

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022
(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 June 30, 2022, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2022, 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.

S. Mangt.

(Miss Suphaphorn Mangjit)

C.P.A. (Thailand)

Registration No. 8125

August 13, 2022

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2022

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
		(Unaudited	(Audited)	(Unaudited	(Audited)
		/Reviewed only)		/Reviewed only)	
Assets					
Current assets					
Cash and cash equivalents		42,860,791.65	40,888,782.89	33,980,793.84	21,978,323.05
Trade and other current receivables	5	72,284,936.28	79,113,969.72	69,299,407.49	77,344,909.32
Contract assets	6	77,840,085.48	68,956,421.88	76,353,438.16	68,788,893.68
Inventories		13,220,197.72	10,537,814.76	5,401,407.47	6,165,323.87
Other current financial assets	7	105,301,054.91	120,664,562.16	105,301,054.91	120,664,562.16
Total current assets		311,507,066.04	320,161,551.41	290,336,101.87	294,942,012.08
Non-current assets					
Investment in subsidiaries	8	0.00	0.00	28,414,873.20	24,914,893.20
Property, plant and equipment	9	149,848,811.59	159,227,303.08	148,472,963.59	157,686,229.96
Right-of-use assets	10	14,680,101.77	14,104,203.64	14,680,101.77	14,104,203.64
Goodwill		4,844,339.37	4,844,339.37	0.00	0.00
Other intangible assets other than goodwill		2,036,424.92	1,837,962.42	2,036,424.92	1,837,962.42
Deferred tax assets		2,601,364.46	3,229,321.88	2,803,334.00	3,432,703.84
Income tax for refund		6,086,953.31	3,127,975.31	6,078,407.55	3,119,382.07
Others non-current assets	11	15,758,776.43	351,615.00	1,429,386.43	290,475.00
Total non-current assets		195,856,771.85	186,722,720.70	203,915,491.46	205,385,850.13
Total assets		507,363,837.89	506,884,272.11	494,251,593.33	500,327,862.21

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, 2022

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
		(Unaudited	(Audited)	(Unaudited	(Audited)
		/Reviewed only)		/Reviewed only)	
Liabilities and shareholders' equity					
Current liabilities					
Trade and other current payables	12	35,202,054.74	39,351,735.72	32,777,409.34	40,123,013.84
Current portion of lease liabilities	13	3,005,251.87	2,931,238.07	3,005,251.87	2,931,238.07
Corporate income tax payable		359,924.25	0.00	0.00	0.00
Total current liabilities		38,567,230.86	42,282,973.79	35,782,661.21	43,054,251.91
Non-current liabilities					
Lease liabilities	13	3,407,725.77	3,745,482.42	3,407,725.77	3,745,482.42
Non-current provisions for employee benefit	14	24,869,421.78	23,706,061.70	24,776,905.67	23,627,748.24
Others non-current liabilities		688,750.00	0.00	0.00	0.00
Total non-current liabilities		28,965,897.55	27,451,544.12	28,184,631.44	27,373,230.66
Total liabilities		67,533,128.41	69,734,517.91	63,967,292.65	70,427,482.57

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, 2022

	Consolidated financial statements (Baht)		Separate financial statements (Baht)			
	Note	June 30, 2022 (Unaudited /Reviewed only)	December 31, 2021 (Audited)	June 30, 2022 (Unaudited /Reviewed only)	December 31, 2021 (Audited)	
Liabilities and shareholders' equity						
Shareholders' equity						
Share capital						
Authorized share capital						
98,568,485 common shares of						
		Baht 1 each	98,568,485.00	98,568,485.00	98,568,485.00	98,568,485.00
Issued and paid-up share capital						
98,568,485 common shares of						
		Baht 1 each	98,568,485.00	98,568,485.00	98,568,485.00	98,568,485.00
		Share premium on ordinary shares	75,175,543.40	75,175,543.40	75,175,543.40	75,175,543.40
		Equity-settled share-based payment reserve	10,680,188.03	10,680,188.03	10,680,188.03	10,680,188.03
Retained earnings						
		Appropriated - legal reserve	10,346,848.50	10,346,848.50	10,346,848.50	10,346,848.50
		Unappropriated	239,775,222.64	238,587,773.18	235,513,235.75	235,129,314.71
		Total owners of the Company	434,546,287.57	433,358,838.11	430,284,300.68	429,900,379.64
		Non-controlling interests	5,284,421.91	3,790,916.09	0.00	0.00
		Total shareholders' equity	439,830,709.48	437,149,754.20	430,284,300.68	429,900,379.64
		Total liabilities and shareholders' equity	507,363,837.89	506,884,272.11	494,251,593.33	500,327,862.21

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, 2022

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2022	2021	2022	2021
Sales and services income		99,378,733.08	84,644,086.25	97,720,405.62	80,699,469.69
Cost of sale and services		(68,317,580.99)	(71,107,846.50)	(67,878,574.60)	(69,955,211.64)
Gross profit		31,061,152.09	13,536,239.75	29,841,831.02	10,744,258.05
Other income		537,365.52	624,286.88	804,081.78	570,496.11
Distribution costs		(2,153,371.39)	(2,454,930.50)	(1,859,063.18)	(2,266,809.61)
Administrative expenses		(10,259,870.33)	(15,445,588.49)	(9,470,228.14)	(14,517,326.31)
Profit (loss) from operating activities		19,185,275.89	(3,739,992.36)	19,316,621.48	(5,469,381.76)
Finance costs		(178,498.39)	(174,100.62)	(177,975.22)	(173,606.78)
Profit (loss) before income tax expense		19,006,777.50	(3,914,092.98)	19,138,646.26	(5,642,988.54)
Tax expense	16	(909,668.97)	(322,154.46)	(882,728.15)	(223,051.39)
Profit (loss) for the period		18,097,108.53	(4,236,247.44)	18,255,918.11	(5,866,039.93)
Other comprehensive income (expense) for the period		0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the period		18,097,108.53	(4,236,247.44)	18,255,918.11	(5,866,039.93)
Profit (loss) attributable to :					
Owners of the Company		18,127,226.34	(4,286,621.69)	18,255,918.11	(5,866,039.93)
Non-controlling interests		(30,117.81)	50,374.25	0.00	0.00
Total		18,097,108.53	(4,236,247.44)	18,255,918.11	(5,866,039.93)
Earnings (loss) per share					
Basic earnings (loss) per share		0.18	(0.04)	0.19	(0.06)
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, 2022

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2022	2021	2022	2021
Sales and services income		193,455,480.55	174,758,596.92	186,102,427.11	166,919,579.52
Cost of sale and services		(139,404,161.15)	(143,796,717.85)	(136,109,049.23)	(140,527,234.12)
Gross profit		54,051,319.40	30,961,879.07	49,993,377.88	26,392,345.40
Other income					
Gains (losses) on dissolution of subsidiary		0.00	(38,434.21)	0.00	3,136,890.59
Others		931,017.77	1,111,217.52	1,505,044.83	1,087,873.45
Distribution costs		(4,477,193.63)	(4,830,420.21)	(3,904,964.86)	(4,472,191.87)
Administrative expenses		(28,073,469.61)	(31,962,727.35)	(26,336,893.95)	(30,214,102.79)
Profit (loss) from operating activities		22,431,673.93	(4,758,485.18)	21,256,563.90	(4,069,185.22)
Finance costs		(362,433.27)	(353,665.77)	(361,392.69)	(352,683.50)
Profit (loss) before income tax expense		22,069,240.66	(5,112,150.95)	20,895,171.21	(4,421,868.72)
Tax expense	16	(1,176,708.38)	(815,398.30)	(799,653.17)	(690,897.68)
Profit (loss) for the period		20,892,532.28	(5,927,549.25)	20,095,518.04	(5,112,766.40)
Other comprehensive income (expense) for the period		0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the period		20,892,532.28	(5,927,549.25)	20,095,518.04	(5,112,766.40)
Profit (loss) attributable to :					
Owners of the Company		20,899,046.46	(5,989,712.29)	20,095,518.04	(5,112,766.40)
Non-controlling interests		(6,514.18)	62,163.04	0.00	0.00
Total		20,892,532.28	(5,927,549.25)	20,095,518.04	(5,112,766.40)
Earnings (loss) per share					
Basic earnings (loss) per share		0.21	(0.06)	0.20	(0.05)
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, 2022

(UNAUDITED/REVIEWED ONLY)

		Consolidated financial statements (Baht)								
Note	Owners of the Company					Total owners of the Company	Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Retained earnings						
				Appropriated	Unappropriated					
	Beginning balance of the year 2022	98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	238,587,773.18	433,358,838.11	3,790,916.09	437,149,754.20	
	Changes in shareholders' equity for the six-month periods:									
	Ordinary shares-additional paid-up	8	0.00	0.00	0.00	0.00	0.00	1,500,020.00	1,500,020.00	
	Dividend paid	15	0.00	0.00	0.00	(19,711,597.00)	(19,711,597.00)	0.00	(19,711,597.00)	
	Profit (loss) for the period		0.00	0.00	0.00	20,899,046.46	20,899,046.46	(6,514.18)	20,892,532.28	
	Ending balance of the year 2022		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>239,775,222.64</u>	<u>434,546,287.57</u>	<u>5,284,421.91</u>	<u>439,830,709.48</u>
	Beginning balance of the year 2021		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	252,559,198.09	447,330,263.02	(180,591.37)	447,149,671.65
	Changes in shareholders' equity for the six-month periods:									
	Ordinary shares-additional paid-up		0.00	0.00	0.00	0.00	0.00	4,048,517.00	4,048,517.00	
	Subsidiary's dissolution		0.00	0.00	0.00	0.00	0.00	(2,886.30)	(2,886.30)	
	Dividend paid		0.00	0.00	0.00	0.00	(24,642,121.25)	(24,642,121.25)	0.00	
	Profit (loss) for the period		0.00	0.00	0.00	0.00	(5,989,712.29)	(5,989,712.29)	62,163.04	(5,927,549.25)
	Ending balance of the year 2021		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>221,927,364.55</u>	<u>416,698,429.48</u>	<u>3,927,202.37</u>	<u>420,625,631.85</u>

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, 2022

(UNAUDITED/REVIEWED ONLY)

	Note	Separate financial statements (Baht)					
		Issued and paid-up share capital	Share premium	Equity-settled share-based payment reserve	Retained earnings		Total shareholders' equity
					Appropriated	Unappropriated	
Beginning balance of the year 2022		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	235,129,314.71	429,900,379.64
Changes in shareholders' equity for the six-month periods:							
Dividend paid	15	0.00	0.00	0.00	0.00	(19,711,597.00)	(19,711,597.00)
Profit for the period		0.00	0.00	0.00	0.00	20,095,518.04	20,095,518.04
Ending balance of the year 2022		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>235,513,235.75</u>	<u>430,284,300.68</u>
Beginning balance of the year 2021		98,568,485.00	75,175,543.40	10,680,188.03	10,346,848.50	251,711,920.00	446,482,984.93
Changes in shareholders' equity for the six-month periods:							
Dividend paid		0.00	0.00	0.00	0.00	(24,642,121.25)	(24,642,121.25)
Loss for the period		0.00	0.00	0.00	0.00	(5,112,766.40)	(5,112,766.40)
Ending balance of the year 2021		<u>98,568,485.00</u>	<u>75,175,543.40</u>	<u>10,680,188.03</u>	<u>10,346,848.50</u>	<u>221,957,032.35</u>	<u>416,728,097.28</u>

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, 2022

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2022	2021	2022	2021
Cash flows from operating activities					
Profit (loss) for the period		20,892,532.28	(5,927,549.25)	20,095,518.04	(5,112,766.40)
Adjustments					
Gain on revaluation of fair value		(136,492.75)	(195,104.19)	(136,492.75)	(195,104.19)
Unrealized (gain) loss on exchange rate		(76,924.38)	1,215.15	(24,944.08)	(7,844.55)
Expected credit losses (reversed)		(9,230,925.63)	657,464.36	(9,230,925.63)	657,464.36
(Increase) decrease in unbilled service income		(7,714,978.19)	11,086,391.65	(6,395,859.07)	10,691,920.25
(Gains) losses on dissolution of subsidiary		0.00	38,434.21	0.00	(3,136,890.59)
Depreciation		10,877,442.48	13,252,754.17	10,672,521.10	13,062,118.26
Loss on sale of equipment		259,275.01	869,508.97	259,275.01	869,507.97
Loss on impairment of properties foreclosed		1,661,783.55	0.00	1,661,783.55	0.00
Amortized other intangible assets other than goodwill		200,208.93	230,821.65	200,208.93	230,821.65
Provisions for employee benefits		905,331.96	1,282,070.33	892,169.89	1,263,882.03
Interest expenses		362,433.27	353,665.77	361,392.69	352,683.50
Tax expenses		1,176,708.38	815,398.30	799,653.17	690,897.68
		<u>19,176,394.91</u>	<u>22,465,071.12</u>	<u>19,154,300.85</u>	<u>19,366,689.97</u>
(Increase) Decrease in portion of operating assets					
Trade and other current receivables		14,809,175.88	31,743,133.77	15,973,663.97	30,577,237.34
Inventories		(2,682,382.96)	(2,450,852.26)	763,916.40	482,168.20
Other assets		(14,507,727.84)	(47,558.00)	(239,477.84)	(47,558.00)
Increase (Decrease) in portion of operating liabilities					
Trade and other current payables		(3,400,578.53)	(7,839,521.75)	(6,893,489.86)	(8,665,338.33)
Others non-current liabilities		688,750.00	0.00	0.00	0.00
Cash generated (paid) from operation		<u>14,083,631.46</u>	<u>43,870,272.88</u>	<u>28,758,913.52</u>	<u>41,713,199.18</u>
Interest paid		(104,405.15)	(149,962.44)	(104,405.15)	(149,962.44)
Income tax paid		(3,444,792.52)	(1,993,637.97)	(3,129,308.81)	(1,973,626.88)
Income tax refunded		0.00	814,529.61	0.00	814,529.61
Net cash provided by (used in) operating activities		<u>10,534,433.79</u>	<u>42,541,202.08</u>	<u>25,525,199.56</u>	<u>40,404,139.47</u>

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, 2022

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2022	2021	2022	2021
Cash flows from investing activities					
Proceeds from equity securities of other parties		25,500,000.00	38,000,000.00	25,500,000.00	38,000,000.00
Payments for acquire of equity securities of other parties		(10,000,000.00)	(55,000,000.00)	(10,000,000.00)	(55,000,000.00)
Proceeds from dissolution of subsidiary					
net of cash paid		0.00	13,422,495.48	0.00	13,386,275.59
Payments for acquire of investment in subsidiaries		0.00	0.00	(3,499,980.00)	(8,749,950.00)
Proceeds from sales of equipment		4,007,031.14	594,214.96	4,007,031.14	594,214.96
Payments for equipment acquisition		(7,786,836.32)	(5,662,907.94)	(7,747,140.06)	(5,526,246.23)
Payments for right-of-use assets		(450,250.00)	(212,878.50)	(450,250.00)	(212,878.50)
Payments for other intangible assets acquisition					
other than goodwill		(6,300.00)	0.00	(6,300.00)	0.00
Net cash provided by (used in) investing activities		11,263,644.82	(8,859,076.00)	7,803,361.08	(17,508,584.18)
Cash flows from financing activities					
Payments for lease liabilities		(1,614,492.85)	(1,573,915.56)	(1,614,492.85)	(1,573,915.56)
Payments for dividend		(19,711,597.00)	(24,642,121.25)	(19,711,597.00)	(24,640,991.25)
Proceeds from non-controlling interests		1,500,020.00	3,750,050.00	0.00	0.00
Payments for non-controlling interests		0.00	(2,886.30)	0.00	0.00
Net cash provided by (used in) financing activities		(19,826,069.85)	(22,468,873.11)	(21,326,089.85)	(26,214,906.81)
Net increase (decrease) in cash and cash equivalents		1,972,008.76	11,213,252.97	12,002,470.79	(3,319,351.52)
Cash and cash equivalents as at the beginning of the period		40,888,782.89	27,265,522.09	21,978,323.05	21,665,715.73
Cash and cash equivalents as at the end of the period	17	42,860,791.65	38,478,775.06	33,980,793.84	18,346,364.21

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2022

(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 INFORMATION BASIS

2.1 The interim financial information has been prepared and presented the condensed form in conformity with TAS 34 "Interim Financial Reporting", guidelines promulgated by the Federation of Accounting Professions (FAP) 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.

This interim financial information has 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, this interim financial information should access to the most recent annual financial statements.

2.2 Financial reporting standards that became effective in the current year

The revised financial reporting standards and interpretations, which are effective for the financial statements for fiscal year beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3. INTERIM CONSOLIDATED FINANCIAL INFORMATION PREPARATION BASIS

3.1 The interim consolidated financial information has 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 in	Percentage of investment %		Type of business
		June 30, 2022	December 31, 2021	
		Qualitech Myanmar Company Limited	Republic of the Union of Myanmar	
Duwell Intertrade Co., Ltd.	Thailand	99.99	99.99	Providing materials and equipment for engineering services, inspection
Qualitech Solution Energy Company Limited	Thailand	70.00	70.00	Producing and distributing electricity from solar power or other sources of energy

3.2 The interim consolidated financial information has 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 the Group unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the interim consolidated financial statements.

4. SUMMARY OF 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, 2021.

5. TRADE AND OTHER CURRENT RECEIVABLES

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Trade accounts receivable	68,896,757.68	88,701,320.69	67,749,755.75	87,288,615.35
Other current receivables				
Retention receivable under				
contracts (Note 6)	1,168,684.66	2,395,300.89	1,168,684.66	2,395,300.89
Prepaid expenses	4,404,338.09	4,166,890.84	4,323,808.08	4,101,379.22
Others	5,400,391.72	3,241,222.34	3,642,394.87	2,950,378.90
Total	<u>79,870,172.15</u>	<u>98,504,734.76</u>	<u>76,884,643.36</u>	<u>96,735,674.36</u>
Less Allowance for expected credit losses				
- Trade accounts receivable	<u>(7,585,235.87)</u>	<u>(19,390,765.04)</u>	<u>(7,585,235.87)</u>	<u>(19,390,765.04)</u>
Net	<u><u>72,284,936.28</u></u>	<u><u>79,113,969.72</u></u>	<u><u>69,299,407.49</u></u>	<u><u>77,344,909.32</u></u>

Billed trade accounts receivable separated on aging are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Undue trade accounts receivable	30,366,921.56	41,819,134.16	30,741,176.89	41,142,059.93
Overdue trade accounts receivable				
- Less than 3 months	28,266,640.28	26,717,836.88	26,970,635.50	26,236,941.27
- Over 3 months to 6 months	3,343,789.88	996,760.85	3,139,690.40	990,820.85
- Over 6 months to 9 months	454,456.50	509,066.70	454,456.50	281,424.20
- Over 9 months to 12 months	378,821.51	1,597,765.60	378,821.51	1,597,765.60
- Over 12 months	6,086,127.95	17,060,756.50	6,064,974.95	17,039,603.50
Total	<u><u>68,896,757.68</u></u>	<u><u>88,701,320.69</u></u>	<u><u>67,749,755.75</u></u>	<u><u>87,288,615.35</u></u>

6. CONTRACT ASSETS

6.1 Balance under contracts

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Contract assets	82,262,186.78	74,547,208.59	80,775,539.46	74,379,680.39
Less Allowance for expected credit losses	(4,422,101.30)	(5,590,786.71)	(4,422,101.30)	(5,590,786.71)
Net	<u>77,840,085.48</u>	<u>68,956,421.88</u>	<u>76,353,438.16</u>	<u>68,788,893.68</u>
Retention receivable under contracts (Note 5, 11)	4,003,570.30	6,017,864.96	4,003,570.30	6,017,864.96
Less Allowance for expected credit losses	(2,478,385.64)	(3,622,564.07)	(2,478,385.64)	(3,622,564.07)
Net	<u>1,525,184.66</u>	<u>2,395,300.89</u>	<u>1,525,184.66</u>	<u>2,395,300.89</u>

6.2 Revenues expected to recognize for unsatisfied performance obligations

As at June 30, 2022 and December 31, 2021, the Group expects to have revenues to be recognize in the future for unsatisfied performance obligations (or partial unsatisfied) of contracts with customers in the amount of Baht 172.06 million and Baht 188.22 million respectively (Separate : Baht 172.06 million and Baht 187.58 million respectively). The Group expects to comply this performance obligation to be satisfied within 1 year (Separate : 1 year).

7. OTHER CURRENT FINANCIAL ASSETS

	Consolidated and Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021
Investment in equity securities	<u>105,301,054.91</u>	<u>120,664,562.16</u>

The increase and decrease of other current financial assets for the six-month periods ended June 30, 2022 are as follow :

	Consolidated and Separate financial statements (Baht)
Book value as at January 1, 2022	120,664,562.16
Increase during the period	10,000,000.00
Decrease during the period	(25,500,000.00)
Gain (loss) on changes in fair value of investment	136,492.75
Book value as at June 30, 2022	<u>105,301,054.91</u>

8. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital	Percentage of shareholding		Separate financial statements (Baht)	
						Cost price	
				June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Qualitech Myanmar Company Limited	Providing safety engineering services in Myanmar and engage in relevant business	The Company held 80.00% share capital, has common director and management	200,000 USD	80.00	80.00	5,323,600.00	5,323,600.00
Duwell Intertrade Company Limited	Sales of materials and equipment use in engineering services, inspection	The Company held 99.99% share capital, has common director and management	9,930,000 Baht	99.99	99.99	14,413,500.00	14,413,500.00
Qualitech Solution Energy Company Limited	Producing and distributing electricity from solar power or other sources of energy	The Company held 70.00% share capital, has common director and management	17,500,000 Baht	70.00	70.00	12,249,930.00	8,749,950.00
Total						31,987,030.00	28,487,050.00
Less Provision for impairment of investment in Qualitech Myanmar Company Limited						(3,572,156.80)	(3,572,156.80)
Net						28,414,873.20	24,914,893.20

The financial statements for the three-month and six-month periods ended June 30, 2022 of above subsidiaries have been taken for preparing the consolidated financial statements were reviewed by the auditor.

9. PROPERTY, PLANT AND EQUIPMENT

9.1 The increase and decrease of property, plant and equipment for the six-month periods ended June 30, 2022 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2022	159,227,303.08	157,686,229.96
Purchase during the period - cost	7,374,736.06	7,335,039.80
Disposal during the period - net book value as at disposal date	(6,708,515.51)	(6,708,515.51)
Depreciation for the period	(10,018,885.42)	(9,813,964.04)
Transfer from right-of-use assets	366,544.81	366,544.81
Transfer to other intangible assets other than goodwill	(392,371.43)	(392,371.43)
Net book value as at June30, 2022	<u>149,848,811.59</u>	<u>148,472,963.59</u>

9.2 As at June 30, 2022 and December 31, 2021, land and building at cost of Baht 36.94 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. RIGHT-OF-USE ASSETS

10.1 The increase and decrease of right-of-use assets for the six-month periods ended June 30, 2022 are as follow :

	Consolidated and
	Separate financial
	statements (Baht)
Net book value as at January 1, 2022	14,104,203.64
Purchase during the period - cost	1,801,000.00
Depreciation for the period	(858,557.06)
Transfer to property, plant and equipment	(366,544.81)
Net book value as at June 30, 2022	<u>14,680,101.77</u>

10.2 As at June 30, 2022 and December 31, 2021, vehicles at cost of Baht 17.27 million and Baht 16.01 million in the consolidated financial statements which is still pending the payment under leases (note 13).

11. OTHER NON-CURRENT ASSETS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Deposit receivable under contract	2,834,885.64	3,622,564.07	2,834,885.64	3,622,564.07
Properties foreclosed	1,927,194.98	11,187.65	1,927,194.98	11,187.65
Assets held under financial lease				
construction in progress	14,268,250.00	0.00	0.00	0.00
Others	393,615.00	351,615.00	332,475.00	290,475.00
Total	19,423,945.62	3,985,366.72	5,094,555.62	3,924,226.72
Less Allowance for expected credit losses	(2,478,385.64)	(3,622,564.07)	(2,478,385.64)	(3,622,564.07)
Less Provisions for impairment of assets	(1,186,783.55)	(11,187.65)	(1,186,783.55)	(11,187.65)
Net	15,758,776.43	351,615.00	1,429,386.43	290,475.00

12. TRADE AND OTHER CURRENT PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Trade accounts payable	18,007,309.07	15,730,316.96	16,713,602.84	16,865,751.45
Other current payables				
Accrued expenses	13,677,635.74	19,500,184.37	12,852,153.83	18,863,549.87
Assets payables	242,686.20	47,515.04	242,686.20	694,800.84
Others	3,274,423.73	4,073,719.35	2,968,966.47	3,698,911.68
Total	35,202,054.74	39,351,735.72	32,777,409.34	40,123,013.84

13. LEASE LIABILITIES

13.1 Lease liabilities excluded future interest expenses as follows :

	Consolidated and Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021
Hire purchase payable	6,585,640.00	6,953,770.00
Less Future interest expenses of financial lease	(172,662.36)	(277,049.51)
Total	6,412,977.64	6,676,720.49
Less Current portion of lease liabilities	(3,005,251.87)	(2,931,238.07)
Net	3,407,725.77	3,745,482.42

13.2 The increase and decrease of lease liabilities for the six-month periods ended June 30, 2022 are as follow :

	Consolidated and Separate financial statements (Baht)
Book value as at January 1, 2022	6,676,720.49
Increase during the period	1,350,750.00
Repayment during the period	(1,614,492.85)
Book value as at June 30, 2022	<u>6,412,977.64</u>

13.3 The Company's right-of-use assets at cost are under the payment as indicated in agreement as follows:

	Consolidated and Separate financial statements (Baht)	
	June 30, 2022	December 31, 2021
Vehicles	<u>17,270,831.80</u>	<u>16,012,448.63</u>

14. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

The increase and decrease of non-current provisions for employee benefit for the six-month periods ended June 30, 2022 are as follow :

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2022	23,706,061.70	23,627,748.24
Current cost of services and interest	1,163,360.08	1,149,157.43
Book value as at June 30, 2022	<u>24,869,421.78</u>	<u>24,776,905.67</u>

15. DIVIDEND PAID

According to the annual general shareholders' meeting for the year 2022 held on April 5, 2022, passed the resolution to pay dividend from profit for the year 2021 to the shareholders at Baht 0.20 per share, amount of Baht 19.71 million in which the Company has fully paid such dividend on April 28, 2022.

16. INCOME TAX

16.1 The calculation of current income taxes

Parent company

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 20).

Subsidiaries

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).

16.2 Tax expense (income) recognized in profit or loss for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Current income tax				
For the current year	197,224.15	99,103.07	170,283.33	0.00
Deferred tax				
Changes in temporary differences	712,444.82	223,051.39	712,444.82	223,051.39
Total tax expense (income)	<u>909,668.97</u>	<u>322,154.46</u>	<u>882,728.15</u>	<u>223,051.39</u>

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Current income tax				
For the current year	548,750.96	124,500.62	170,283.33	0.00
Deferred tax				
Changes in temporary differences	627,957.42	690,897.68	629,369.84	690,897.68
Total tax expense (income)	1,176,708.38	815,398.30	799,653.17	690,897.68

17. ADDITIONAL DISCLOSURE OF STATEMENTS OF CASH FLOWS

17.1 Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Cash	200,336.79	1,392,875.16	146,022.38	1,224,927.48
Cash at bank - current accounts	82,504.70	1,006,567.43	34,000.00	34,000.00
Cash at bank - savings deposit	42,577,950.16	36,079,332.47	33,800,771.46	17,087,436.73
Total	42,860,791.65	38,478,775.06	33,980,793.84	18,346,364.21

17.2 Non-cash transaction

	Consolidated and Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021
Transfer equipment to be properties foreclosed	4,833,134.98	10.00
Transfer equipment to be other intangible assets other than goodwill	392,371.43	0.00
Transfer right-of-use assets to be equipment	366,544.81	361,436.05
Right-of-use assets under lease liabilities	1,350,750.00	776,635.52
Payables from acquire of equipment	452,114.64	218,570.77

18. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

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

18.1 General information

Name	Relationship	Description	Pricing policy
<u>Subsidiary</u>			
Qualitech Myanmar Company Limited	The Company held 80% share capital, has common director and management	Income - wages	Close to market value
		Income - management service fee	At agreed price
		Income - rental	At agreed price
Duwell Intertrade Company Limited	The Company held 99.99% share capital, has common director and management	Income - wages	Close to market value
		Income - rental	At agreed price
		Income - management service fee	At agreed price
		Income - other service charges	At agreed price
		Materials supply	Close to market value
		Contractor wages	Close to market value
		Other service charges	Close to market value
		Purchase of fixed assets	At agreed price
Qualitech Solution Energy Company Limited	The Company held 70.00% share capital, has common director and management	Income - rental	At agreed price
		Income - management service fee	At agreed price
<u>Other related parties</u>			
Creative Solutions Energy Company Limited	Shareholding and common directors and executives in subsidiary	Management service fee	At agreed price
		Contractor wages	At agreed price

18.2 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, 2022	December 31, 2021	June 30, 2022	December 31, 2021
Qualitech Myanmar Company Limited				
Trade and other current receivables	0.00	0.00	467,704.98	9,974.07
Contract assets	0.00	0.00	25,248.64	45,000.00
Duwell Intertrade Company Limited				
Trade and other current receivables	0.00	0.00	21,355.48	215,256.04
Contract assets	0.00	0.00	70,138.86	6,000.00
Trade and other current payables	0.00	0.00	993,928.35	2,276,943.95
Qualitech Solution Energy Company Limited				
Trade and other current receivables	0.00	0.00	177,200.00	3,000.00
Contract assets	0.00	0.00	13,000.00	0.00
Creative Solutions Energy Company Limited				
Trade and other current receivables	149,800.00	0.00	0.00	0.00

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

June 30, 2022 and 2021 are as follows :

	For the three-month periods			
	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Qualitech Myanmar Company Limited				
Service income - wages	0.00	0.00	133,000.00	2,000.00
Other income - management fee	0.00	0.00	31,209.81	28,197.87
Duwell Intertrade Company Limited				
Service income - wages	0.00	0.00	0.00	30,500.00
Other income - rental	0.00	0.00	66,272.43	66,591.34

For the three-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Other income - management fee	0.00	0.00	140,186.91	84,112.14
Other income - other service charges	0.00	0.00	5,286.50	0.00
Cost of sales and services - material supply	0.00	0.00	3,148,387.50	2,044,008.75
Cost of sales and services - contractor wages	0.00	0.00	21,420.00	72,930.00
Qualitech Solution Energy Company Limited				
Other income - rental	0.00	0.00	9,000.00	9,000.00
Other income - management fee	0.00	0.00	90,000.00	0.00
Creative Solutions Energy Company Limited				
Administrative expenses - management fee	75,000.00	0.00	0.00	0.00

For the six-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Qualitech Myanmar Company Limited				
Service income - wages	0.00	0.00	472,000.00	1,242,001.39
Other income - management fee	0.00	0.00	60,898.86	55,456.38
Other income - tools rental	0.00	0.00	0.00	55,000.00
Duwell Intertrade Company Limited				
Service income - wages	0.00	0.00	43,000.00	42,500.00
Other income - rental	0.00	0.00	129,269.58	132,960.96
Other income - management fee	0.00	0.00	308,411.22	168,224.28
Other income - other service charges	0.00	0.00	28,498.18	0.00
Cost of sales and services - material supply	0.00	0.00	4,785,077.50	3,827,533.75
Cost of sales and services - contractor wages	0.00	0.00	27,120.00	77,775.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Qualitech Solution Energy Company Limited				
Other income - rental	0.00	0.00	18,000.00	9,000.00
Other income - management fee	0.00	0.00	170,000.00	0.00
Creative Solutions Energy Company Limited				
Administrative expenses - management fee	140,000.00	0.00	0.00	0.00

18.4 Other transaction with related persons and parties for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Duwell Intertrade Company Limited				
Fixed assets - equipment	0.00	0.00	0.00	16,000.00
Creative Solutions Energy Company Limited				
Construction in progress-wages	195,750.00	0.00	0.00	0.00

	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Duwell Intertrade Company Limited				
Fixed assets - equipment	0.00	0.00	36,900.00	258,250.00
Creative Solutions Energy Company Limited				
Construction in progress-wages	413,250.00	0.00	0.00	0.00

19. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Changes in inventories	(971,143.20)	(1,773,329.35)	0.00	0.00
Employee benefit expenses	50,939,919.26	52,146,789.95	50,104,151.60	51,340,575.03
Depreciation	5,377,979.15	6,581,250.57	5,274,237.25	6,483,026.49
Supplies used	5,392,344.77	4,783,385.82	8,478,088.80	6,769,510.64
Contractor wage	5,815,521.92	7,574,490.87	5,815,217.92	7,647,545.74
Travelling and accommodation expenses	2,038,263.18	1,971,115.47	1,944,671.40	1,943,047.64
Office expenses	2,695,671.14	2,366,039.17	2,544,315.51	2,277,997.92
Official fee and consultant fee	2,982,340.85	1,062,844.54	2,920,045.63	974,309.08
Repairs and maintenance expenses	1,384,849.75	937,906.30	1,381,287.75	931,918.47
Directors' remuneration	378,700.00	282,199.99	378,700.00	282,199.99
Management benefit expenses	6,251,302.16	4,768,534.14	6,161,302.16	4,708,534.14
	For the six-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Changes in inventories	(1,285,135.10)	(2,423,069.32)	0.00	0.00
Employee benefit expenses	102,983,766.50	107,185,151.77	101,055,272.07	105,415,889.14
Depreciation	10,877,442.48	13,252,754.17	10,672,521.10	13,062,118.26
Supplies used	9,733,828.83	9,988,063.99	14,399,920.59	13,751,972.58
Contractor wage	13,815,978.44	12,840,547.01	13,797,419.16	12,882,041.39
Travelling and accommodation expenses	3,997,957.31	3,973,851.62	3,717,602.71	3,909,020.90
Office expenses	5,706,755.57	5,145,675.43	5,384,907.38	4,971,967.82
Official fee and consultant fee	3,940,756.55	1,745,419.75	3,782,778.72	1,609,798.88
Repairs and maintenance expenses	2,079,054.97	1,788,577.44	2,054,699.55	1,780,527.77
Directors' remuneration	1,014,800.00	1,148,100.00	1,014,800.00	1,148,100.00
Management benefit expenses	11,227,787.76	9,814,651.15	11,077,787.76	9,694,651.15

20. RIGHTS AND PRIVILEGES UNDER PROMOTIONAL CERTIFICATE

The results of operation of the Group for the six-month periods ended June 30, 2022 and 2021 separated into promoted business and non-promoted business as follows:

	Consolidated financial statements (Baht)					
	Promoted business		Non-promoted business		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Sales and services income	66,636,521.86	125,294,896.29	126,818,958.69	49,463,700.63	193,455,480.55	174,758,596.92
Cost of sale of services	(47,459,611.19)	(98,502,778.34)	(91,944,549.96)	(45,293,939.51)	(139,404,161.15)	(143,796,717.85)
Gross profit	19,176,910.67	26,792,117.95	34,874,408.73	4,169,761.12	54,051,319.40	30,961,879.07
Other income						
Gains (losses) on dissolution						
of subsidiary	0.00	0.00	0.00	(38,434.21)	0.00	(38,434.21)
Others	241,941.90	47,039.45	689,075.87	1,064,178.07	931,017.77	1,111,217.52
Distribution costs	(1,392,129.25)	(3,277,669.42)	(3,085,064.38)	(1,552,750.79)	(4,477,193.63)	(4,830,420.21)
Administrative expenses	(9,411,734.13)	(22,943,432.28)	(18,661,735.48)	(9,019,295.07)	(28,073,469.61)	(31,962,727.35)
Profit (loss) from operating activities	8,614,989.19	618,055.70	13,816,684.74	(5,376,540.88)	22,431,673.93	(4,758,485.18)
Finance costs	(117,815.05)	(237,233.93)	(244,618.22)	(116,431.84)	(362,433.27)	(353,665.77)
Profit (loss) before income tax	8,497,174.14	380,821.77	13,572,066.52	(5,492,972.72)	22,069,240.66	(5,112,150.95)
Tax expense	0.00	0.00	(1,176,708.38)	(815,398.30)	(1,176,708.38)	(815,398.30)
Profit (loss) for the period	8,497,174.14	380,821.77	12,395,358.14	(6,308,371.02)	20,892,532.28	(5,927,549.25)

Unidentifiable cost of sales and services, distribution costs, administrative expenses and finance costs were allocated to the separately income segment.

21. OPERATING SEGMENTS

21.1 Revenues separated by nature of sales and services for the three-month and six-month periods ended June 30, 2022 and 2021 are as follows:

	Consolidated financial statements (Million Baht)			
	For the three-month periods		For the six-month periods	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Sales	1.03	3.17	4.96	6.33
Services income				
Non-Destructive Testing	47.98	44.84	93.80	90.76
Inspection and certificate	44.10	30.50	84.18	66.67
Others	6.26	6.14	10.52	10.99
Total	98.34	81.48	188.50	168.42
Total	99.37	84.65	193.46	174.75

21.2 For the three-month periods ended June 30, 2022 and 2021, the Group has revenues from five major customers in the amount of Baht 77.69 million and Baht 74.55 million respectively.

22. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

Liquidity risk

As at June 30, 2022 and December 31, 2021, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

(Unit : Million Baht)

Consolidated financial statements					
	Note	Less than 1 year	1 - 3 years	3 - 5 years	Total
As at June 30, 2022					
Trade and other current payables	12	35.20	0.00	0.00	35.20
Lease liabilities	13	3.09	3.32	0.00	6.41
Total		<u>38.29</u>	<u>3.32</u>	<u>0.00</u>	<u>41.61</u>
As at December 31, 2021					
Trade and other current payables	12	39.35	0.00	0.00	39.35
Lease liabilities	13	3.03	3.65	0.00	6.68
Total		<u>42.38</u>	<u>3.65</u>	<u>0.00</u>	<u>46.03</u>
(Unit : Million Baht)					
Separate financial statements					
	Note	Less than 1 year	1 - 3 years	3 - 5 years	Total
As at June 30, 2022					
Trade and other current payables	12	32.78	0.00	0.00	32.78
Lease liabilities	13	3.09	3.32	0.00	6.41
Total		<u>35.87</u>	<u>3.32</u>	<u>0.00</u>	<u>39.19</u>
As at December 31, 2021					
Trade and other current payables	12	40.12	0.00	0.00	40.12
Lease liabilities	13	3.03	3.65	0.00	6.68
Total		<u>43.15</u>	<u>3.65</u>	<u>0.00</u>	<u>46.80</u>

23. HIERARCHY LEVELS OF FAIR VALUE

As at June 30, 2022 and December 31, 2021, the Group presented carrying value of assets which measured at fair value separating by hierarchy of fair value as follows :

(Unit : Million Baht)

	Consolidated and Separate financial statements			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
As at June 30, 2022				
Assets measured at fair value				
Other current financial assets				
Investment in equity instruments	105.30	0.00	0.00	105.30
As at December 31, 2021				
Assets measured at fair value				
Other current financial assets				
Investment in equity instruments	120.66	0.00	0.00	120.66

24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 As at June 30, 2022 and December 31, 2021, the Group has commitment under purchase and hire agreement in the amount of Baht 38.15 million and Baht 21.99 million in the consolidated financial statements and Baht 40.61 million and Baht 24.73 million in the separate financial statements respectively.

24.2 The subsidiary has commitment under lease office building agreement as at June 30, 2022 and December 31, 2021 for the amount of Baht 0.12 million and Baht 0.15 million respectively.

24.3 The Group has contingent liabilities from a local bank's issuance of letter of guarantee for the results of work to customers of the Group and guarantee the electricity usage to government agency, as at June 30, 2022 and December 31, 2021 total amount of Baht 9.84 million and Baht 10.59 million respectively in the consolidated and separate financial statements. Contingent liabilities are guaranteed by mortgaging land with its construction (note 9).

24.4 On October 26, 2021, there is a flame erupted around the chemical tank, resulting the damages to property of the employer which is the area of the Company's sub-contractor performance. Currently, it is proceeding of the police officer for investigation and gathering file of a case and assessing the value of the damaged property by the employer. The management of the Company is unable to assess the contingent damages value that may occur.

24.5 The Company has a litigation arising from the employment of workers as at June 30, 2022 and December 31, 2021 amounting to Baht 4.28 million and Baht 1.87 million respectively. The case is currently under trial by the Court, which the Company's management believes that it will not have a significant impact on the Company's financial position.

25. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of the Board of directors' meeting No. 6/2022 held on August 1, 2022, passed the resolution to approve the Company to acquire ordinary shares from the shareholders of Property Aim Solutions Co., Ltd. which engaged in business of management all fields of real estate, for 14,700 shares (at par value of Baht 100 each) equivalent to 49% of total share capital. Total acquisition price of Baht 144.55 million. The signature in agreement is expected to proceed within August 2022 and the ordinary shares acquisition is expected to complete within September 2022.

26. INTERIM FINANCIAL STATEMENTS APPROVAL

This interim financial information was approved and authorized for issue by the Board of directors of the Company on August 13, 2022.