

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017
(UNAUDITED/REVIEWED ONLY)



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D I A INTERNATIONAL AUDIT CO., LTD.

A Member Of
Moore Stephens
International Limited

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AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of

Qualitech Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Qualitech Public Company Limited and subsidiaries and of Qualitech Public Company Limited as at June 30, 2017, and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2017, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the six-month periods then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No.34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

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

Conclusion

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

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakiern)

C.P.A. (Thailand)

Registration No. 2982

August 9, 2017

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2017

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2017 (Unaudited but reviewed)	December 31, 2016 (Audited)	June 30, 2017 (Unaudited but reviewed)	December 31, 2016 (Audited)
Assets					
Current assets					
Cash and cash equivalents		36,594,336.51	42,989,813.61	30,314,298.96	37,649,151.26
Current investment	5	60,937,606.74	47,241,567.47	21,580,844.51	16,491,828.55
Trade and other receivables	6	87,767,677.63	98,465,425.49	84,395,793.51	96,065,687.30
Unbilled services income		75,228,037.41	61,744,049.97	74,688,378.86	60,568,183.15
Inventories		7,647,027.58	6,290,963.53	5,689,960.18	4,509,651.52
Total current assets		268,174,685.87	256,731,820.07	216,669,276.02	215,284,501.78
Non-current assets					
Investment in subsidiaries	7	0.00	0.00	11,668,185.00	10,249,385.00
Pledged bank deposits	8	24,210,840.62	30,313,819.01	24,210,840.62	29,882,319.01
Property, plant and equipment	9	199,367,355.10	208,048,315.21	194,905,576.03	204,366,968.78
Intangible assets		2,015,160.11	2,163,635.37	2,015,160.11	2,163,635.37
Income tax deducted at source		5,085,303.61	6,150,649.97	5,085,303.61	6,150,649.97
Others non-current assets	10	672,840.96	523,651.38	672,840.96	523,651.38
Total non-current assets		231,351,500.40	247,200,070.94	238,557,906.33	253,336,609.51
Total assets		499,526,186.27	503,931,891.01	455,227,182.35	468,621,111.29

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT JUNE 30, 2017

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2017 (Unaudited but reviewed)	December 31, 2016 (Audited)	June 30, 2017 (Unaudited but reviewed)	December 31, 2016 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	11	36,817,837.35	41,406,613.00	36,434,923.07	45,132,435.08
Current portion of long-term liabilities	12	2,652,732.55	3,111,848.51	2,393,463.21	2,778,443.77
Accrued income tax		691,832.76	984,838.94	0.00	0.00
Total current liabilities		40,162,402.66	45,503,300.45	38,828,386.28	47,910,878.85
Non-current liabilities					
Financial lease liabilities	12	2,877,003.37	3,623,090.02	2,735,737.77	3,364,314.83
Employee benefit obligations	13	14,788,405.19	10,833,238.01	12,869,033.18	10,791,383.00
Total non-current liabilities		17,665,408.56	14,456,328.03	15,604,770.95	14,155,697.83
Total liabilities		57,827,811.22	59,959,628.48	54,433,157.23	62,066,576.68
Shareholders' equity					
Share capital					
Authorized share capital	14				
103,468,485 common shares of Baht 1 each		103,468,485.00		103,468,485.00	
98,568,485 common shares of Baht 1 each			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
Premium on share capital		75,175,543.40	75,175,543.40	75,175,543.40	75,175,543.40
Equity-settled share-based payment reserve		4,065,188.03	4,065,188.03	4,065,188.03	4,065,188.03
Retained earnings					
Appropriated - legal reserve	15	10,346,848.50	10,000,000.00	10,346,848.50	10,000,000.00
Unappropriated	16	253,378,797.99	256,158,700.10	212,637,960.19	218,745,318.18
Total owners of the Company		441,534,862.92	443,967,916.53	400,794,025.12	406,554,534.61
Non-controlling interests		163,512.13	4,346.00	0.00	0.00
Total shareholders' equity		441,698,375.05	443,972,262.53	400,794,025.12	406,554,534.61
Total liabilities and shareholders' equity		499,526,186.27	503,931,891.01	455,227,182.35	468,621,111.29

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2017

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
Services income		101,652,790.35	111,700,851.51	93,056,227.87	110,418,544.66
Cost of services		(82,988,818.77)	(80,915,586.32)	(78,090,079.41)	(86,376,650.63)
Gross profit		18,663,971.58	30,785,265.19	14,966,148.46	24,041,894.03
Other income		1,088,922.16	772,284.49	1,018,538.69	573,129.90
Administrative expenses		(17,476,216.98)	(17,810,500.95)	(15,737,084.62)	(16,943,944.92)
Finance costs		(163,354.36)	(206,088.87)	(150,070.20)	(182,833.81)
Profit before income tax		2,113,322.40	13,540,959.86	97,532.33	7,488,245.20
Income tax expenses	17	(336,333.96)	(1,269,954.80)	121,862.85	139,014.11
Profit for the period		1,776,988.44	12,271,005.06	219,395.18	7,627,259.31
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Actuarial gains (losses) on defined employee benefit obligations		0.00	(2,587,467.00)	0.00	(2,588,365.00)
Total comprehensive income for the period		1,776,988.44	9,683,538.06	219,395.18	5,038,894.31
Profit (loss) attributable to :					
Owners of the Company		1,774,096.04	12,162,908.92	219,395.18	7,627,259.31
Non-controlling interests		2,892.40	108,096.14	0.00	0.00
		1,776,988.44	12,271,005.06	219,395.18	7,627,259.31
Total comprehensive income attributable to :					
Owners of the Company		1,774,096.04	9,575,442.01	219,395.18	5,038,894.31
Non-controlling interests		2,892.40	108,096.05	0.00	0.00
		1,776,988.44	9,683,538.06	219,395.18	5,038,894.31
Earnings per share					
Basic earnings per share		0.02	0.12	0.002	0.08
Weighted average number of common shares		98,568,485	98,568,485	98,568,485	98,568,485

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
Services income		227,545,539.62	224,797,267.16	206,330,535.62	219,299,467.16
Cost of services		(173,415,715.89)	(161,161,261.38)	(162,952,980.98)	(166,861,284.18)
Gross profit		54,129,823.73	63,636,005.78	43,377,554.64	52,438,182.98
Other income		1,482,228.72	2,217,044.09	1,453,085.97	2,180,736.06
Administrative expenses		(37,847,611.26)	(35,721,185.07)	(33,526,944.88)	(32,987,809.53)
Finance costs		(331,981.46)	(394,388.80)	(304,422.45)	(346,990.46)
Profit before income tax		17,432,459.73	29,737,476.00	10,999,273.28	21,284,119.05
Income tax expenses	17	(2,540,135.46)	(2,896,189.29)	(943,131.02)	(946,870.11)
Profit for the period		14,892,324.27	26,841,286.71	10,056,142.26	20,337,248.94
Other comprehensive income					
Items that will not be reclassified subsequently					
to profit or loss					
Actuarial gains (losses) on defined employee					
benefit obligations	13	(2,733,789.00)	(122,854.00)	(1,031,379.00)	295,598.00
Total comprehensive income for the period		12,158,535.27	26,718,432.71	9,024,763.26	20,632,846.94
Profit (loss) attributable to :					
Owners of the Company		15,086,178.38	26,606,190.45	10,056,142.26	20,337,248.94
Non-controlling interests		(193,854.11)	235,096.26	0.00	0.00
		14,892,324.27	26,841,286.71	10,056,142.26	20,337,248.94
Total comprehensive income attributable to :					
Owners of the Company		12,352,219.14	26,483,294.60	9,024,763.26	20,632,846.94
Non-controlling interests		(193,683.87)	235,138.11	0.00	0.00
		12,158,535.27	26,718,432.71	9,024,763.26	20,632,846.94
Earnings per share					
Basic earnings per share		0.15	0.27	0.10	0.21
Weighted average number of					
common shares		98,568,485	98,568,485	98,568,485	98,568,485

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017
 (UNAUDITED/REVIEWED ONLY)

Consolidated financial statements (Baht)

Note	Owners of the Company										Total shareholders' equity
	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			
				Appropriated	Unappropriated						
Balance as at December 31, 2016	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	256,158,700.10	443,967,916.53	4,346.00	443,972,262.53			
Changes in shareholders' equity for the six-month periods:											
Common shares	0.00	0.00	0.00	0.00	0.00	0.00		352,850.00			352,850.00
Legal reserve	0.00	0.00	0.00	346,848.50	(346,848.50)	0.00		0.00			0.00
Dividend paid	0.00	0.00	0.00	0.00	(14,785,272.75)	(14,785,272.75)		0.00			(14,785,272.75)
Profit (loss) for the period	0.00	0.00	0.00	0.00	15,086,178.38	15,086,178.38	(193,854.11)	14,892,324.27			14,892,324.27
Other comprehensive income for the period	0.00	0.00	0.00	0.00	(2,733,959.24)	(2,733,959.24)	170.24	(2,733,789.00)			(2,733,789.00)
Balance as at June 30, 2017	98,568,485.00	75,175,543.40	4,065,188.03	10,346,848.50	253,378,797.99	441,534,862.92	163,512.13	441,698,375.05			441,698,375.05
Balance as at December 31, 2015	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	259,926,492.94	447,735,709.37	542,795.58	448,278,504.95			448,278,504.95
Changes in shareholders' equity for the six-month periods:											
Dividend paid	0.00	0.00	0.00	0.00	(39,427,394.00)	(39,427,394.00)		0.00			(39,427,394.00)
Profit for the period	0.00	0.00	0.00	0.00	26,606,190.45	26,606,190.45	235,096.26	26,841,286.71			26,841,286.71
Other comprehensive income for the period	0.00	0.00	0.00	0.00	(122,895.85)	(122,895.85)	41.85	(122,854.00)			(122,854.00)
Balance as at June 30, 2016	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	246,982,393.54	434,791,609.97	777,933.69	435,569,543.66			435,569,543.66

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017
 (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	Appropriated	Unappropriated	Retained earnings	
Balance as at December 31, 2016	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	218,745,318.18	406,554,534.61	
Changes in shareholders' equity for the six-month periods:							
Legal reserve	0.00	0.00	0.00	346,848.50	(346,848.50)	0.00	
Dividend paid	0.00	0.00	0.00	0.00	(14,785,272.75)	(14,785,272.75)	
Profit for the period	0.00	0.00	0.00	0.00	10,056,142.26	10,056,142.26	
Other comprehensive income for the period	0.00	0.00	0.00	0.00	(1,031,379.00)	(1,031,379.00)	
Balance as at June 30, 2017	98,568,485.00	75,175,543.40	4,065,188.03	10,346,848.50	212,637,960.19	400,794,025.12	
Balance as at December 31, 2015	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	235,178,785.21	422,988,001.64	
Changes in shareholders' equity for the six-month periods:							
Dividend paid	0.00	0.00	0.00	0.00	(39,427,394.00)	(39,427,394.00)	
Profit for the period	0.00	0.00	0.00	0.00	20,337,248.94	20,337,248.94	
Other comprehensive income for the period	0.00	0.00	0.00	0.00	295,598.00	295,598.00	
Balance as at June 30, 2016	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	216,384,238.15	404,193,454.58	

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before income tax	17,432,459.73	29,737,476.00	10,999,273.28	21,284,119.05
Adjustments				
Unrealized gain on changes in investment valuation	(211,737.06)	(72,931.84)	(60,013.99)	0.00
Unrealized loss on exchange rate	35,559.00	65,728.72	35,559.00	20,388.03
Doubtful accounts	667,978.87	1,622,506.21	667,978.87	1,437,761.34
Increase in unbilled service income	(13,483,987.44)	(4,044,240.32)	(14,120,195.71)	(6,278,620.32)
Depreciation	15,526,564.88	14,356,408.09	15,054,073.93	14,050,371.65
(Gain) loss on disposal of fixed assets	(43,717.36)	52,822.27	(135,058.80)	65,931.13
Loss on impairment of assets	80,821.83	0.00	80,821.83	0.00
Reversed loss on impairment of assets	0.00	(11,507.46)	0.00	(11,507.46)
Amortized intangible assets	148,475.26	148,887.67	148,475.26	148,887.67
Employee benefits	1,010,029.11	1,159,679.33	851,944.11	1,088,718.33
Interest expenses	331,981.46	394,388.80	304,422.45	346,990.46
	21,494,428.28	43,409,217.47	13,827,280.23	32,153,039.88
(Increase) Decrease in portion of operating assets				
Trade and other receivables	9,994,209.99	(3,387,875.10)	10,966,355.92	(10,328,636.91)
Inventories	(1,356,064.05)	4,711,972.66	(1,180,308.66)	4,044,389.20
Other non-current assets	(230,011.41)	(37,290.08)	(230,011.41)	(37,290.08)
Increase (Decrease) in portion of operating liabilities				
Trade and other payables	(810,829.07)	(32,523,248.66)	(5,747,092.73)	(25,840,794.39)
Cash generated (paid) from operation	29,091,733.74	12,172,776.29	17,636,223.35	(9,292.30)
Employee benefit paid	0.00	(3,250,000.00)	0.00	(3,250,000.00)
Interest paid	(120,632.39)	(175,122.25)	(110,095.38)	(156,448.21)
Income tax paid	(4,538,971.46)	(6,065,989.28)	(2,648,960.84)	(2,578,883.37)
Income tax received	2,771,176.18	0.00	2,771,176.18	0.00
Net cash provided by (used in) operating activities	27,203,306.07	2,681,664.76	17,648,343.31	(5,994,623.88)

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Cash flows from investing activities				
(Increase) Decrease in current investment	(13,484,302.21)	95,868,772.83	(5,029,001.97)	95,873,772.83
Payments for acquire of ordinary share of subsidiary	0.00	0.00	(1,418,800.00)	0.00
(Increase) Decrease in pledged bank deposit	6,102,978.39	(7,188,508.90)	5,671,478.39	(6,757,008.90)
Proceeds from sales of fixed assets	499,244.86	0.00	425,600.00	0.00
Payments for fixed assets acquisition	(10,632,328.85)	(22,757,248.73)	(8,386,891.66)	(22,751,217.56)
Net cash provided by (used in) investing activities	(17,514,407.81)	65,923,015.20	(8,737,615.24)	66,365,546.37
Cash flows from financing activities				
Decrease in financial lease liabilities	(1,651,952.61)	(2,323,199.85)	(1,460,307.62)	(2,139,691.89)
Dividend paid	(14,785,272.75)	(39,427,394.00)	(14,785,272.75)	(39,427,394.00)
Proceeds for non-controlling interests	352,850.00	0.00	0.00	0.00
Net cash provided by (used in) financing activities	(16,084,375.36)	(41,750,593.85)	(16,245,580.37)	(41,567,085.89)
Net increase (decrease) in cash and cash equivalents	(6,395,477.10)	26,854,086.11	(7,334,852.30)	18,803,836.60
Cash and cash equivalents as at January 1	42,989,813.61	27,623,950.41	37,649,151.26	20,734,312.57
Cash and cash equivalents as at June 30	36,594,336.51	54,478,036.52	30,314,298.96	39,538,149.17

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONDENSED NOTES TO FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017

(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 three branches office are located at 1/37 Moo 1, Nongchak, Banbueng, Chonburi, at 50, Soi Pattanakarn 57, Prawet, Bangkok, and at 83/50 Moo 10, Nongkham, Siracha, Chonburi.

1.3 The Company engaged in business of provides the technical services testing, inspection and certification for operation safety of industry equipment, pressure vessel, industrial boiler, piping and steel structures which is important for the production process, storage, transport of the products in power generating, petrochemical industry and construction to comply with industrial standard and the government laws.

2. PREPARATION OF INTERIM FINANCIAL STATEMENTS BASIS

2.1 The financial statements have been prepared in conformity with TAS 34 (Revised 2016) "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 committee and financial reporting interpretations committee which are effective for the financial statements beginning on or after January 1, 2017 as detailed below:

Contents

Accounting Standards

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 11 (Revised 2016)	Construction Contracts
TAS 12 (Revised 2016)	Income taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investment in Associates and Joint Ventures
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TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
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TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
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TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
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Standing Interpretations Committee

TSIC 10 (Revised 2016)	Government Assistance-No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases-Incentives
TSIC 25 (Revised 2016)	Income Taxes-Changes in the Tax Status of and Enterprise or its Shareholders

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TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
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Financial Reporting Interpretations Committee

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and

Environmental Rehabilitation Funds

TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016)
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Financial Reporting in Hyperinflationary Economies

TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, TAS 19 (Revised 2016) <i>Employee Benefits</i>
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

The Company has adopted the revised and new financial reporting standards and accounting guidance issued by the Federation of Accounting Professions. From aforementioned adoption, these financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.

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 up to the controllable is ceased as below :

	Registration		Percentage of investment %		Type of business
	in				
		June 30, 2017	December 31, 2016		
QLT International Limited	Thailand	99.99	99.99	Providing engineering services, inspection and testing of agricultural crops and engage in relevant business	
Qualitech Myanmar Limited	Republic of the Union of Myanmar	80.00	0.00	Providing safety engineering services and engage in relevant 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, 2016.

5. CURRENT INVESTMENT

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Open-end fund	59,441,353.77	45,752,533.44	20,084,591.54	15,002,794.52
Cash at bank - fixed deposit				
with 6 months maturity	<u>1,496,252.97</u>	<u>1,489,034.03</u>	<u>1,496,252.97</u>	<u>1,489,034.03</u>
Total	<u><u>60,937,606.74</u></u>	<u><u>47,241,567.47</u></u>	<u><u>21,580,844.51</u></u>	<u><u>16,491,828.55</u></u>

The increase and decrease of current investment for the six-month periods ended June 30, 2017 are as follow :

	(Unit : Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Book value as at January 1, 2017	47,241,567.47	16,491,828.55
Increase during the period	69,200,000.00	30,000,000.00
Sales of investment during the period	(55,715,697.79)	(24,970,998.03)
Gain on changes in fair value	<u>211,737.06</u>	<u>60,013.99</u>
Book value as at June 30, 2017	<u><u>60,937,606.74</u></u>	<u><u>21,580,844.51</u></u>

Such fund invested in debt securities which had minimal risk.

6. TRADE AND OTHER RECEIVABLES

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Trade accounts receivable	94,769,159.63	106,263,491.98	91,820,883.20	104,193,136.57
Other receivables	10,244,571.80	8,780,008.44	9,820,964.11	8,450,625.66
Total	105,013,731.43	115,043,500.42	101,641,847.31	112,643,762.23
Less Allowance for doubtful accounts				
- Trade accounts receivable	(17,246,053.80)	(16,578,074.93)	(17,246,053.80)	(16,578,074.93)
Net	87,767,677.63	98,465,425.49	84,395,793.51	96,065,687.30

Billed trade accounts receivable separated on aging are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Undue trade accounts receivable	27,544,199.28	62,711,873.99	25,849,645.87	60,641,518.58
Overdue trade accounts receivable				
- Less than 3 months	44,793,457.78	25,696,963.97	43,539,734.76	25,696,963.97
- Over 3 months to 6 months	5,360,318.64	1,338,749.53	5,360,318.64	1,338,749.53
- Over 6 months to 9 months	427,600.00	163,624.40	427,600.00	163,624.40
- Over 9 months to 12 months	200,100.00	936,417.67	200,100.00	936,417.67
- Over 12 months	16,443,483.93	15,415,862.42	16,443,483.93	15,415,862.42
Total	94,769,159.63	106,263,491.98	91,820,883.20	104,193,136.57

7. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital	Percentage of shareholding		Separate financial statements (Baht)	
				June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
QLT International Limited	Providing engineering services , inspection and testing of agricultural crops and engage in relevant business	The Company held 99.99% share capital, director and management have common-shareholding	10,250,000 Baht	99.99	99.99	10,249,385.00	10,249,385.00
Qualitech Myanmar Limited	Providing safety engineering services and engage in relevant business	The Company held 80.00% share capital and common director	50,000 USD	80.00	0.00	1,418,800.00	0.00
Total						11,668,185.00	10,249,385.00

7.1 On January 27, 2017, the Company has made payment for acquisition of investment in ordinary shares of Qualitech Myanmar Limited in the amount of USD 40,000 (400 ordinary shares at par value of USD 100 each) or equal to the percentage of investment at 80% of the issued and paid-up share capital.

7.2 The financial statements for the three-month and six-month periods ended June 30, 2017 of above subsidiaries have been taken for preparing the consolidated financial statements were reviewed by the auditor.

8. PLEDGED BANK DEPOSIT

As at June, 2017 and December 31, 2016, the Company has deposits at a bank amount of Baht 24.21 million and Baht 30.31 million in the consolidated financial statements and Baht 24.21 million and Baht 29.88 million in the separate financial statements respectively which are mortgaged as collateral against continging 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 six-month periods ended June 30, 2017 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at January 1, 2017	208,048,315.21	204,366,968.78
Purchase during the period - cost	7,301,132.27	5,883,222.38
Disposal during the period - net book value as at disposal date	(455,527.50)	(290,541.20)
Depreciation for the period	(15,526,564.88)	(15,054,073.93)
Net book value as at June 30, 2017	<u>199,367,355.10</u>	<u>194,905,576.03</u>

9.2 Tools and technical equipment as at June 30, 2017

		(Unit : Baht)	
		Accumulated	
Assets acquired	Cost	depreciation	Net cost
Depreciation by straight-line method			
- Before October 23, 1999	1,108,861.17	(1,108,822.17)	39.00
- 2004 until present	77,032,985.26	(43,733,697.37)	33,299,287.89
Depreciation by double-declining balance method			
- Before October 23, 1999 to 2003	2,576,569.75	(2,576,516.75)	53.00
- 2006 until present	93,733,912.24	(74,387,936.77)	19,345,975.47
Total	<u>174,452,328.42</u>	<u>(121,806,973.06)</u>	<u>52,645,355.36</u>

Depreciation for the six-month periods ended June 30, 2017 and 2016 were Baht 9.58 million and Baht 9.41 million respectively.

9.3 As at June 30, 2017 and December 31, 2016, land and building at cost of Baht 36.42 million in the consolidated and separate financial statements are mortgaged as collateral against overdrafts line amount of Baht 30 million and letter of guarantee line amount of Baht 30 million.

10. OTHER NON-CURRENT ASSETS

	Consolidated and Separate financial statements (Baht)	
	June 30, 2017	December 31, 2016
	Deposit receivable under contract	4,295,404.49
Others	82,569.17	1,747.34
Total	<u>4,377,973.66</u>	<u>4,147,962.25</u>
Less Allowance for doubtful accounts	(3,622,564.07)	(3,622,564.07)
Provision for impairment of assets	(82,568.63)	(1,746.80)
Net	<u>672,840.96</u>	<u>523,651.38</u>

11. TRADE AND OTHER PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Trade accounts payable	16,363,657.22	9,464,576.13	18,838,695.86	16,394,804.92
Other payables				
Accrued expenses	15,170,569.64	22,828,581.51	12,834,092.45	20,495,278.59
Assets payables	186,705.04	3,964,651.62	186,705.04	3,137,124.32
Others	5,096,905.45	5,148,803.74	4,575,429.72	5,105,227.25
Total	<u>36,817,837.35</u>	<u>41,406,613.00</u>	<u>36,434,923.07</u>	<u>45,132,435.08</u>

12. FINANCIAL LEASE LIABILITIES

12.1 Financial lease liabilities excluded future interest expenses as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Payable under agreement	5,529,735.92	6,734,938.53	5,129,200.98	6,142,758.60
Less Current portion of long-term liabilities	(2,652,732.55)	(3,111,848.51)	(2,393,463.21)	(2,778,443.77)
Net	<u>2,877,003.37</u>	<u>3,623,090.02</u>	<u>2,735,737.77</u>	<u>3,364,314.83</u>

12.2 The increase and decrease of financial lease liabilities for the six-month periods ended June 30, 2017 are as follow :

(Unit : Baht)

	Consolidated	Separate
	financial statements	financial statements
Book value as at January 1, 2017	6,734,938.53	6,142,758.60
Increase during the period	446,750.00	446,750.00
Repayment during the period	(1,651,952.61)	(1,460,307.62)
Book value as at June 30, 2017	<u>5,529,735.92</u>	<u>5,129,200.98</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)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Vehicles	<u>15,632,000.00</u>	<u>20,366,000.00</u>	<u>13,655,000.00</u>	<u>18,389,000.00</u>

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

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Within 1 year	2,828,268.00	3,225,251.00	2,558,044.00	2,874,543.00
Over 1 year less than 3 years	2,716,519.00	3,522,383.00	2,574,538.00	3,258,704.00
Over 3 years less than 5 years	263,044.00	350,854.00	263,044.00	350,854.00
Total	<u>5,807,831.00</u>	<u>7,098,488.00</u>	<u>5,395,626.00</u>	<u>6,484,101.00</u>
Less Future interest expenses				
of financial lease	<u>(278,095.08)</u>	<u>(363,549.47)</u>	<u>(266,425.02)</u>	<u>(341,342.40)</u>
Present value of financial				
lease liabilities	<u>5,529,735.92</u>	<u>6,734,938.53</u>	<u>5,129,200.98</u>	<u>6,142,758.60</u>

13. EMPLOYEE BENEFIT OBLIGATIONS

The increase and decrease of employee benefit obligations for the six-month periods ended June 30, 2017 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Book value as at January 1, 2017	10,833,238.01	10,791,383.00
Current cost of services and interest	1,221,378.18	1,046,271.18
Acctuarial (gains)/losses	<u>2,733,789.00</u>	<u>1,031,379.00</u>
Book value as at June 30, 2017	<u><u>14,788,405.19</u></u>	<u><u>12,869,033.18</u></u>

14. SHARE CAPITAL

According to the annual general shareholders' meeting for the year 2017 held on April 5, 2017, the shareholders passed the resolution as follow :

- 1) Issue the ESOP-W2 warrants for 4.90 million units at the exercised ratio of 1 unit of warrant per 1 ordinary share at the price of Baht 7.30 each. The exercise period is 3 years from the date of issuance and offering (in the 1st year can be exercised right not exceed 20% the 2nd year can be exercised right not exceed 70% and the remaining can be exercised in the 3rd year). The exercise right will be made on the 15th of March and September. The first exercise right commenced on September 15, 2018 and the last exercise right is on June 14, 2020 and the Company has already issued such warrants on June 15, 2017.
- 2) Increase the registered share capital for reserve the exercised ESOP-W2 from Baht 98.57 million to Baht 103.47 million by issuing 4.90 million ordinary shares at par value of Baht 1 each. The Company has registered the increase share capital with the Ministry of Commerce on May 1, 2017.

15. LEGAL RESERVE

Under the Public Company Limited Act B.E. 2535, the Company is required to set aside as reserve fund at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve is not less than 10% of authorized capital. The reserve is not available for dividend distribution.

16. DIVIDEND PAID

According to the annual general shareholders' meeting for the year 2017 held on April 5, 2017, the shareholders passed the resolution to pay dividend to the shareholders at Baht 0.25 per share, total amount of Baht 24.64 million by making interim dividend payment at Baht 0.10 per share amount of Baht 9.86 million, thus, the remaining annual dividend payment at Baht 0.15 per share for 98.57 million ordinary shares, total amount of Baht 14.78 million.

During the period, the Company has fully paid such dividend.

17. INCOME TAX

17.1 The calculation of current income taxes

Parent company

For the second quarter of 2017, 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 second quarter of 2017, subsidiaries 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).

17.2 Income tax recognized in profit or loss for the three-month and six-month periods ended June 30, 2017 and 2016

are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Current income tax				
For the current year	336,333.96	1,269,954.80	(121,862.85)	(139,014.11)
Deferred tax				
Changes in temporary differences	0.00	0.00	0.00	0.00
Total income tax	<u>336,333.96</u>	<u>1,269,954.80</u>	<u>(121,862.85)</u>	<u>(139,014.11)</u>
	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Current income tax				
For the current year	2,540,135.46	2,896,189.26	943,131.02	946,870.11
Deferred tax				
Changes in temporary differences	0.00	0.00	0.00	0.00
Total income tax	<u>2,540,135.46</u>	<u>2,896,189.26</u>	<u>943,131.02</u>	<u>946,870.11</u>

As at June 30, 2017, allowance for doubtful accounts amount of Baht 17.25 million is allowance for doubtful accounts of trade accounts receivable granted from promotional investment which have no impacts on deferred tax.

18. ADDITIONAL DISCLOSURE OF STATEMENTS OF CASH FLOWS

Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Cash	844,462.92	696,113.27	735,715.50	552,386.52
Cash at bank - current accounts	280,044.91	53,638.62	53,090.50	53,638.62
Cash at bank - savings deposit	35,469,828.68	53,728,284.63	29,525,492.96	38,932,124.03
Total	<u>36,594,336.51</u>	<u>54,478,036.52</u>	<u>30,314,298.96</u>	<u>39,538,149.17</u>

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
Ms. Yanakorn Rattakham	The Company's director and shareholder's daughter	Rental	At agreed price
Subsidiary			
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
		Income - management service fee	At agreed price
		Wages	At agreed price
		Materials supply	At agreed price

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>	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
QLT International Limited				
Trade and other receivables	0.00	0.00	50,738.00	54,688.00
Unbilled services income	0.00	0.00	18,691.59	37,383.18
Trade and other payables	0.00	0.00	3,655,699.62	7,632,550.54
Ms. Yanakorn Rattakham				
Trade and other payables	0.00	44,000.00	0.00	0.00

19.3 Revenues and expenses transaction with related persons and parties for the three-month and six-month periods ended

June 30, 2017 and 2016 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
QLT International Limited				
Other income - rental	0.00	0.00	41,181.30	43,738.32
Other income - management fee	0.00	0.00	56,074.77	112,149.54
Cost of services - wages	0.00	0.00	2,701,834.10	7,184,179.24
Cost of services - material supply	0.00	0.00	255,120.00	834,036.00
Ms. Yanakorn Rattakham				
Cost of services - rental	69,473.67	0.00	0.00	0.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
QLT International Limited				
Other income - rental	0.00	0.00	82,362.60	87,476.64
Other income - management fee	0.00	0.00	112,149.54	224,299.08
Cost of services - wages	0.00	0.00	5,250,671.11	16,993,984.24
Cost of services - material supply	0.00	0.00	832,224.00	1,310,850.00
Ms. Yanakorn Rattakham				
Cost of services - rental	141,263.13	0.00	0.00	0.00

20. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and six-month periods ended June 30, 2017 and 2016 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Employee benefit expenses	54,623,416.54	52,595,568.21	49,284,844.70	51,484,958.85
Depreciation	7,727,636.28	7,360,381.27	7,503,031.53	7,191,118.55
Supplies used	7,649,682.20	7,140,819.32	6,291,409.40	7,356,297.85
Contractor wage	10,494,935.85	12,202,097.07	13,171,019.95	19,201,544.31
Travelling and accommodation expenses	3,328,132.16	4,348,835.72	2,650,610.62	3,913,208.37
Office expenses	2,589,070.02	1,988,079.93	2,431,010.90	1,932,103.08
Fee and consulting fee	682,658.17	987,388.77	636,874.58	846,877.43
Repairs and maintenance expenses	1,323,306.31	883,845.84	1,311,212.64	874,226.49
Directors' remuneration	367,700.00	674,100.00	367,700.00	674,100.00
Management benefit expenses	6,609,204.17	6,661,816.48	5,933,727.22	6,227,873.05
	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Employee benefit expenses	116,430,894.01	107,679,414.41	105,327,591.66	104,216,689.08
Depreciation	15,526,564.88	14,382,897.58	15,054,073.93	14,050,371.65
Supplies used	17,461,784.58	14,107,953.74	14,166,726.05	14,060,032.10
Contractor wage	20,893,252.05	22,838,103.26	26,046,026.76	33,097,937.50
Travelling and accommodation expenses	6,616,490.30	7,829,498.90	5,262,300.90	7,031,132.13
Office expenses	5,544,653.73	4,074,575.30	4,932,676.27	3,949,715.59
Fee and consulting fee	2,214,011.91	2,012,726.21	2,032,558.15	1,768,622.17
Repairs and maintenance expenses	2,282,303.70	1,579,646.11	2,252,296.59	1,563,117.91
Directors' remuneration	1,186,700.00	1,432,100.00	1,186,700.00	1,432,100.00
Management benefit expenses	13,087,073.42	14,344,297.34	11,655,451.77	12,470,353.91

21. PROMOTIONAL PRIVILEGES

The results of operation of the Company for the six-month periods ended June 30, 2017 and 2016 separated into promoted business and non-promoted business as follows :

	Consolidated financial statements (Baht)					
	Promoted business		Non-promoted business		Total	
	2017	2016	2017	2016	2017	2016
Services income	128,545,328.78	156,437,164.33	99,000,210.84	68,360,102.83	227,545,539.62	224,797,267.16
Cost of services	(100,484,015.62)	(114,951,316.13)	(72,931,700.27)	(46,209,945.25)	(173,415,715.89)	(161,161,261.38)
Gross profit	28,061,313.16	41,485,848.20	26,068,510.57	22,150,157.58	54,129,823.73	63,636,005.78
Other income	0.00	0.00	1,482,228.72	2,217,044.09	1,482,228.72	2,217,044.09
Administrative expenses	(21,249,377.66)	(25,021,253.53)	(16,598,233.60)	(10,699,931.54)	(37,847,611.26)	(35,721,185.07)
Finance costs	(192,942.95)	(263,192.26)	(139,038.51)	(131,196.54)	(331,981.46)	(394,388.80)
Profit before income tax	6,618,992.55	16,201,402.41	10,813,467.18	13,536,073.59	17,432,459.73	29,737,476.00
Income tax expenses	0.00	0.00	(2,540,135.46)	(2,896,189.29)	(2,540,135.46)	(2,896,189.29)
Profit for the period	6,618,992.55	16,201,402.41	8,273,331.72	10,639,884.30	14,892,324.27	26,841,286.71

22. OPERATING SEGMENTS

Revenues separated by nature of services for the three-month and six-month periods ended June 30, 2017 and 2016 are as follows:

	Consolidated financial statements (Million Baht)			
	For the three-month periods		For the six-month periods	
	2017	2016	2017	2016
Non-Destructive Testing	36.09	40.00	80.39	81.85
Inspection and certificate	65.56	71.70	147.15	142.94

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 The Company and subsidiaries have commitment under purchase and hire agreement with several seller as follows :

	Consolidated financial statements		Separate financial statements	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
Baht	18,666,688.25	12,194,314.42	18,988,882.06	15,227,706.46
US Dollar	15,782.00	0.00	15,782.00	0.00
United kingdom Pound Sterling	4,200.00	0.00	4,200.00	0.00

23.2 The subsidiary has commitment under lease office building agreement as at June 30, 2017 and December 31, 2016 for the amount of Baht 0.35 million and Baht 0.48 million respectively.

23.3 The Company and subsidiaries have contingent liabilities from a local bank's issuance of letter of guarantee for the results of work to customers of the Company and guarantee the electricity usage to government agency, as at June 30, 2017 and December 31, 2016 total amount of Baht 17.57 million and Baht 27.66 million in the consolidated financial statements, and Baht 17.57 million and Baht 27.25 million in the separate financial statements respectively. Contingent liabilities are guaranteed by bank deposits (note 8).

24. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of Board of Directors' meeting No.6/2017 held on August 9, 2017, passed the resolution as follow :

- 1) Pay interim dividend from the result of profit for the six months of 2017 to the shareholders at Baht 0.05 per share total amount of million 4.93 Baht. Such dividend is determined to pay on September 6, 2017.
- 2) Increase the registered share capital of Qualitech Myanmar Limited from USD 50,000 to USD 200,000 by issuing 1,500 ordinary shares at par value of USD 100 each.

25. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Board of directors of the Company on August 9, 2017.