,550.74	33,741,390.45	37,139,243.42	31,232,060.26
Other income		1,004,976.88	970,539.57	1,377,563.91	1,007,893.32
Administrative expenses		(15,616,321.63)	(11,714,131.11)	(13,219,746.34)	(11,220,599.48)
Finance costs		(96,688.19)	(117,836.06)	(91,064.60)	(116,593.93)
Profit before income tax		26,707,517.80	22,879,962.85	25,205,996.39	20,902,760.17
Income tax expenses	16	(740,390.15)	(541,251.97)	(576,360.22)	(282,322.08)
Profit for the period		25,967,127.65	22,338,710.88	24,629,636.17	20,620,438.09
Other comprehensive income (expense)		0.00	0.00	0.00	0.00
Total comprehensive income for the period		25,967,127.65	22,338,710.88	24,629,636.17	20,620,438.09
Total comprehensive income attributable to :					
Owners of the Company		25,628,586.34	22,340,646.28	24,629,636.17	20,620,438.09
Non-controlling interests		338,541.31	(1,935.40)	0.00	0.00
		25,967,127.65	22,338,710.88	24,629,636.17	20,620,438.09
Earnings per share					
Basic earnings per share	17	0.26	0.23	0.25	0.22
Weighted average number of common shares	17	97,002,607	95,820,676	97,002,607	95,820,676
Diluted earnings per share	17	0.26	0.23	0.25	0.21
Weighted average number of common shares	17	97,355,745	96,783,180	97,355,745	96,783,180

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2014	2013	2014	2013
Services income		361,384,334.17	289,160,099.75	353,807,776.39	288,573,013.13
Cost of services		(245,468,334.47)	(192,522,445.18)	(250,439,899.62)	(194,092,746.62)
Gross profit		115,915,999.70	96,637,654.57	103,367,876.77	94,480,266.51
Other income		3,568,154.91	3,098,797.24	4,810,202.33	3,045,453.81
Administrative expenses		(44,205,065.77)	(34,409,206.16)	(39,448,214.63)	(33,296,982.39)
Finance costs		(302,662.75)	(327,875.55)	(284,735.03)	(326,633.42)
Profit before income tax		74,976,426.09	64,999,370.10	68,445,129.44	63,902,104.51
Income tax expenses	16	(2,273,317.90)	(1,889,895.86)	(1,035,754.32)	(1,799,750.74)
Profit for the period		72,703,108.19	63,109,474.24	67,409,375.12	62,102,353.77
Other comprehensive income (expense)		0.00	0.00	0.00	0.00
Total comprehensive income for the period		72,703,108.19	63,109,474.24	67,409,375.12	62,102,353.77
Total comprehensive income attributable to :					
Owners of the Company		72,752,406.44	63,455,820.49	67,409,375.12	62,102,353.77
Non-controlling interests		(49,298.25)	(346,346.25)	0.00	0.00
		72,703,108.19	63,109,474.24	67,409,375.12	62,102,353.77
Earnings per share					
Basic earnings per share	17	0.75	0.66	0.70	0.65
Weighted average number of					
common shares	17	96,839,505	95,568,960	96,839,505	95,568,960
Diluted earnings per share					
Diluted earnings per share	17	0.75	0.66	0.69	0.64
Weighted average number of					
common shares	17	97,180,264	96,655,310	97,180,264	96,655,310

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014
(UNAUDITED/REVIEWED ONLY)

Note	Consolidated financial statements (Baht)									
	Owners of the Company									
	Issued and paid-up share capital	Premium on share capital	Equity-settled share-based payment reserve		Retained earnings		Total owners of the Company	Non-controlling interests	Total shareholders' equity	
paid-up share capital			share-based payment reserve	Appropriated	Unappropriated					
Balance as at December 31, 2013	96,577,285.00	67,852,859.52	501,897.88	183,878,010.51	10,000,000.00	358,810,052.91	1,657,889.76	360,467,942.67		
Changes in shareholders' equity for the nine-month periods:										
Common shares	0.00	0.00	0.00	0.00	0.00	0.00	150.00	150.00		
Share-based payment	0.00	0.00	1,718,452.00	0.00	0.00	1,718,452.00	0.00	1,718,452.00		
Common shares exercised from warrants	1,550,105.00	8,865,205.51	(1,548,709.91)	0.00	0.00	8,866,600.60	0.00	8,866,600.60		
Dividend paid	0.00	0.00	0.00	(38,758,194.00)	0.00	(38,758,194.00)	0.00	(38,758,194.00)		
Total comprehensive income for the period	0.00	0.00	0.00	72,752,406.44	0.00	72,752,406.44	(49,298.25)	72,703,108.19		
Interim dividend paid	0.00	0.00	0.00	(19,379,097.00)	0.00	(19,379,097.00)	0.00	(19,379,097.00)		
Balance as at September 30, 2014	98,127,390.00	76,718,065.03	671,639.97	198,493,125.95	10,000,000.00	384,010,220.95	1,608,741.51	385,618,962.46		
Balance as at December 31, 2012	95,089,535.00	59,344,268.49	699,469.91	172,153,355.14	10,000,000.00	337,286,628.54	2,016,040.07	339,302,668.61		
Changes in shareholders' equity for the nine-month periods:										
Common shares	0.00	0.00	0.00	0.00	0.00	0.00	75.00	75.00		
Share-based payment	0.00	0.00	1,288,839.00	0.00	0.00	1,288,839.00	0.00	1,288,839.00		
Common shares exercised from warrants	1,487,750.00	8,508,591.03	(1,486,411.03)	0.00	0.00	8,509,930.00	0.00	8,509,930.00		
Dividend paid	0.00	0.00	0.00	(47,853,592.50)	0.00	(47,853,592.50)	0.00	(47,853,592.50)		
Total comprehensive income for the period	0.00	0.00	0.00	63,455,820.49	0.00	63,455,820.49	(346,346.25)	63,109,474.24		
Interim dividend paid	0.00	0.00	0.00	(23,926,796.25)	0.00	(23,926,796.25)	0.00	(23,926,796.25)		
Balance as at September 30, 2013	96,577,285.00	67,852,859.52	501,897.88	163,828,786.88	10,000,000.00	338,760,829.28	1,669,768.82	340,430,598.10		

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014

(UNAUDITED/REVIEWED ONLY)

Note	Separate financial statements (Baht)						Total shareholders' equity
	Issued and paid-up share capital	Premium on share capital	Equity-settled share-based payment reserve	Retained earnings	Unappropriated	Appropriated	
Balance as at December 31, 2013	96,577,285.00	67,852,859.52	501,897.88	10,000,000.00	179,936,846.07	354,868,888.47	
Changes in shareholders' equity for the nine-month periods:							
Share-based payment	0.00	0.00	1,718,452.00	0.00	0.00	1,718,452.00	
Common shares exercised from warrants	1,550,105.00	8,865,205.51	(1,548,709.91)	0.00	0.00	8,866,600.60	
Dividend paid	0.00	0.00	0.00	0.00	(38,758,194.00)	(38,758,194.00)	
Total comprehensive income for the period	0.00	0.00	0.00	0.00	67,409,375.12	67,409,375.12	
Interim dividend paid	0.00	0.00	0.00	0.00	(19,379,097.00)	(19,379,097.00)	
Balance as at September 30, 2014	98,127,390.00	76,718,065.03	671,639.97	10,000,000.00	189,208,930.19	374,726,025.19	
Balance as at December 31, 2012	95,089,535.00	59,344,268.49	699,469.91	10,000,000.00	171,279,243.34	336,412,516.74	
Changes in shareholders' equity for the nine-month periods:							
Share-based payment	0.00	0.00	1,288,839.00	0.00	0.00	1,288,839.00	
Common shares exercised from warrants	1,487,750.00	8,508,591.03	(1,486,411.03)	0.00	0.00	8,509,930.00	
Dividend paid	0.00	0.00	0.00	0.00	(47,853,592.50)	(47,853,592.50)	
Total comprehensive income for the period	0.00	0.00	0.00	0.00	62,102,353.77	62,102,353.77	
Interim dividend paid	0.00	0.00	0.00	0.00	(23,926,796.25)	(23,926,796.25)	
Balance as at September 30, 2013	96,577,285.00	67,852,859.52	501,897.88	10,000,000.00	161,601,208.36	336,533,250.76	

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before income tax	74,976,426.09	64,999,370.10	68,445,129.44	63,902,104.51
Adjustments				
Unrealized gain on changes in investment valuation	(36,609.33)	(1,335,383.24)	(36,090.39)	(1,335,383.24)
Doubtful accounts	1,063,239.03	0.00	1,063,239.03	0.00
Reversed doubtful accounts	0.00	(63,445.27)	0.00	(63,445.27)
Increase in unbilled service income	(7,379,982.05)	(10,820,873.88)	(7,523,522.68)	(10,820,873.88)
Depreciation	18,873,097.03	13,663,389.92	18,608,994.93	13,600,963.29
(Gain)Loss on disposal of fixed assets	(78,487.16)	610,040.71	(78,487.16)	610,040.71
Reverse of loss on impairment of assets	(11,271.88)	(5,300.75)	(11,271.88)	(5,300.75)
Write off withholding income tax	0.00	39,618.44	0.00	39,618.44
Employee benefits	3,740,931.07	2,187,193.00	3,714,477.73	2,187,193.00
Interest expenses	302,662.75	327,875.55	284,735.03	326,633.42
	91,450,005.55	69,602,484.58	84,467,204.05	68,441,550.23
(Increase) Decrease in portion of operating assets				
Trade and other receivables	(1,174,682.90)	17,129,209.53	2,134,958.15	14,938,936.15
Inventories	(936,958.28)	(4,264,589.65)	129,341.81	(3,193,206.14)
Other non-current assets	49,164.88	(623,606.25)	49,164.88	(623,606.25)
Increase (Decrease) in portion of operating liabilities				
Trade and other payables	8,721,128.73	(222,695.49)	8,841,272.66	1,364,639.60
Cash generated (paid) from operation	98,108,657.98	81,620,802.72	95,621,941.55	80,928,313.59
Interest paid	(302,662.75)	(327,875.55)	(284,735.03)	(326,633.42)
Income tax received (paid)	(3,588,755.14)	(1,675,189.01)	(2,027,409.53)	(1,426,848.83)
Net cash provided by (used in) operating activities	94,217,240.09	79,617,738.16	93,309,796.99	79,174,831.34

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cash flows from investing activities				
(Increase)Decrease in current investment	(8,240,243.34)	30,668,811.98	(6,240,243.34)	30,668,811.98
Increase in short-term loan	0.00	0.00	(1,000,000.00)	0.00
Payments for acquire ordinary share of subsidiary	0.00	0.00	(2,499,850.00)	(1,249,925.00)
Increase in pledged bank deposit	(5,245,574.47)	(1,520,000.00)	(5,245,574.47)	(1,520,000.00)
Proceeds from sales of fixed assets	1,223,297.74	895,366.25	1,223,297.74	895,366.25
Payments for fixed assets acquisition	(48,890,718.74)	(26,086,948.77)	(48,481,863.52)	(25,591,121.29)
Net cash provided by (used in) investing activities	(61,153,238.81)	3,957,229.46	(62,244,233.59)	3,203,131.94
Cash flows from financing activities				
Decrease in financial lease liabilities	(2,855,680.74)	(2,499,724.35)	(2,752,882.46)	(2,487,552.48)
Dividend paid	(58,137,291.00)	(71,780,388.75)	(58,137,291.00)	(71,780,388.75)
Proceeds from exercised of warrants to purchase ordinary shares	8,866,600.60	8,509,930.00	8,866,600.60	8,509,930.00
Proceeds for non-controlling interests	150.00	75.00	0.00	0.00
Net cash provided by (used in) financing activities	(52,126,221.14)	(65,770,108.10)	(52,023,572.86)	(65,758,011.23)
Net increase (decrease) in cash and cash equivalents	(19,062,219.86)	17,804,859.52	(20,958,009.46)	16,619,952.05
Cash and cash equivalents as at January 1	38,744,385.05	21,987,975.76	33,309,761.23	19,252,107.93
Cash and cash equivalents as at September 30	19,682,165.19	39,792,835.28	12,351,751.77	35,872,059.98

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONDENSED NOTES TO FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014

(UNAUDITED/REVIEWED ONLY)

1. GENERAL INFORMATION

- 1.1 The Company was registered as a company limited on February 11, 1991 with registration No. 0105534013647 and on December 12, 2007, the Company has changed its status to public company limited with registration No. 0107550000220 and is listed company in the Market for Alternative Investment (MAI) on June 9, 2009.
- 1.2 Head office is located at 21/3 Banplong Road, Maptaphut, Muang, Rayong and two branches office are located at 1/37 Moo 1, Nongchak, Banbueng, Chonburi and at 50, Soi Pattanakam 57, Prawet District, Bangkok.
- 1.3 The Company engaged in business of provides the technical services testing, inspection and certification for operation safety of industry equipment, pressure vessel, industrial boiler, piping and steel structures which is important for the production process, storage, transport of the products in power generating, petrochemical industry and construction to comply with industrial standard and the government laws.

2. PREPARATION OF INTERIM FINANCIAL STATEMENTS BASIS

- 2.1 The financial statements have been prepared in conformity with TAS 34 (Revised 2012) "Interim Financial Reporting", enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

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

2.2 Accounting standards and financial reporting standards adoption during the period

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations and financial reporting interpretations which are expected to be effective for the financial statements beginning on or after January 1, 2014 as detailed below:

Accounting Standards

- TAS 1 (Revised 2012) Presentation of Financial Statements
- TAS 7 (Revised 2012) Statement of Cash Flows
- TAS 12 (Revised 2012) Income Taxes
- TAS 17 (Revised 2012) Leases
- TAS 18 (Revised 2012) Revenue
- TAS 19 (Revised 2012) Employee Benefits
- TAS 21 (Revised 2012) The Effects of Changes in Foreign Exchange Rate
- TAS 24 (Revised 2012) Related Party Disclosures
- TAS 28 (Revised 2012) Investments in Associates
- TAS 31 (Revised 2012) Interests in Joint Venture
- TAS 34 (Revised 2012) Interim Financial Reporting
- TAS 36 (Revised 2012) Impairment of Assets
- TAS 38 (Revised 2012) Intangible Assets

Financial Reporting Standards

- TFRS 2 (Revised 2012) Share - Based Payments
- TFRS 3 (Revised 2012) Business Combinations
- TFRS 5 (Revised 2012) Non-current Held for Sale and Discontinued Operations
- TFRS 8 (Revised 2012) Operating Segments

Standing Interpretations

- TSIC 15 Operating Leases - Incentives
- TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- TSIC 29 Service Concession Arrangements Disclosures
- TSIC 32 Intangible Assets - Web Site Costs.

Financial Reporting Interpretations

- TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- TFRIC 4 Determining whether an Arrangement contains a Lease
- TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- TFRIC 7 Applying the Restatement Approach under TAS 29 *Financial Reporting in Hyperinflationary Economies*
- TFRIC 10 Interim Financial Reporting and Impairment
- TFRIC 12 Service Concession Arrangements
- TFRIC 13 Customers Loyalty Programmes
- TFRIC 17 Distributions of Non-cash Assets to Owners
- TFRIC 18 Transfer of Assets from Customers

The above accounting standards, financial reporting standards, standing interpretations and financial reporting interpretations will have no significantly impacts on these financial statements.

2.3 The new issued and revised accounting standards and financial reporting standards which are effective for the financial statements beginning on or after January 1, 2016 onwards and the Company and subsidiaries have not applied for these financial statements as follows:

Financial Reporting Standards

- TFRS 4 Insurance Contracts

At present, the Company and subsidiaries are being evaluated the effects of those standards on the financial statements in the year in which they are initially applied.

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

3.1 The interim consolidated financial statements have been prepared by including the interim financial statements of its subsidiary on which Qualitech Public Company Limited has ability to control in making financial and operating decisions upto the controllable is ceased as below :

	Percentage of investment %		Type of Business
	September 30, 2014	December 31, 2013	
Subsidiaries			
QLT International Limited	99.99	99.99	Providing engineering services in both Thailand and overseas and engage in relevant business
Qualitech Myanmar Limited	50.99	50.99	Providing safety engineering services in Myanmar and other related business

3.2 The interim 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.

3.3 The balance of accounts and transactions between Qualitech Public Company Limited and its subsidiaries, unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the interim consolidated financial statements.

4. SUMMARY SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2013.

5. CURRENT INVESTMENT

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Open-end fund	82,013,390.27	54,265,848.19	80,012,871.33	54,265,848.19
Cash at bank - fixed deposit				
with 6 months maturity	1,444,425.90	20,915,115.31	1,444,425.90	20,915,115.31
Total	83,457,816.17	75,180,963.50	81,457,297.23	75,180,963.50

The increase and decrease of current investment for the nine-month periods ended September 30, 2014 are as follows :

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2014	75,180,963.50	75,180,963.50
Increase investment during the period	145,981,550.18	143,981,550.18
Sales of investment during the period	(137,741,306.84)	(137,741,306.84)
Gain on changes in fair value	36,609.33	36,090.39
Book value as at September 30, 2014	83,457,816.17	81,457,297.23

6. TRADE AND OTHER RECEIVABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Trade accounts receivable	72,432,205.32	73,069,143.37	68,766,173.87	72,675,874.83
Other receivables	8,334,343.96	6,522,723.01	7,743,200.43	5,968,457.62
Total	80,766,549.28	79,591,866.38	76,509,374.30	78,644,332.45
Less Allowance for doubtful accounts				
- trade accounts receivable	(14,606,936.24)	(13,543,697.21)	(14,606,936.24)	(13,543,697.21)
Net	66,159,613.04	66,048,169.17	61,902,438.06	65,100,635.24

Billed trade accounts receivable separated on aging are as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Undue trade accounts receivable	19,870,836.47	25,483,298.52	19,907,399.52	25,344,521.78
Overdue trade accounts receivable				
- Less than 3 months	30,027,711.62	29,724,983.69	26,325,117.12	29,692,543.69
- Over 3 months to 6 months	6,718,053.43	4,773,344.34	6,718,053.43	4,708,464.34
- Over 6 months to 9 months	1,916,042.50	91,150.00	1,916,042.50	91,150.00
- Over 9 months to 12 months	1,081,366.28	0.00	1,081,366.28	0.00
- Over 12 months	12,818,195.02	12,996,366.82	12,818,195.02	12,839,195.02
Total	72,432,205.32	73,069,143.37	68,766,173.87	72,675,874.83

7. INVESTMENTS IN SUBSIDIARIES

Company's name	Registration in	Paid-up share capital (Baht)		Percentage of shareholding		Separate financial statements (Baht)	
		September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
QLT International Limited	Thailand	5,000,000.00	2,500,000.00	99.99	99.99	4,999,700.00	2,499,850.00
Qualitech Myanmar Limited	Thailand	2,000,000.00	2,000,000.00	50.99	50.99	1,019,700.00	1,019,700.00
	Total					6,019,400.00	3,519,550.00

The financial statements for the three-month and nine-month periods ended September 30, 2014 of above subsidiaries have been taken for preparing the consolidated financial statements were reviewed by the auditor.

8. PLEDGED BANK DEPOSIT

As at September 30, 2014, the Company has deposit at a bank amount of Baht 19.20 million which is mortgaged as collateral against contingent liabilities from bank's issuance of letter of guarantee (note 23).

9. PROPERTY, PLANT AND EQUIPMENT

9.1 The increase and decrease of property, plant and equipment for the nine-month periods ended September 30, 2014 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2014	130,295,541.24	128,799,971.78
Purchase during the period - cost	53,146,404.69	52,737,549.47
Disposal during the period - net book value as at disposal date	(1,735,491.15)	(1,735,491.15)
Depreciation for the period	(18,873,097.03)	(18,608,994.93)
Net book value as at September 30, 2014	<u>162,833,357.75</u>	<u>161,193,035.17</u>

9.2 Tools and technical equipment as at September 30, 2014

		(Unit : Baht)	
Assets acquired	Cost	Accumulated depreciation	Net cost
Depreciation by straight-line method			
- Before October 23, 1999	1,533,240.39	(1,533,164.39)	76.00
- 2004 until present	54,538,746.00	(36,546,355.25)	17,992,390.75
Depreciation by double-declining balance method			
- Before October 23, 1999 to 2003	3,886,156.75	(3,886,099.75)	57.00
- 2006 until present	89,765,848.38	(51,199,378.44)	38,566,469.94
Total	<u>149,723,991.52</u>	<u>(93,164,997.83)</u>	<u>56,558,993.69</u>

Depreciation for the nine-month periods ended September 30, 2014 were Baht 12.38 million.

10. OTHER NON-CURRENT ASSETS

	Consolidated and Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013
Deposit receivable under contract	4,519,201.99	4,557,094.99
Others	13,133.17	24,405.05
Total	<u>4,532,335.16</u>	<u>4,581,500.04</u>
Less Allowance for doubtful accounts	(3,622,564.07)	(3,622,564.07)
Provision for impairment of assets	(13,133.17)	(24,405.05)
Net	<u>896,637.92</u>	<u>934,530.92</u>

11. TRADE AND OTHER PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Trade accounts payable	16,875,609.02	8,213,563.52	16,066,550.53	11,567,703.14
Other payables				
Accrued expenses	33,447,487.36	35,913,594.06	36,064,767.29	34,117,301.48
Assets payables	3,809,267.37	4,100,983.99	3,809,267.37	4,100,983.99
Others	5,824,329.51	3,299,139.58	5,505,982.80	3,111,023.34
Total	<u>59,956,693.26</u>	<u>51,527,281.15</u>	<u>61,446,567.99</u>	<u>52,897,011.95</u>

12. FINANCIAL LEASE LIABILITIES

12.1 Financial lease liabilities excluded future interest expenses as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Hire purchase payable	9,088,770.83	7,987,729.57	8,651,252.10	7,447,412.56
Less Current portion of				
long-term liabilities	(4,033,960.93)	(3,289,373.24)	(3,891,000.32)	(3,151,524.79)
Net	<u>5,054,809.90</u>	<u>4,698,356.33</u>	<u>4,760,251.78</u>	<u>4,295,887.77</u>

12.2 The increase and decrease of financial lease liabilities for the nine-month periods ended September 30, 2014 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Book value as at January 1, 2014	7,987,729.57	7,447,412.56
Increase during the period	3,956,722.00	3,956,722.00
Repayment during the period	(2,855,680.74)	(2,752,882.46)
Book value as at September 30, 2014	<u>9,088,770.83</u>	<u>8,651,252.10</u>

12.3 The Company's assets at cost are under the payment as indicated in agreement as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Vehicles	22,621,037.38	17,335,037.38	21,842,037.38	16,556,037.38
Office equipment	0.00	242,780.16	0.00	242,780.16
Total	22,621,037.38	17,577,817.54	21,842,037.38	16,798,817.54

12.4 The minimum amount to be paid under financial lease as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Within 1 year	4,366,185.00	3,664,223.88	4,205,217.00	3,503,255.88
Over 1 year less than 3 years	4,795,421.00	4,647,199.97	4,486,899.00	4,217,951.97
Over 3 years less than 5 years	412,885.00	236,391.00	412,885.00	236,391.00
Total	9,574,491.00	8,547,814.85	9,105,001.00	7,957,598.85
Less Future interest expenses of financial lease	(485,720.17)	(560,085.28)	(453,748.90)	(510,186.29)
Present value of financial lease liabilities	9,088,770.83	7,987,729.57	8,651,252.10	7,447,412.56

13. EMPLOYEE BENEFIT OBLIGATIONS

The increase and decrease of employee benefit obligations for the nine-month periods ended September, 2014 are as follow :

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2014	10,089,271.00	10,089,271.00
Current cost of services and interest	2,022,479.07	1,996,025.73
Book value as at September 30, 2014	12,111,750.07	12,085,296.73

14. SHARE CAPITAL

14.1 Share capital

1) According to the annual general shareholders' meeting for the year 2012 held on April 11, 2012, the shareholders passed the resolution to issue the ESOP-warrants for 4.50 million units at the exercised ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 5.72 each. The exercise period is 3 years from the date of issuance and offering. On July 4, 2012, the Company issued 4.30 million units of warrants, the remaining 0.20 million units, the Company will be proposed to the shareholders for approval the decrease of registered capital in the next shareholders' meeting.

2) The increase and decrease of share capital for the nine-month periods ended September, 2014 are as follow :

	Authorized share capital		Issued and paid-up share capital	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
Balance as at January 1, 2014	99,000,000	99,000,000.00	96,577,285	96,577,285.00
Common shares issued from exercise				
of warrants (QLT-ESOP)	0	0.00	1,550,105	1,550,105.00
Balance as at September 30, 2014	99,000,000	99,000,000.00	98,127,390	98,127,390.00

14.2 Warrants

- 1) On July 4, 2012, the Company issued 4.30 million units of warrants to the Company's management and/or a employees (QLT -ESOP) without offering price at the exercised ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 5.72 each. The exercise period is 3 years from the date of issuance and offering (in the 1st and 2nd year can be exercised right not exceed 30% and the remaining can be exercised in the 3rd year). The exercise right will be made on the 15th of March and September.
- 2) Estimated fair value of exercised right of warrants equal to Baht 0.9991 by using Black-Scholes Model such as stock price equal to Baht 6.40, exercise price is Baht 5.72, index volatility at 24.29%, dividend yield at the rate 5.47%, time to maturity 3 years and interest rate at 3.08% recorded "Equity-settled share-based payment reserve" in shareholders' equity.

For the three-month and nine-month periods ended September 30, 2014, the Company recorded expenses for the issuance of warrants to purchase common shares (QLT -ESOP) to the Company's management and employees amount of Baht 1.72 million per year which included in employee benefit expenses

3) The increase and decrease of common shares issued from exercise of warrants (QLT -ESOP) for the nine-month periods ended September 30, 2014 are as follow :

	Number of units
Balance as at January 1, 2014	2,222,350
Exercise of warrants	<u>(1,550,105)</u>
Balance as at September 30, 2014	<u><u>672,245</u></u>

15. RETAINED EARNINGS APPROPRIATION

According to the annual general shareholders' meeting for the year 2014 held on April 9, 2014, the shareholders passed the resolution to pay dividend to the shareholders at Baht 0.65 per share, total amount of Baht 62.68 million by making interim dividend payment at Baht 0.25 per share for 95.71 million ordinary shares, total amount of Baht 23.93 million, thus, the remaining annual dividend payment at Baht 0.40 per share for 96.90 million ordinary shares, total amount of Baht 38.75 million. During the period, the Company has fully paid such dividend.

According to the minutes of Board of Directors' meeting No. 4/2014 held on August 9, 2014, passed the resolution to pay dividend from the result of six months profit for the year 2014 to the shareholders at Baht 0.20 per share total amount of Baht 19.38 million. During the period, the Company has paid such dividend in fully amount.

16. INCOME TAX

16.1 The calculation of current income taxes

Parent company

For the third quarter of 2014, the Company calculated corporate income tax at the rate of 20% of profit (loss) before deducting with tax expenses and added back other expenses which shall not be allowed as expenses in tax calculation (if any) except the exempted profit derived from promoted activities (note 21).

Subsidiaries

For the third quarter of 2014, subsidiaries calculated corporate income tax at the rate of 15 -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).

16.2 Income tax recognized in profit or loss for the three-month and nine-month periods ended September 30, 2014 and 2013 are as follows:

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Current income tax				
For the current year	740,390.15	541,251.97	576,360.22	282,322.08
Deferred tax				
Changes in temporary				
differences of deferred tax	0.00	0.00	0.00	0.00
Total income tax	740,390.15	541,251.97	576,360.22	282,322.08
	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Current income tax				
For the current year	2,273,317.90	1,889,895.86	1,035,754.32	1,799,750.74
Deferred tax				
Changes in temporary				
differences of deferred tax	0.00	0.00	0.00	0.00
Total income tax	2,273,317.90	1,889,895.86	1,035,754.32	1,799,750.74

As at September 30, 2014, allowance for doubtful accounts amount of Baht 14.61 million is allowance for doubtful accounts of trade accounts receivable granted from promotional investment which have no impacts on deferred tax from applying TAS 12 "Income Taxes".

17. EARNINGS PER SHARE

Diluted earnings per share is determined by dividing the net profit (loss) for the period by the average number of ordinary shares issued and paid-up during the period including the number of ordinary shares issued to the holders of warrants to purchase ordinary shares of the Company.

17.1 For the three-month periods ended September 30, 2014 and 2013 are as follow :

	Consolidated financial statements						
	Profit for the period			Number of shares		Earnings / share	
	2014	Baht	2013	2014	2013	2014	2013
Basic earnings per share				shares			
Net profit (loss) of common shareholders	25,628,586.34		22,340,646.28	97,002,607	95,820,676	0.26	0.23
Effects of potential common share (exercise rights)	-		-	353,138	962,504		
Diluted earnings per share							
Profit (Loss) of common shareholders assumed as conversion to common share	25,628,586.34		22,340,646.28	97,355,745	96,783,180	0.26	0.23
	Separate financial statements						
	Profit for the period			Number of shares		Earnings / share	
	2014	Baht	2013	2014	2013	2014	2013

Basic earnings per share

Net profit (loss) of common shareholders 24,629,636.17 20,620,438.09 97,002,607 95,820,676 0.25 0.22

Effects of potential common

share (exercise rights) - - 353,138 962,504

Diluted earnings per share

Profit (Loss) of common shareholders assumed

as conversion to common share 24,629,636.17 20,620,438.09 97,355,745 96,783,180 0.25 0.21

17.2 For the nine-month periods ended September 30, 2014 and 2013 are as follow :

Consolidated financial statements							
	Profit for the period			Number of shares		Earnings / share	
	2014	Baht	2013	2014	shares	2013	2014 Baht 2013
Basic earnings per share							
Net profit (loss) of common shareholders	72,752,406.44	63,455,820.49		96,839,505	95,568,960	0.75	0.66
Effects of potential common							
share (exercise rights)	-	-		340,759	1,086,350		
Diluted earnings per share							
Profit (Loss) of common shareholders assumed							
as conversion to common share	72,752,406.44	63,455,820.49		97,180,264	96,655,310	0.75	0.66

Separate financial statements							
	Profit for the period			Number of shares		Earnings / share	
	2014	Baht	2013	2014	shares	2013	2014 Baht 2013
Basic earnings per share							
Net profit (loss) of common shareholders	67,409,375.12	62,102,353.77		96,839,505	95,568,960	0.70	0.65
Effects of potential common							
share (exercise rights)	-	-		340,759	1,086,350		
Diluted earnings per share							
Profit (Loss) of common shareholders assumed							
as conversion to common share	67,409,375.12	62,102,353.77		97,180,264	96,655,310	0.69	0.64

18. ADDITION DISCLOSURE OF STATEMENTS OF CASH FLOWS

18.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Cash	757,455.41	618,177.72	321,189.46	301,760.62
Cash at bank - current accounts	34,000.00	34,000.00	34,000.00	34,000.00
Cash at bank - savings deposit	18,890,709.78	38,997,130.92	11,996,562.31	35,392,772.72
Cash at bank - fixed deposit	0.00	143,526.64	0.00	143,526.64
Total	19,682,165.19	39,792,835.28	12,351,751.77	35,872,059.98

18.2 Non-cash transaction

For the third quarter of 2014, the Company entered into hire purchase vehicles agreement of Baht 5.29 million which was already made the initial installment in the amount of Baht 1.33 million. The remaining is presented as financial lease liabilities. The Company also has the outstanding for fixed assets acquisition amount of Baht 3.81 million which is presented as other payables.

19. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Company and subsidiaries' assets, liabilities, revenues and expenses arose from transaction with persons and related parties. Those transactions are based on the conditions as the group of companies concerned and in the normal course of business as detailed following :

19.1 General information

Name	Relationship	Description	Pricing policy
Related persons			
Mr. Sumet Techachainiran	The Company's director and shareholder	Guarantee	Non-service charge
Mrs. Monta Chaiyaban	Spouses of the Company's director and shareholder	Office rental	At the agreed rate of Baht 8,500 starting in June 2008
		Land and office building acquisition	At the value appraised by the independent appraiser plus Baht 1.5 million

Name	Relationship	Description	Pricing policy
Subsidiary companies			
Qualitech Myanmar Limited	The Company held 50.99% share capital, director and management have common shareholding	Income - wages	Close to market value
		Income - management service fee	At agreed price
		Interest income	At the rate of 6.75% per annum
		Wages	At agreed price
QLT International Limited	The Company held 99.99% share capital, director and management have common shareholding	Income - wages	Close to market value
		Income - rental	At agreed price of Baht 24,299.07 per month
		Income - management service fee	At the agreed price
		Wages	At the agreed price
		Materials supply	At the agreed price
Related company			
Parami Energy Service Co., Ltd.	Director and shareholder of subsidiary	Income - wages	At agreed price
		Wages	At agreed price
		Office rental	At agreed price of USD 1,000.00

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

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>September 30, 2014</u>	<u>December 31, 2013</u>	<u>September 30, 2014</u>	<u>December 31, 2013</u>
Trade and other receivables				
Qualitech Myanmar Limited	0.00	0.00	156,624.46	1,500.00
QLT International Limited	0.00	0.00	66,000.00	22,020.00
Parami Energy Service Co., Ltd.	3,395,393.61	392,113.68	0.00	0.00
Total	3,395,393.61	392,113.68	222,624.46	23,520.00
Unbilled services income				
Qualitech Myanmar Limited	0.00	0.00	80,850.00	0.00
QLT International Limited	0.00	0.00	37,383.18	80,000.00
	0.00	0.00	118,233.18	80,000.00
Short-term loans				
Qualitech Myanmar Limited	0.00	0.00	1,000,000.00	0.00

The increase and decrease of short-term loans for the nine-month periods ended September 30, 2014 are as follow :

	Separate financial statements (Baht)			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Balance as at January 1, 2014			0.00	
Increase during the period			1,000,000.00	
Balance as at September 30, 2014			1,000,000.00	
Trade and other payables				
Qualitech Myanmar Limited	0.00	0.00	103,644.19	107,836.74
QLT International Limited	0.00	0.00	6,608,180.47	3,985,101.44
Parami Energy Service Co., Ltd.	210,934.32	612,397.37	0.00	0.00
Total	210,934.32	612,397.37	6,711,824.66	4,092,938.18

19.3 Revenues and expenses transaction with related persons and parties for the three-month and nine-month periods ended September 30, 2014 and 2013 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Service income - wages				
QLT International Limited	0.00	0.00	64,000.00	0.00
Parami Energy Service Co., Ltd.	3,359,454.10	0.00	0.00	0.00
	3,359,454.10	0.00	64,000.00	0.00
Other income - rental				
QLT International Limited	0.00	0.00	72,897.21	43,738.32
Other income - management fee				
Qualitech Myanmar Limited	0.00	0.00	234,750.00	0.00
QLT International Limited	0.00	0.00	112,149.45	0.00
Total	0.00	0.00	346,899.45	0.00

For the three-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cost of services - wages				
Qualitech Myanmar Limited	0.00	0.00	142,532.02	151,173.00
QLT International Limited	0.00	0.00	5,796,048.50	3,466,324.00
Parami Energy Service Co., Ltd.	52,725.49	0.00	0.00	0.00
Total	52,725.49	0.00	5,938,580.52	3,617,497.00
Cost of services - material supply				
QLT International Limited	0.00	0.00	1,041,910.00	0.00
Administrative expenses - office rental				
Parami Energy Service Co., Ltd.	96,743.90	0.00	0.00	0.00

For the nine-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Service income - wages				
Qualitech Myanmar Limited	0.00	0.00	84,285.40	0.00
QLT International Limited	0.00	0.00	384,000.00	0.00
Parami Energy Service Co., Ltd.	3,748,389.40	0.00	0.00	0.00
Total	3,748,389.40	0.00	468,285.40	0.00
Other income - rental				
QLT International Limited	0.00	0.00	218,691.63	43,738.32
Other income - management fee				
Qualitech Myanmar Limited	0.00	0.00	719,225.00	0.00
QLT International Limited	0.00	0.00	331,124.97	0.00
Total	0.00	0.00	1,050,349.97	0.00

For the nine-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Cost of services - wages				
Qualitech Myanmar Limited	0.00	0.00	217,015.04	295,923.50
QLT International Limited	0.00	0.00	16,185,353.35	3,466,324.00
Parami Energy Service Co., Ltd.	251,687.12	0.00	0.00	0.00
Total	251,687.12	0.00	16,402,368.39	3,762,247.50
Cost of services - material supply				
QLT International Limited	0.00	0.00	1,867,512.00	0.00
Administrative expenses - wages				
Qualitech Myanmar Limited	0.00	0.00	0.00	33,612.27
Administrative expenses - office rental				
Mrs. Monta Chaiyaban	0.00	8,500.00	0.00	8,500.00
Parami Energy Service Co., Ltd.	293,173.90	0.00	0.00	0.00
Total	293,173.90	8,500.00	0.00	8,500.00

19.4 Fixed assets acquisition with related persons and parties are as follows :

For the first quarter of 2013, according to the minutes of Board of directors' meeting No. 1/2013 held on February 16, 2013, the Board of directors ratified involving land and office building acquisition instead of lease from spouses of the Company's director and shareholder (Mrs. Monta Chaiyaban). The Company acquired such land with its office building in the price of Baht 7.50 million which is higher than the appraisal value amount of Baht 1.50 million that the management deems that this price is appropriated, caused by the Company can save the cost of removal and renovation of its office.

20. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and nine-month periods ended September 30, 2014 and 2013 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Employee benefit expenses	61,696,222.86	49,686,950.12	57,305,310.36	48,196,023.84
Depreciation	8,791,309.35	4,900,424.36	8,693,389.83	4,845,747.18
Supplies used	10,963,149.45	5,760,314.54	9,564,404.65	5,759,189.54
Contractor wage	7,181,427.85	4,481,561.20	11,645,793.22	7,724,827.54
Travelling and accommodation expenses	4,009,834.79	3,235,107.99	3,545,343.67	3,129,302.50
Office expenses	1,861,094.32	1,829,721.73	1,662,190.30	1,777,633.94
Fee and consulting fee	279,022.16	657,762.19	166,761.75	610,453.83
Repairs and maintenance expenses	926,755.11	887,568.14	893,825.88	884,462.93
Directors' remuneration	758,833.94	622,206.86	758,833.94	622,206.86
Management benefit expenses	4,869,033.05	4,186,370.94	4,869,033.05	4,186,370.94
	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2014	2013	2014	2013
Employee benefit expenses	174,007,163.73	139,785,908.62	165,484,588.02	138,291,847.13
Depreciation	18,873,097.03	13,663,389.92	18,608,994.93	13,600,963.29
Supplies used	30,051,377.66	20,175,448.50	26,484,716.51	20,097,399.93
Contractor wage	17,203,019.71	12,289,208.35	32,189,756.33	15,675,600.19
Travelling and accommodation expenses	10,460,638.61	8,294,939.21	9,393,502.08	8,155,042.25
Office expenses	6,133,484.59	5,205,278.70	5,549,042.36	5,153,089.91
Fee and consulting fee	2,158,943.93	2,041,915.20	1,881,002.79	1,944,292.84
Repairs and maintenance expenses	4,582,962.78	4,119,045.52	4,513,908.35	4,115,940.31
Directors' remuneration	2,272,570.64	1,826,618.71	2,272,570.64	1,826,618.71
Management benefit expenses	14,147,129.22	12,436,220.78	14,147,129.22	12,436,220.78

21. PROMOTIONAL PRIVILEGES

The results of operation of the Company for the nine-month periods ended September 30, 2014 and 2013 separated into promoted business and non-promoted business as follows :

	Consolidated financial statements (Baht)					
	Promoted business		Non-promoted business		Total	
	2014	2013	2014	2013	2014	2013
Services income	284,141,366.77	242,230,769.48	77,242,967.40	46,929,330.27	361,384,334.17	289,160,099.75
Cost of services	(188,861,314.29)	(159,335,061.43)	(56,607,020.18)	(33,187,383.75)	(245,468,334.47)	(192,522,445.18)
Gross profit	95,280,052.48	82,895,708.05	20,635,947.22	13,741,946.52	115,915,999.70	96,637,654.57
Other income	0.00	0.00	3,568,154.91	3,098,797.24	3,568,154.91	3,098,797.24
Administrative expenses	(31,163,596.21)	(27,657,897.49)	(13,041,469.56)	(6,751,308.67)	(44,205,065.77)	(34,409,206.16)
Finance costs	(225,595.56)	(271,315.69)	(77,067.19)	(56,559.86)	(302,662.75)	(327,875.55)
Profit before income tax	63,890,860.71	54,966,494.87	11,085,565.38	10,032,875.23	74,976,426.09	64,999,370.10
Income tax expenses	0.00	0.00	(2,273,317.90)	(1,889,895.86)	(2,273,317.90)	(1,889,895.86)
Profit for the period	63,890,860.71	54,966,494.87	8,812,247.48	8,142,979.37	72,703,108.19	63,109,474.24

22. OPERATING SEGMENTS

22.1 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.

22.2 The Company and subsidiaries' operations involve virtually in a single in services providing for nondestructive testing and inspect, testing and certification of welding work, metal work and equipment 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.

22.3 Revenues separated by nature of services are as follows:

	Consolidated financial statements (Million Baht)			
	For the three-month periods		For the nine-month periods	
	2014	2013	2014	2013
Nondestructive testing	71.62	52.36	200.32	161.73
Testing and certification of welding work	58.75	47.22	161.06	127.42

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 The Company has commitment under acquire technical equipment agreement as at December 31, 2013 amount of USD 17,500.

23.2 The Company has commitment under acquire programme computer agreement as at September 30, 2014 amount of Baht 0.69 million.

23.3 The Company has contingent liabilities from a local bank's issuance of letter of guarantee for the results of work to customers of the Company and guarantee the electricity usage to government agency, total amount as at September 30, 2014 and December 31, 2013 of Baht 18.78 million and Baht 13.34 million respectively. Contingent liabilities are guaranteed by bank deposits (Note 8).

24. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Board of directors of the Company on November 8, 2014.