

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
(UNAUDITED/REVIEWED ONLY)



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of
Qualitech Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Qualitech Public Company Limited and subsidiaries and of Qualitech Public Company Limited as at September 30, 2016, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2016, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month periods then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with 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 Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

November 12, 2016

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		81,646,898.95	27,623,950.41	61,948,147.18	20,734,312.57
Current investment	5	15,678,759.16	112,918,740.24	0.00	97,355,552.25
Trade and other receivables	6	65,722,545.51	105,712,912.37	64,188,396.86	95,154,294.46
Unbilled services income		102,271,967.19	67,978,456.23	101,023,743.73	65,704,914.41
Inventories		7,342,783.87	12,107,154.17	5,606,900.05	9,610,272.75
Total current assets		272,662,954.68	326,341,213.42	232,767,187.82	288,559,346.44
Non-current assets					
Investment in subsidiaries	7	0.00	0.00	11,269,085.00	11,269,085.00
Pledged bank deposits	8	30,399,183.39	30,669,924.49	29,832,683.39	29,075,674.49
Property, plant and equipment	9	198,558,498.19	167,257,100.47	196,242,561.00	164,464,507.17
Intangible assets		2,238,897.27	2,463,046.84	2,238,897.27	2,463,046.84
Income tax deducted at source		4,987,053.85	9,381,743.60	4,987,043.50	9,364,361.95
Others non-current assets	10	2,337,646.38	421,110.92	2,337,646.38	421,110.92
Total non-current assets		238,521,279.08	210,192,926.32	246,907,916.54	217,057,786.37
Total assets		511,184,233.76	536,534,139.74	479,675,104.36	505,617,132.81

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT SEPTEMBER 30, 2016

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2016 (Unaudited but reviewed)	December 31, 2015 (Audited)	September 30, 2016 (Unaudited but reviewed)	December 31, 2015 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	11	41,602,808.91	60,294,704.62	47,520,374.36	58,779,224.38
Current portion of long-term liabilities	12	3,101,016.78	4,328,424.67	2,731,263.71	3,957,582.33
Short-term loans		0.00	566,465.63	0.00	0.00
Accrued income tax		950,046.86	2,365,622.71	0.00	0.00
Total current liabilities		45,653,872.55	67,555,217.63	50,251,638.07	62,736,806.71
Non-current liabilities					
Financial lease liabilities	12	3,180,906.91	5,333,823.15	2,864,337.07	4,741,682.46
Employee benefit obligations	13	12,263,021.59	15,366,594.01	11,504,193.58	15,150,642.00
Total non-current liabilities		15,443,928.50	20,700,417.16	14,368,530.65	19,892,324.46
Total liabilities		61,097,801.05	88,255,634.79	64,620,168.72	82,629,131.17
Shareholders' equity					
Share capital					
Authorized share capital	14				
98,568,485 common shares of Baht 1 each		98,568,485.00		98,568,485.00	
99,000,000 common shares of Baht 1 each			99,000,000.00		99,000,000.00
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		10,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00
Unappropriated	15	262,064,949.45	259,926,492.94	227,245,719.21	235,178,785.21
Total owners of the Company		449,874,165.88	447,735,709.37	415,054,935.64	422,988,001.64
Non-controlling interests		212,266.83	542,795.58	0.00	0.00
Total shareholders' equity		450,086,432.71	448,278,504.95	415,054,935.64	422,988,001.64
Total liabilities and shareholders' equity		511,184,233.76	536,534,139.74	479,675,104.36	505,617,132.81

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2016

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Services income		124,139,642.32	124,228,654.84	121,246,476.88	122,906,789.84
Cost of services		(77,748,503.73)	(84,554,503.59)	(80,987,431.45)	(87,025,544.69)
Gross profit		46,391,138.59	39,674,151.25	40,259,045.43	35,881,245.15
Other income		454,709.60	1,116,080.66	674,385.10	1,095,455.26
Administrative expenses		(20,187,913.86)	(17,579,912.33)	(18,917,912.97)	(16,941,624.70)
Finance costs		(169,162.72)	(121,366.80)	(155,229.88)	(93,135.78)
Profit before income tax		26,488,771.61	23,088,952.78	21,860,287.68	19,941,939.93
Income tax expenses	16	(2,115,034.06)	(552,152.37)	(1,141,958.12)	(186,796.92)
Profit for the period		24,373,737.55	22,536,800.41	20,718,329.56	19,755,143.01
Other comprehensive income		0.00	0.00	0.00	0.00
Total comprehensive income for the period		24,373,737.55	22,536,800.41	20,718,329.56	19,755,143.01
Total comprehensive income attributable to :					
Owners of the Company		24,469,128.19	22,094,349.90	20,718,329.56	19,755,143.01
Non-controlling interests		(95,390.64)	442,450.51	0.00	0.00
		24,373,737.55	22,536,800.41	20,718,329.56	19,755,143.01
Earnings per share					
Basic earnings per share		0.25	0.22	0.21	0.20
Weighted average number of					
common shares		98,568,485	98,560,568	98,568,485	98,560,568

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2016	2015	2016	2015
Services income		348,936,909.48	381,655,135.86	340,545,944.04	374,396,072.89
Cost of services		(238,909,765.11)	(248,676,135.57)	(247,848,715.63)	(251,623,357.24)
Gross profit		110,027,144.37	132,979,000.29	92,697,228.41	122,772,715.65
Other income		2,671,753.69	6,489,250.13	2,855,121.16	7,197,676.11
Administrative expenses		(55,909,098.93)	(52,610,130.86)	(51,905,722.50)	(48,023,390.29)
Finance costs		(563,551.52)	(395,887.44)	(502,220.34)	(250,173.74)
Profit before income tax		56,226,247.61	86,462,232.12	43,144,406.73	81,696,827.73
Income tax expenses	16	(5,011,223.35)	(3,000,281.49)	(2,088,828.23)	(1,898,615.41)
Profit for the period		51,215,024.26	83,461,950.63	41,055,578.50	79,798,212.32
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Actuarial gains (losses) on defined employee benefit obligations	13	(122,854.00)	0.00	295,598.00	0.00
Total comprehensive income for the period		51,092,170.26	83,461,950.63	41,351,176.50	79,798,212.32
Profit (loss) attributable to :					
Owners of the Company		51,545,511.16	83,708,465.12	41,055,578.50	79,798,212.32
Non-controlling interests		(330,486.90)	(246,514.49)	0.00	0.00
		51,215,024.26	83,461,950.63	41,055,578.50	79,798,212.32
Total comprehensive income attributable to :					
Owners of the Company		51,422,699.01	83,708,465.12	41,351,176.50	79,798,212.32
Non-controlling interests		(330,528.75)	(246,514.49)	0.00	0.00
		51,092,170.26	83,461,950.63	41,351,176.50	79,798,212.32
Earnings per share					
Basic earnings per share		0.52	0.85	0.42	0.81
Weighted average number of common shares		98,568,485	98,361,647	98,568,485	98,361,647

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
 (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		
			share-based payment reserve	Appropriated	Unappropriated	the Company					
	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			
Balance as at December 31, 2015											
Changes in shareholders' equity for the nine-month periods:											
Dividend paid	15	0.00	0.00	0.00	(39,427,394.00)	(39,427,394.00)	0.00	(39,427,394.00)	0.00	(39,427,394.00)	
Total comprehensive income for the period		0.00	0.00	0.00	51,422,699.01	51,422,699.01	(330,528.75)	51,092,170.26		51,092,170.26	
Interim dividend paid	15	0.00	0.00	0.00	(9,856,848.50)	(9,856,848.50)	0.00	(9,856,848.50)	0.00	(9,856,848.50)	
Balance as at September 30, 2016		98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	262,064,949.45	212,266.83	450,086,432.71		450,086,432.71	
Balance as at December 31, 2014		98,127,390.00	73,093,575.00	4,296,130.00	10,000,000.00	230,639,446.79	1,816,156.34	417,972,698.13		417,972,698.13	
Changes in shareholders' equity for the nine-month periods:											
Common shares		0.00	0.00	0.00	0.00	0.00	315.00	315.00		315.00	
Common shares exercised from warrants		441,095.00	2,081,968.40	0.00	0.00	2,523,063.40	0.00	2,523,063.40		2,523,063.40	
Share-based payment		0.00	0.00	(230,941.97)	0.00	(230,941.97)	0.00	(230,941.97)		(230,941.97)	
Dividend paid		0.00	0.00	0.00	(49,253,845.00)	(49,253,845.00)	0.00	(49,253,845.00)		(49,253,845.00)	
Total comprehensive income for the period		0.00	0.00	0.00	83,708,465.12	83,708,465.12	(246,514.49)	83,461,950.63		83,461,950.63	
Interim dividend paid		0.00	0.00	0.00	(24,636,786.25)	(24,636,786.25)	0.00	(24,636,786.25)		(24,636,786.25)	
Balance as at September 30, 2015		98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	240,457,280.66	1,569,956.85	429,836,453.94		429,836,453.94	

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
 (UNAUDITED/REVIEWED ONLY)

Note	Separate financial statements (Baht)						Total shareholders' equity
	Issued and paid-up share capital	Premium on share capital	Equity-settled share-based payment reserve		Retained earnings		
			on share capital	share-based payment reserve	Appropriated	Unappropriated	
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 nine-month periods:							
Dividend paid	15	0.00	0.00	0.00	(39,427,394.00)	(39,427,394.00)	
Total comprehensive income for the period		0.00	0.00	0.00	41,351,176.50	41,351,176.50	
Interim dividend paid	15	0.00	0.00	0.00	(9,856,848.50)	(9,856,848.50)	
Balance as at September 30, 2016	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	227,245,719.21	415,054,935.64	
Balance as at December 31, 2014	98,127,390.00	73,093,575.00	4,296,130.00	10,000,000.00	218,624,842.35	404,141,937.35	
Changes in shareholders' equity for the nine-month periods:							
Common shares exercised from warrants		441,095.00	2,081,968.40	0.00	0.00	2,523,063.40	
Share-based payment		0.00	0.00	(230,941.97)	0.00	(230,941.97)	
Dividend paid		0.00	0.00	0.00	(49,253,845.00)	(49,253,845.00)	
Total comprehensive income for the period		0.00	0.00	0.00	79,798,212.32	79,798,212.32	
Interim dividend paid		0.00	0.00	0.00	(24,636,786.25)	(24,636,786.25)	
Balance as at September 30, 2015	98,568,485.00	75,175,543.40	4,065,188.03	10,000,000.00	224,532,423.42	412,341,639.85	

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before income tax	56,226,247.61	86,462,232.12	43,144,406.73	81,696,827.73
Adjustments				
Unrealized gain on changes in investment valuation	(110,571.17)	(213,363.71)	0.00	(110,658.25)
Unrealized (gain) loss on exchange rate	59,520.44	(350,408.21)	1,043.78	(33,107.40)
Doubtful accounts	2,808,218.29	0.00	2,642,297.65	0.00
Reversed doubtful accounts	0.00	(395,658.41)	0.00	(673,159.37)
Increase in unbilled service income	(34,293,510.96)	(3,698,761.80)	(35,318,829.32)	(4,660,361.80)
Depreciation	21,865,532.97	21,302,177.89	21,417,936.07	20,854,526.21
(Gain) Loss on disposal of fixed assets	94,085.21	(3,673,279.71)	111,355.34	(3,673,279.71)
Loss on impairment of assets	10,232.24	0.00	10,232.24	0.00
Reversed loss on impairment of assets	0.00	(3,478.84)	0.00	(3,478.84)
Amortized intangible assets	224,149.57	457,357.08	224,149.57	457,357.08
Write off income tax deducted at source	340,053.18	978.61	322,671.53	0.00
Employee benefits	1,591,778.33	1,693,727.52	1,485,336.33	1,558,660.59
Interest expenses	563,551.52	395,887.44	502,220.34	250,173.74
	<u>49,379,287.23</u>	<u>101,977,409.98</u>	<u>34,542,820.26</u>	<u>95,663,499.98</u>
(Increase) Decrease in portion of operating assets				
Trade and other receivables	35,708,100.18	37,550,337.81	28,322,556.17	35,986,947.12
Inventories	4,764,370.30	(3,795,972.94)	4,003,372.70	(3,106,657.87)
Intangible assets	0.00	(375,000.00)	0.00	(375,000.00)
Other non-current assets	(581,567.70)	(141,139.16)	(581,567.70)	(141,139.16)
Increase (Decrease) in portion of operating liabilities				
Trade and other payables	(24,336,340.84)	(6,468,444.58)	(17,758,157.47)	(9,294,211.88)
Employee benefits obligation	(5,122,000.00)	0.00	(5,122,000.00)	0.00
Cash generated (paid) from operation	<u>59,811,849.17</u>	<u>128,747,191.11</u>	<u>43,407,023.96</u>	<u>118,733,438.19</u>
Interest paid	(259,756.27)	(395,887.44)	(216,407.09)	(250,173.74)
Income tax received (paid)	(2,372,162.63)	(6,252,360.58)	1,965,818.69	(4,811,166.99)
Net cash provided by (used in) operating activities	<u>57,179,930.27</u>	<u>122,098,943.09</u>	<u>45,156,435.56</u>	<u>113,672,097.46</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016

(UNAUDITED/REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Cash flows from investing activities				
(Increase) Decrease in current investment	97,350,552.25	(12,949,445.87)	97,355,552.25	(3,549,445.87)
Decrease in short-term loans	0.00	0.00	0.00	1,000,000.00
Payments for acquire of ordinary share of subsidiary	0.00	0.00	0.00	(5,249,685.00)
(Increase) Decrease in pledged bank deposit	270,741.10	(5,516,273.00)	(757,008.90)	(4,872,023.00)
Proceeds from sales of fixed assets	49,971.72	14,710,112.94	0.00	14,710,112.94
Payments for fixed assets acquisition	(48,163,680.17)	(38,873,473.76)	(48,153,237.79)	(38,069,749.75)
Net cash provided by (used in) investing activities	49,507,584.90	(42,629,079.69)	48,445,305.56	(36,030,790.68)
Cash flows from financing activities				
Decrease in financial lease liabilities	(3,380,324.13)	(3,281,121.64)	(3,103,664.01)	(3,033,256.26)
Dividend paid	(49,284,242.50)	(73,890,631.25)	(49,284,242.50)	(73,890,631.25)
Proceeds from exercised of warrants to purchase ordinary shares	0.00	2,523,063.40	0.00	2,523,063.40
Proceeds from non-controlling interests	0.00	315.00	0.00	0.00
Net cash provided by (used in) financing activities	(52,664,566.63)	(74,648,374.49)	(52,387,906.51)	(74,400,824.11)
Net increase (decrease) in cash and cash equivalents	54,022,948.54	4,821,488.91	41,213,834.61	3,240,482.67
Cash and cash equivalents as at January 1	27,623,950.41	28,027,956.16	20,734,312.57	24,932,077.88
Cash and cash equivalents as at September 30	81,646,898.95	32,849,445.07	61,948,147.18	28,172,560.55

Notes to financial statements are parts of these financial statements

QUALITECH PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONDENSED NOTES TO FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016

(UNAUDITED/REVIEWED ONLY)

1. GENERAL INFORMATION

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

2. PREPARATION OF INTERIM FINANCIAL STATEMENTS BASIS

- 2.1 The financial statements have been prepared in conformity with TAS 34 (Revised 2015) "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, 2016 as detailed below:

Contents

Accounting Standards

TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting

Contents

Accounting Standards

TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture

Financial Reporting Standards

TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement

Standing Interpretations Committee

TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs

Contents

Financial Reporting Interpretations Committee

TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015) <i>Employee Benefits</i>
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

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

2.3 Financial Reporting Standards issued and revised which will be effective in the future

Thai Financial Reporting Standards are being prepared and revised by the Accounting Standards Committee for corresponding with the requirements of International Financial Reporting Standards, bound volume 2016 without early application for the period ended December 31, 2015 which are mandatorily effective for the annual period beginning on or after January 1, 2017. The Company still has not a plan to adopt such financial reporting standards early application.

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				
		September 30, 2016	December 31, 2015		
QLT International Limited	Thailand	99.99	99.99	Providing engineering services in both Thailand and overseas and engage in relevant business	
Qualitech Myanmar Limited	Thailand	50.99	50.99	Providing safety engineering services in Myanmar 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 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, 2015.

5. CURRENT INVESTMENT

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Open-end fund	15,678,759.16	111,445,172.12	0.00	95,881,984.13
Cash at bank - fixed deposit				
with 6 months maturity	0.00	1,473,568.12	0.00	1,473,568.12
Total	<u>15,678,759.16</u>	<u>112,918,740.24</u>	<u>0.00</u>	<u>97,355,552.25</u>

The increase and decrease of current investment for the nine-month periods ended September 30, 2016 are as follow :

	(Unit : Baht)	
	<u>Consolidated</u> <u>financial statements</u>	<u>Separate</u> <u>financial statements</u>
Book value as at January 1, 2016	112,918,740.24	97,355,552.25
Increase during the period	5,000.00	0.00
Sales / transfer during the period	(97,875,944.05)	(97,875,944.05)
Gain on changes in fair value	630,962.97	520,391.80
Book value as at September 30, 2016	<u>15,678,759.16</u>	<u>0.00</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>	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Trade accounts receivable	74,421,171.24	110,343,110.28	71,223,522.62	98,823,338.81
Other receivables	9,466,848.02	10,727,057.55	9,307,522.83	10,031,306.59
Total	83,888,019.26	121,070,167.83	80,531,045.45	108,854,645.40
Less Allowance for doubtful accounts				
- Trade accounts receivable	(18,165,473.75)	(15,357,255.46)	(16,342,648.59)	(13,700,350.94)
Net	65,722,545.51	105,712,912.37	64,188,396.86	95,154,294.46

Billed trade accounts receivable separated on aging are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Undue trade accounts receivable	20,135,262.71	45,909,563.63	19,593,347.41	37,725,061.13
Overdue trade accounts receivable				
- Less than 3 months	35,142,375.29	44,692,415.15	34,309,467.13	44,563,495.15
- Over 3 months to 6 months	657,686.00	819,867.00	657,686.00	819,867.00
- Over 6 months to 9 months	1,051,463.41	2,791,185.00	1,051,463.41	2,791,185.00
- Over 9 months to 12 months	878,720.00	3,304,884.48	878,720.00	98,535.51
- Over 12 months	16,555,663.83	12,825,195.02	14,732,838.67	12,825,195.02
Total	74,421,171.24	110,343,110.28	71,223,522.62	98,823,338.81

7. INVESTMENTS IN SUBSIDIARIES

Company's name	Type of business	Relationship	Paid-up share capital (Baht)		Percentage of shareholding		Separate financial statements (Baht)	
			September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
QLT International Limited	Providing engineering services in both Thailand and overseas and engage in relevant business	The Company held 99.99% share capital, director and management have common-shareholding	10,250,000.00	10,250,000.00	99.99	99.99	10,249,385.00	10,249,385.00
Qualitech Myanmar Limited	Security engineering services in Myanmar and engage in relevant business	The Company held 50.99% share capital, director and management have common-shareholding	2,000,000.00	2,000,000.00	50.99	50.99	1,019,700.00	1,019,700.00
Total							11,269,085.00	11,269,085.00

7.1 Qualitech Myanmar Limited joint with a person which the Company has ability to control in making financial and operating decisions.

7.2 The financial statements for the three-month and nine-month periods ended September 30, 2016 of above subsidiaries have been taken for preparing the consolidated financial statements were reviewed by the auditor.

8. PLEDGED BANK DEPOSIT

As at September 30, 2016 and December 31, 2015, the Company has deposits at a bank amount of Baht 30.40 million and Baht 30.67 million in the consolidated financial statements and Baht 29.83 million and Baht 29.08 million in the separate financial statements respectively which are mortgaged as collateral against contingent liabilities from bank's issuance of letter of guarantee (note 22).

9. PROPERTY, PLANT AND EQUIPMENT

9.1 The increase and decrease of property, plant and equipment for the nine-month periods ended September 30, 2016 are as follow :

	(Unit : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2016	167,257,100.47	164,464,507.17
Purchase during the period - cost	53,383,458.32	53,307,345.24
Disposal during the period - net book value as at disposal date	(216,527.63)	(111,355.34)
Depreciation for the period	(21,865,532.97)	(21,417,936.07)
Net book value as at September 30, 2016	<u>198,558,498.19</u>	<u>196,242,561.00</u>

9.2 Tools and technical equipment as at September 30, 2016

	(Unit : Baht)		
Assets acquired	Cost	Accumulated	Net cost
		depreciation	
Depreciation by straight-line method			
- Before October 23, 1999	1,471,540.39	(1,471,499.39)	41.00
- 2004 until present	68,707,229.29	(38,033,037.17)	30,674,192.12
Depreciation by double-declining balance method			
- Before October 23, 1999 to 2003	3,299,961.75	(3,299,900.75)	61.00
- 2006 until present	95,366,543.50	(69,157,211.50)	26,209,332.00
Total	<u>168,845,274.93</u>	<u>(111,961,648.81)</u>	<u>56,883,626.12</u>

Depreciation for the nine-month periods ended September 30, 2016 and 2015 were Baht 14.60 million and Baht 14.79 million respectively.

9.3 As at September 30, 2016, land and building at cost of Baht 36.07 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)	
	September 30, 2016	December 31, 2015
Deposit receivable under contract	4,615,009.91	4,043,674.99
Advanced for fixed assets	1,345,200.00	0.00
Others	22,046.93	11,814.15
Total	5,982,256.84	4,055,489.14
Less Allowance for doubtful accounts	(3,622,564.07)	(3,622,564.07)
Provision for impairment of assets	(22,046.39)	(11,814.15)
Net	2,337,646.38	421,110.92

11. TRADE AND OTHER PAYABLES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Trade accounts payable	8,320,176.19	15,791,741.98	15,944,359.84
Other payables				
Accrued expenses	22,288,526.00	39,452,950.51	20,687,020.56	34,204,093.37
Assets payables	7,411,731.55	912,424.10	7,411,731.55	912,424.10
Others	3,582,375.17	4,137,588.03	3,477,262.41	3,980,934.53
Total	41,602,808.91	60,294,704.62	47,520,374.36	58,779,224.38

12. FINANCIAL LEASE LIABILITIES

12.1 Financial lease liabilities excluded future interest expenses are as follows :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Hire purchase payable	6,281,923.69	9,662,247.82	5,595,600.78	8,699,264.79
Less Current portion of long-term liabilities	<u>(3,101,016.78)</u>	<u>(4,328,424.67)</u>	<u>(2,731,263.71)</u>	<u>(3,957,582.33)</u>
Net	<u>3,180,906.91</u>	<u>5,333,823.15</u>	<u>2,864,337.07</u>	<u>4,741,682.46</u>

12.2 The increase and decrease of financial lease liabilities for the nine-month periods ended September 30, 2016 are as follows :

	(Unit : Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Book value as at January 1, 2016	9,662,247.82	8,699,264.79
Repayment during the period	<u>(3,380,324.13)</u>	<u>(3,103,664.01)</u>
Book value as at September 30, 2016	<u>6,281,923.69</u>	<u>5,595,600.78</u>

12.3 The Company's assets at cost are being made the payment under the aforementioned financial lease as follows:

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Vehicles	<u>20,366,000.00</u>	<u>24,843,000.00</u>	<u>18,389,000.00</u>	<u>22,866,000.00</u>

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

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Within 1 year	3,226,809.00	4,640,947.00	2,835,859.00	4,236,583.00
Over 1 year less than 3 years	3,266,378.00	4,710,885.00	2,941,850.00	4,116,781.00
Over 3 years less than 5 years	89,415.00	854,113.00	89,415.00	833,830.00
Total	6,582,602.00	10,205,945.00	5,867,124.00	9,187,194.00
Less Future interest expenses				
of financial lease	(300,678.31)	(543,697.18)	(271,523.22)	(487,929.21)
Present value of financial				
lease liabilities	6,281,923.69	9,662,247.82	5,595,600.78	8,699,264.79

13. EMPLOYEE BENEFIT OBLIGATIONS

The increase and decrease of employee benefit obligations for the nine-month periods ended September 30, 2016 are as follows :

	(Unit : Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Book value as at January 1, 2016	15,366,594.01	15,150,642.00
Current cost of services and interest	1,895,573.58	1,771,149.58
Employee benefits paid	(5,122,000.00)	(5,122,000.00)
Actuarial (gain)/losses	122,854.00	(295,598.00)
Book value as at September 30, 2016	<u>12,263,021.59</u>	<u>11,504,193.58</u>

14. SHARE CAPITAL

According to the annual general shareholders' meeting for the year 2016 held on April 21, 2016, the shareholders passed the resolution to decrease the registered shares capital from Baht 99 million to Baht 98.57 million by deducting unissued 0.43 million shares at par value of Baht 1 each, the Company registered the decrease share capital with the Ministry of Commerce on May 4, 2016.

15. RETAINED EARNINGS APPROPRIATION

According to the annual general shareholders' meeting for the year 2016 held on April 21, 2016, the shareholders passed the resolution to pay dividend to the shareholders at Baht 0.65 per share, total amount of Baht 64.07 million by making interim dividend payment at Baht 0.25 per share amount of Baht 24.64 million, thus, the remaining annual dividend payment at Baht 0.40 per share for 98.57 million ordinary shares, total amount of Baht 39.43 million. During the period, the Company has fully paid such dividend.

According to the minutes of Board of Directors' meeting No. 5/2016 held on August 9, 2016, passed the resolution to pay dividend from the result of six-months profit for the year 2016 to the shareholders at Baht 0.10 per share total amount of Baht 9.86 million. During the period, the Company has paid such dividend in fully amount.

16. INCOME TAX

16.1 The calculation of current income taxes

Parent company

For the third quarter of 2016, 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

For the third quarter of 2016, subsidiaries calculated corporate income tax at the rate of 15 -20% of profit (loss) before deducting with tax expenses and added back other expenses which shall not be allowed as expenses in tax calculation (if any).

16.2 Income tax recognized in profit or loss for the three-month and nine-month periods ended September 30, 2016 and 2015

are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Current income tax				
For the current year	2,115,034.06	552,152.37	1,141,958.12	186,796.92
Deferred tax				
Changes in temporary				
differences	0.00	0.00	0.00	0.00
Total income tax	2,115,034.06	552,152.37	1,141,958.12	186,796.92

	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Current income tax				
For the current year	5,011,223.35	3,000,281.49	2,088,828.23	1,898,615.41
Deferred tax				
Changes in temporary				
differences	0.00	0.00	0.00	0.00
Total income tax	5,011,223.35	3,000,281.49	2,088,828.23	1,898,615.41

As at September 30, 2016, allowance for doubtful accounts amount of Baht 16.34 million is allowance for doubtful accounts of trade accounts receivable granted from promotional investment which have no impacts on deferred tax.

17. ADDITION DISCLOSURE OF STATEMENTS OF CASH FLOWS

Cash and cash equivalents

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>September 30, 2016</u>	<u>September 30, 2015</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Cash	743,106.98	799,931.16	600,368.16	722,482.52
Cash at bank - current accounts	37,409.37	34,000.00	37,409.37	34,000.00
Cash at bank - savings deposit	79,384,125.94	30,549,638.64	59,828,112.99	25,950,202.76
Cash at bank - fixed deposit	1,482,256.66	1,465,875.27	1,482,256.66	1,465,875.27
Total	81,646,898.95	32,849,445.07	61,948,147.18	28,172,560.55

18. 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 :

18.1 General information

Name	Relationship	Description	Pricing policy
Related persons			
Mr. Sumet Techachainiran	The Company's director and shareholder	Guarantee	Non-service charge
Subsidiary companies			
Qualitech Myanmar Limited	The Company held 50.99% share capital, director and management have common shareholding	Income - wages	Close to market value
		Income - management service fee	At agreed price
		Wages	At agreed price
QLT International Limited	The Company held 99.99% share capital, director and management have common shareholding	Income - wages	Close to market value
		Income - rental	At agreed price
		Income - management service fee	At agreed price
		Wages	At agreed price
		Materials supply	At agreed price

Name	Relationship	Description	Pricing policy
Related company			
Parami Energy Service Co., Ltd.	Director and shareholder of subsidiary	Income - wages	At agreed price
		Wages	At agreed price
		Management service fee	At agreed price
		Interest expenses	At the rate of 6.75% per annum

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

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Trade and other receivables				
Qualitech Myanmar Limited	0.00	0.00	18,441.45	95,497.50
QLT International Limited	0.00	0.00	55,600.00	0.00
Parami Energy Service Co., Ltd.	1,822,825.16	3,331,877.55	0.00	0.00
Total	1,822,825.16	3,331,877.55	74,041.45	95,497.50
Unbilled services income				
Qualitech Myanmar Limited	0.00	0.00	17,240.00	90,075.00
QLT International Limited	0.00	0.00	57,383.18	161,383.18
Total	0.00	0.00	74,623.18	251,458.18
Trade and other payables				
QLT International Limited	0.00	0.00	7,683,474.27	8,538,759.54
Parami Energy Service Co., Ltd.	0.00	879,968.75	0.00	0.00
Total	0.00	879,968.75	7,683,474.27	8,538,759.54
Short-term loans				
Parami Energy Service Co., Ltd.	0.00	566,465.63	0.00	0.00

The increase and decrease of short-term loans are as follows :

	Consolidated financial statements (Baht)
Balance as at January 1, 2016	566,465.63
Decrease during the period	(566,465.63)
Balance as at September 30, 2016	0.00

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

September 30, 2016 and 2015 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Other income - rental				
QLT International Limited	0.00	0.00	43,738.32	43,738.32
Other income - management fee				
Qualitech Myanmar Limited	0.00	0.00	51,795.00	266,825.00
QLT International Limited	0.00	0.00	112,149.54	112,149.54
Total	0.00	0.00	163,944.54	378,974.54
Cost of services - wages				
Qualitech Myanmar Limited	0.00	0.00	0.00	0.00
QLT International Limited	0.00	0.00	4,842,205.97	5,203,690.12
Parami Energy Service Co., Ltd.	0.00	73,951.78	0.00	0.00
Total	0.00	73,951.78	4,842,205.97	5,203,690.12
Cost of services - material supply				
QLT International Limited	0.00	0.00	923,796.00	442,416.00
Finance costs - interest expenses				
Parami Energy Service Co., Ltd.	0.00	8,506.85	0.00	0.00

For the nine-month periods

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Service income - wages				
Qualitech Myanmar Limited	0.00	0.00	0.00	59,186.23
QLT International Limited	0.00	0.00	0.00	36,000.00
Parami Energy Service Co., Ltd.	0.00	1,517,359.90	0.00	0.00
Total	0.00	1,517,359.90	0.00	95,186.23
Other income - rental				
QLT International Limited	0.00	0.00	131,214.96	150,654.22
Other income - management fee				
Qualitech Myanmar Limited	0.00	0.00	157,365.00	771,500.00
QLT International Limited	0.00	0.00	336,448.62	336,448.62
Total	0.00	0.00	493,813.62	1,107,948.62
Other income - equipment rental				
Qualitech Myanmar Limited	0.00	0.00	0.00	120,000.00
QLT International Limited	0.00	0.00	0.00	30,000.00
Total	0.00	0.00	0.00	150,000.00
Cost of services - wages				
Qualitech Myanmar Limited	0.00	0.00	0.00	136,508.60
QLT International Limited	0.00	0.00	21,836,190.21	11,308,455.50
Parami Energy Service Co., Ltd.	0.00	233,735.78	0.00	0.00
Total	0.00	233,735.78	21,836,190.21	11,444,964.10
Cost of services - material supply				
QLT International Limited	0.00	0.00	2,234,646.00	1,451,276.00
Administrative expenses - office rental				
Parami Energy Service Co., Ltd.	0.00	199,730.00	0.00	0.00
Finance costs - interest expenses				
Parami Energy Service Co., Ltd.	16,736.30	54,551.81	0.00	0.00

19. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Employee benefit expenses	57,866,645.61	60,842,888.32	55,579,209.53	55,707,553.53
Depreciation	7,509,124.89	7,262,019.49	7,367,564.43	7,099,296.14
Supplies used	5,786,303.16	9,464,397.01	5,977,054.88	9,629,151.20
Contractor wage	6,500,115.26	8,184,325.69	11,052,321.23	13,302,654.13
Travelling and accommodation expenses	3,499,354.20	3,731,683.07	3,221,831.31	3,309,101.17
Office expenses	2,177,303.63	1,835,329.52	2,125,371.81	1,768,935.18
Fee and consulting fee	1,516,925.13	1,203,382.11	1,304,323.66	1,196,475.45
Repairs and maintenance expenses	958,231.44	686,787.29	922,322.31	669,927.91
Directors' remuneration	712,300.00	820,486.33	712,300.00	820,486.33
Management benefit expenses	7,109,690.47	11,101,207.32	7,163,633.90	7,146,610.92
	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2015	2016	2015
Employee benefit expenses	165,546,060.02	172,590,172.42	159,795,898.61	167,454,837.63
Depreciation	21,892,022.47	21,302,177.89	21,417,936.08	20,854,526.21
Supplies used	19,894,256.90	28,640,490.46	20,037,086.98	28,587,052.00
Contractor wage	29,338,218.52	19,389,651.52	44,150,258.73	29,598,798.87
Travelling and accommodation expenses	11,328,853.10	10,845,579.43	10,252,963.44	9,527,899.45
Office expenses	6,251,878.93	6,014,119.68	6,075,087.40	5,820,931.00
Fee and consulting fee	3,529,651.34	3,068,390.29	3,072,945.83	2,902,202.43
Repairs and maintenance expenses	2,537,877.55	2,336,913.35	2,485,440.22	2,300,858.87
Directors' remuneration	2,144,400.00	2,554,865.05	2,144,400.00	2,554,865.05
Management benefit expenses	21,453,987.81	25,379,172.44	19,633,987.81	21,424,576.04

20. PROMOTIONAL PRIVILEGES

The results of operation of the Company for the nine-month periods ended September 30, 2016 and 2015 separated into promoted business and non-promoted business as follows :

	Consolidated financial statements (Baht)					
	Promoted business		Non-promoted business		Total	
	2016	2015	2016	2015	2016	2015
Services income	245,304,817.65	303,448,854.54	103,632,091.83	78,206,281.32	348,936,909.48	381,655,135.86
Cost of services	(173,419,410.01)	(192,320,215.90)	(65,490,355.10)	(56,355,919.67)	(238,909,765.11)	(248,676,135.57)
Gross profit	71,885,407.64	111,128,638.64	38,141,736.73	21,850,361.65	110,027,144.37	132,979,000.29
Other income	0.00	150,000.07	2,671,753.69	6,339,250.06	2,671,753.69	6,489,250.13
Administrative expenses	(39,344,537.65)	(38,457,260.21)	(16,564,561.28)	(14,152,870.65)	(55,909,098.93)	(52,610,130.86)
Finance costs	(380,683.02)	(201,214.24)	(182,868.50)	(194,673.20)	(563,551.52)	(395,887.44)
Profit before income tax	32,160,186.97	72,620,164.26	24,066,060.64	13,842,067.86	56,226,247.61	86,462,232.12
Income tax expenses	0.00	0.00	(5,011,223.35)	(3,000,281.49)	(5,011,223.35)	(3,000,281.49)
Profit for the period	32,160,186.97	72,620,164.26	19,054,837.29	10,841,786.37	51,215,024.26	83,461,950.63

21. OPERATING SEGMENTS

Revenues separated by nature of services for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

	Consolidated financial statements (Million Baht)			
	For the three-month periods		For the nine-month periods	
	2016	2015	2016	2015
Non-Destructive Testing	46.05	70.96	127.90	239.81
Inspection and certificate	78.09	53.26	221.03	141.84

22. COMMITMENT AND CONTINGENT LIABILITIES

22.1 As at September 30, 2016 and December 31, 2015, the Company and subsidiaries have commitment under agreement (building construction, fixed assets acquisition, hire of work and others) with several seller total amount of Baht 25.43 million and Baht 13.31 million in the consolidated financial statements and Baht 25.25 million and Baht 13.31 million in the separate financial statements respectively.

22.2 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 September 30, 2016 and December 31, 2015 total amount of Baht 27.99 million and Baht 26.81 million in the consolidated financial statements and Baht 27.44 million and Baht 25.22 million in the separate financial statements respectively. Contingent liabilities are guaranteed by bank deposits (note 8).

23. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Board of directors of the Company on November 12, 2016.