

TEAM Consulting Engineering and Management
Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2020



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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TEAM Consulting Engineering and Management Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries as at 30 September 2020, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of TEAM Consulting Engineering and Management Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information 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.

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 34 *Interim Financial Reporting*.

Chatchai Kasemsriwan

Chatchai Kasemsriwanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 12 November 2020

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2020

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	30 September 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
Assets					
Current assets					
Cash and cash equivalents	2	481,481	350,878	280,738	176,372
Current investments	2	-	1,151	-	915
Trade and other receivables	2, 4	433,487	472,714	391,587	390,910
Unbilled receivables	2, 5	508,032	473,258	262,509	299,931
Short-term loan to related party	2, 3	-	-	65,500	34,700
Other current financial assets	2	1,295	-	1,059	-
Other current assets	6	53,091	48,786	37,964	26,258
Total current assets		1,477,386	1,346,787	1,039,357	929,086
Non-current assets					
Restricted bank deposits	2	61,980	63,230	49,160	49,160
Long-term loan to related party	2, 3	-	-	1,820	2,070
Investments in subsidiaries	7	-	-	115,645	115,645
Investments in associated companies	8	4,850	4,135	-	-
Investment properties		1,245	1,259	9,295	9,766
Property, plant and equipment	2, 9	197,186	182,555	166,002	154,422
Intangible assets - computer software	10	59,656	61,339	51,607	52,046
Deferred tax assets		60,510	60,192	42,292	43,950
Retention receivables	5	118,613	134,587	76,647	85,466
Other non-current assets		35,704	32,159	29,656	25,083
Total non-current assets		539,744	539,456	542,124	537,608
Total assets		2,017,130	1,886,243	1,581,481	1,466,694

The accompanying notes are an integral part of the financial statements.

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2020

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2020</u>	<u>31 December 2019</u>	<u>30 September 2020</u>	<u>31 December 2019</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	19	14,430	6,745	-	-
Trade and other payables	11	216,892	212,363	167,408	187,064
Current portion of liabilities under hire purchase and finance lease agreements	2	-	9,975	-	7,051
Current portion of lease liabilities	2, 13	18,339	-	13,336	-
Service income received in advance and advances received from customers	5	492,622	361,330	316,854	197,485
Income tax payable		3,166	4,412	-	-
Other current liabilities	12	51,694	68,342	37,169	46,301
Total current liabilities		797,143	663,167	534,767	437,901
Non-current liabilities					
Liabilities under hire purchase and finance lease agreements, net of current portion	2	-	10,405	-	6,639
Lease liabilities, net of current portion	2, 13	26,324	-	20,283	-
Provision for long-term employee benefits	14	292,726	284,787	208,950	204,988
Total non-current liabilities		319,050	295,192	229,233	211,627
Total liabilities		1,116,193	958,359	764,000	649,528

The accompanying notes are an integral part of the financial statements.

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2020

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>30 September 2020</u>	<u>31 December 2019</u>	<u>30 September 2020</u>	<u>31 December 2019</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
680,000,000 ordinary shares of Baht 0.5 each	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>
Issued and fully paid				
680,000,000 ordinary shares of Baht 0.5 each	340,000	340,000	340,000	340,000
Share premium	424,318	424,318	424,318	424,318
Deficit from the change in the ownership interests in subsidiaries	(22,215)	(22,215)	-	-
Deficit from the reorganisation of business of group under common control	(22,548)	(22,548)	-	-
Retained earnings				
Appropriated - statutory reserve	10,000	10,000	10,000	10,000
Unappropriated	166,158	192,914	43,163	42,848
Other components of shareholders' equity				
Exchange differences on translation of financial statements in foreign currencies	<u>(23)</u>	<u>(46)</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company	895,690	922,423	817,481	817,166
Non-controlling interests of the subsidiaries	<u>5,247</u>	<u>5,461</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>900,937</u>	<u>927,884</u>	<u>817,481</u>	<u>817,166</u>
Total liabilities and shareholders' equity	<u>2,017,130</u>	<u>1,886,243</u>	<u>1,581,481</u>	<u>1,466,694</u>

The accompanying notes are an integral part of the financial statements.



(Mr. Chawalit Chantararat)

Director



(Mr. Aphichat Sramoon)

Director



TEAM Consulting Engineering and Management Public Company Limited

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2020

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit or loss:				
Revenues				
Service income	430,051	451,157	264,499	293,581
Other income				
Dividend income	-	-	-	9,500
Others	3,278	1,772	18,421	14,329
Total revenues	<u>433,329</u>	<u>452,929</u>	<u>282,920</u>	<u>317,410</u>
Expenses				
Cost of service	316,214	301,970	204,599	203,765
Administrative expenses	79,963	95,997	63,365	78,906
Total expenses	<u>396,177</u>	<u>397,967</u>	<u>267,964</u>	<u>282,671</u>
Profit from operating activities	37,152	54,962	14,956	34,739
Share of profit (loss) from investments in associated companies	(1,155)	19	-	-
Finance income	1,791	550	2,780	1,073
Finance cost	(765)	(474)	(421)	(229)
Profit before income tax expenses	37,023	55,057	17,315	35,583
Income tax expenses	15 (7,818)	(10,806)	(3,209)	(4,870)
Profit for the period	<u>29,205</u>	<u>44,251</u>	<u>14,106</u>	<u>30,713</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	7	-	-	-
Other comprehensive income for the period	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>29,212</u>	<u>44,251</u>	<u>14,106</u>	<u>30,713</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2020

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit attributable to:				
Equity holders of the Company	29,210	44,256	<u>14,106</u>	<u>30,713</u>
Non-controlling interests of the subsidiaries	<u>(5)</u>	<u>(5)</u>		
	<u>29,205</u>	<u>44,251</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	29,217	44,256	<u>14,106</u>	<u>30,713</u>
Non-controlling interests of the subsidiaries	<u>(5)</u>	<u>(5)</u>		
	<u>29,212</u>	<u>44,251</u>		
Earnings per share	16			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.04</u>	<u>0.07</u>	<u>0.02</u>	<u>0.05</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit or loss:				
Revenues				
Service income	1,298,677	1,362,863	790,424	887,755
Other income				
Dividend income	7	-	79,298	38,499
Others	6,198	6,328	52,006	40,539
Total revenues	<u>1,304,875</u>	<u>1,369,191</u>	<u>921,728</u>	<u>966,793</u>
Expenses				
Cost of service	950,471	968,146	598,993	643,138
Administrative expenses	238,691	301,937	196,255	244,165
Total expenses	<u>1,189,162</u>	<u>1,270,083</u>	<u>795,248</u>	<u>887,303</u>
Profit from operating activities	115,713	99,108	126,480	79,490
Share of profit from investments in associated companies	692	140	-	-
Finance income	6,640	1,894	8,705	3,371
Finance cost	(2,045)	(1,505)	(1,200)	(808)
Profit before income tax expenses	121,000	99,637	133,985	82,053
Income tax expenses	15	(23,278)	(9,902)	(7,054)
Profit for the period	<u>97,722</u>	<u>80,438</u>	<u>124,083</u>	<u>74,999</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	23	-	-	-
Other comprehensive income for the period	<u>23</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>97,745</u>	<u>80,438</u>	<u>124,083</u>	<u>74,999</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit attributable to:				
Equity holders of the Company	97,737	80,673	<u>124,083</u>	<u>74,999</u>
Non-controlling interests of the subsidiaries	<u>(15)</u>	<u>(235)</u>		
	<u>97,722</u>	<u>80,438</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	97,760	80,673	<u>124,083</u>	<u>74,999</u>
Non-controlling interests of the subsidiaries	<u>(15)</u>	<u>(235)</u>		
	<u>97,745</u>	<u>80,438</u>		
Earnings per share	16			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.14</u>	<u>0.12</u>	<u>0.18</u>	<u>0.11</u>

The accompanying notes are an integral part of the financial statements.

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the nine-month period ended 30 September 2020

(Unit: Thousand Baht)

	Consolidated financial statements										
	Equity attributable to owners of the company										
	Issued and fully paid share capital	Share premium	Capital reserve for share-based payment transactions	Deficit from the change in the ownership interests in subsidiaries	Deficit from the reorganisation of business of group under common control	Retained earnings		Unappropriated statutory reserve	Exchange differences on translation of financial statements in foreign currencies	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries
Appropriated						Unappropriated	Other components of equity				
Balance as at 1 January 2019	340,000	424,318	14,928	(22,215)	(22,548)	5,800	181,005	-	921,288	5,963	927,251
Total comprehensive income for the period	-	-	-	-	-	-	80,673	-	80,673	(235)	80,438
Dividend paid (Note 18)	-	-	-	-	-	-	(85,000)	-	(85,000)	-	(85,000)
Decrease in non-controlling interests of subsidiaries from dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	(198)	(198)
Balance as at 30 September 2019	340,000	424,318	14,928	(22,215)	(22,548)	5,800	176,678	-	916,961	5,530	922,491
Balance as at 1 January 2020	340,000	424,318	-	(22,215)	(22,548)	10,000	192,914	(46)	922,423	5,461	927,884
Cumulative effect of change in accounting policy for the adoption of new financial reporting standard (Note 2)	-	-	-	-	-	-	(8,893)	-	(8,893)	-	(8,893)
Balance as at 1 January 2020 - as restated	340,000	424,318	-	(22,215)	(22,548)	10,000	184,021	(46)	913,530	5,461	918,991
Profit for the period	-	-	-	-	-	-	97,737	-	97,737	(15)	97,722
Other comprehensive income for the period	-	-	-	-	-	-	-	23	23	-	23
Total comprehensive income for the period	-	-	-	-	-	-	97,737	23	97,760	(15)	97,745
Dividend paid (Note 18)	-	-	-	-	-	-	(115,600)	-	(115,600)	-	(115,600)
Decrease in non-controlling interests of subsidiaries from dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	(199)	(199)
Balance as at 30 September 2020	340,000	424,318	-	(22,215)	(22,548)	10,000	166,158	(23)	895,690	5,247	900,937

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and fully paid share capital	Share premium	Capital reserve for share-based payment transactions	Appropriated - statutory reserve	Retained earnings - Unappropriated	Total shareholders' equity
Balance as at 1 January 2019	340,000	424,318	5,068	5,800	65,880	841,066
Total comprehensive income for the period	-	-	-	-	74,999	74,999
Dividend paid (Note 18)	-	-	-	-	(85,000)	(85,000)
Balance as at 30 September 2019	<u>340,000</u>	<u>424,318</u>	<u>5,068</u>	<u>5,800</u>	<u>55,879</u>	<u>831,065</u>
Balance as at 1 January 2020	340,000	424,318	-	10,000	42,848	817,166
Cumulative effect of change in accounting policy for the adoption of new financial reporting standard (Note 2)	-	-	-	-	(8,168)	(8,168)
Balance as at 1 January 2020 - as restated	<u>340,000</u>	<u>424,318</u>	<u>-</u>	<u>10,000</u>	<u>34,680</u>	<u>808,998</u>
Total comprehensive income for the period	-	-	-	-	124,083	124,083
Dividend paid (Note 18)	-	-	-	-	(115,600)	(115,600)
Balance as at 30 September 2020	<u>340,000</u>	<u>424,318</u>	<u>-</u>	<u>10,000</u>	<u>43,163</u>	<u>817,481</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Cash flow statement

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before income tax	121,000	99,637	133,985	82,053
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	34,897	28,983	27,314	23,346
Allowance for expected credit losses/				
Allowance for doubtful accounts (reversal)	1,772	(5,861)	2,008	(5,868)
Share of profit from investments in associated companies	(692)	(140)	-	-
Loss on disposal/write-off of building improvements and equipment	1,177	572	951	-
Loss on write-off of improvements of land and building for rent	1	-	214	-
Unrealised exchange (gains) losses	(778)	198	(276)	300
Allowance for projects loss (reversal)	750	7	(1,149)	(448)
Provision for long-term employee benefits	24,750	76,941	16,920	55,083
Written-off withholding tax deducted at source	-	947	-	947
Dividend income	-	-	(79,298)	(38,499)
Finance income	(6,640)	(1,894)	(8,705)	(3,371)
Finance cost	2,045	1,505	1,200	808
Profit from operating activities before changes in operating assets and liabilities	178,282	200,895	93,164	114,351
Operating assets (increase) decrease				
Trade and other receivables	35,544	(55,940)	(4,779)	(95,000)
Unbilled receivables	(36,206)	87,352	37,006	103,310
Other current assets	(4,175)	(1,154)	(8,630)	(2,099)
Retention receivables	15,974	(25,764)	8,819	(19,784)
Other non-current assets	2,303	975	147	(34)
Operating liabilities increase (decrease)				
Trade and other payables	1,087	(14,193)	(21,162)	22,821
Services income received in advance and advances received from customers	131,292	24,688	119,369	8,443
Other current liabilities	(16,975)	12,621	(9,392)	11,720
Cash paid for provision for long-term employee benefits	(16,811)	(2,615)	(12,958)	(2,615)
Cash flows from operating activities	290,315	226,865	201,584	141,113
Cash received from interest income	1,856	1,504	3,350	3,199
Cash paid for interest expenses	(2,045)	(1,505)	(1,200)	(808)
Cash received from income tax	2,004	-	-	-
Cash paid for income tax	(32,823)	(38,858)	(16,041)	(17,974)
Net cash flows from operating activities	259,307	188,006	187,693	125,530

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Increase in current investments	-	(145)	-	(144)
Increase in other current financial assets	(144)	-	(144)	-
(Increase) decrease in restricted bank deposit	1,250	(3,000)	-	(3,000)
(Increase) decrease in short-term loan to related party	-	-	(30,800)	10,400
(Increase) decrease in long-term loan to related party	-	-	250	(2,070)
Cash paid for additional investments in subsidiary	-	-	-	(5,000)
Dividend income from subsidiaries	-	-	79,298	38,499
Cash paid for additional investment in associated company	-	(1,064)	-	-
Cash paid for acquisitions of building improvements and equipment	(3,772)	(19,658)	(3,198)	(14,157)
Cash paid for acquisitions of intangible assets - computer software	(2,203)	(5,935)	(1,919)	(4,379)
Cash received from disposal of equipment	-	67	314	64
Net cash flows from (used in) investing activities	(4,869)	(29,735)	43,801	20,213
Cash flows from financing activities				
Increase in bank overdrafts and short-term loan from bank	7,685	9,538	-	-
Cash paid under hire-purchase and finance lease agreements	-	(11,662)	-	(9,112)
Cash paid under lease liabilities	(16,165)	-	(11,849)	-
Dividend paid	(115,340)	(84,995)	(115,340)	(84,995)
Dividend paid to non-controlling interests of the subsidiaries	(133)	(510)	-	-
Net cash flows used in financing activities	(123,953)	(87,629)	(127,189)	(94,107)
Effect of exchange rate on cash and cash equivalents	118	445	61	(75)
Net increase in cash and cash equivalents	130,603	71,087	104,366	51,561
Cash and cash equivalents at the beginning of the period	350,878	246,026	176,372	109,991
Cash and cash equivalents at the end of the period	481,481	317,113	280,738	161,552

Supplemental cash flow information:

Non-cash transactions

Increase (decrease) in accounts payable from purchase of

building improvements, equipment and intangible assets	2,586	(8,218)	2,566	(7,129)
Purchases of equipment under lease agreements	15,671	620	14,710	-
Transfer of land and buildings to investment properties	-	-	3	1,135

The accompanying notes are an integral part of the financial statements.

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and nine-month periods ended 30 September 2020

1. General information

1.1 Corporate information

TEAM Consulting Engineering and Management Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Five major shareholders are as follows: Dr. Prasert Patramai, Mr. Peerawat Premchun, Dr. Thanasarn Khuayjarernpanishk, Mr. Amnat Prommasutra and Mr. Chawalit Chantararat. The Company is principally engaged in the integrated engineering, environment and management consultancy services. The registered office of the Company is at No. 151, TEAM Building, Nuan Chan Road, Nuan Chan, Bueng Kum, Bangkok.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.4 Basis of consolidation

The interim consolidated financial statements included the financial statements of TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019, with no significant changes in structure related to subsidiaries occurring during the current period.

1.5 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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 providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements. However, the new standard involves changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company’s business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follow.

Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. 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 providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortised cost.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.5 to the interim financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the reclassification of transactions in the statement of financial position and the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	Financial reporting standards related			
	31 December 2019	to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Current assets				
Current investments	1,151	(1,151)	-	-
Trade and other receivables	472,714	(6,135)	-	466,579
Unbilled receivables	473,258	(2,758)	-	470,500
Other current financial assets	-	1,151	-	1,151
Non-current assets				
Property, plant and equipment	182,555	-	24,777	207,332

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	Financial reporting standards related			
	31 December	to financial		1 January
2019	instruments	TFRS 16	2020	
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under hire purchase and finance lease agreements				
	9,975	-	(9,975)	-
Current portion of lease liabilities				
	-	-	19,176	19,176
Non-current liabilities				
Liabilities under hire purchase and finance lease agreements, net of current portion				
	10,405	-	(10,405)	-
Lease liabilities, net of current portion				
	-	-	25,981	25,981
Shareholders' equity				
Retained earnings - unappropriated				
	192,914	(8,893)	-	184,021

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	Financial reporting standards related			
	31 December	to financial		1 January
2019	instruments	TFRS 16	2020	
Statement of financial position				
Assets				
Current assets				
Current investments				
	915	(915)	-	-
Trade and other receivables				
	390,910	(6,791)	-	384,119
Unbilled receivables				
	299,931	(1,377)	-	298,554
Other current financial assets				
	-	915	-	915
Non-current assets				
Property, plant and equipment				
	154,422	-	17,069	171,491

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			1 January 2020
31 December 2019	Financial reporting standards related to financial instruments	TFRS 16		
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under hire purchase and finance lease agreements	7,051	-	(7,051)	-
Current portion of lease liabilities	-	-	13,541	13,541
Non-current liabilities				
Liabilities under hire purchase and finance lease agreements, net of current portion	6,639	-	(6,639)	-
Lease liabilities, net of current portion	-	-	17,218	17,218
Shareholders' equity				
Retained earnings - unappropriated	42,848	(8,168)	-	34,680

2.1 Financial instruments

- a) Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets	8,893	8,168
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	8,893	8,168

(Unaudited but reviewed)

- b) The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

	Consolidated financial statements		Separate financial statements	
	Classification and measurement in accordance with TFRS 9		Classification and measurement in accordance with TFRS 9	
	Carrying amounts under the former basis	Amortised cost	Carrying amounts under the former basis	Amortised cost
Financial assets as at 1 January 2020				
Cash and cash equivalents	350,878	350,878	176,372	176,372
Trade and other receivables	472,714	472,714	390,910	390,910
Short-term loan to related party	-	-	34,700	34,700
Other current financial assets	1,151	1,151	915	915
Restricted bank deposits	63,230	63,230	49,160	49,160
Long-term loan to related party	-	-	2,070	2,070
Total financial assets	887,973	887,973	654,127	654,127

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

2.2 Leases

Upon initial application of TFRS 16, the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	28,263	19,511
Less: Short-term leases and leases of low-value assets	(1,314)	(953)
Less: Deferred interest expenses	(2,172)	(1,489)
Increase in lease liabilities due to TFRS 16 adoption	24,777	17,069
Liabilities under hire purchase and finance lease agreements as at 31 December 2019	20,380	13,690
Lease liabilities as at 1 January 2020	45,157	30,759
Comprise of:		
Current lease liabilities	19,176	13,541
Non-current lease liabilities	25,981	17,218
	45,157	30,759

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Buildings and building improvement	163	-
Office equipment	5,091	4,525
Motor vehicles	19,523	12,544
Total right-of-use assets due to TFRS 16 adoption	24,777	17,069
Adjustments of hire purchase and financial lease assets as at 31 December 2019		
Office equipment	8,854	6,164
Motor vehicles	11,526	7,526
Total adjustments of hire purchase and financial lease assets as at 31 December 2019	20,380	13,690
Total right-of-use assets	45,157	30,759

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	12.0	18.9	Contract price or cost plus margin
Dividend income	-	-	-	9.5	As declared
Management fee income	-	-	13.0	10.9	Contract price or cost plus margin
Building rental income	-	-	0.6	0.6	Contract price
Interest income	-	-	1.0	0.8	Interest rates of 3.89 - 5.90% per annum (2019: Interest rates of 4.65% and 6.65% per annum)
Other income	-	-	1.8	1.1	Cost plus margin or as agreed
Cost of service	-	-	15.1	23.7	Contract price or cost plus margin
Other expenses	-	-	0.1	-	Cost plus margin or as agreed
<u>Transactions with associated companies</u>					
Cost of service	0.3	-	-	-	Contract price
<u>Transactions with related companies</u>					
Service income	-	1.1	-	-	Contract price
Other income	0.1	-	0.1	-	Cost plus margin or as agreed
Cost of service	1.7	2.0	1.3	1.8	Contract price
Other expenses	-	0.2	-	0.2	Contract price or market price

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	36.0	44.5	Contract price or cost plus margin
Dividend income	-	-	79.3	38.5	As declared
Management fee income	-	-	39.7	29.3	Contract price or cost plus margin
Building rental income	-	-	1.9	1.7	Contract price
Interest income	-	-	2.1	2.4	Interest rates of 3.89 - 6.53% per annum (2019: Interest rates of 4.65% and 6.65% per annum)
Other income	-	-	4.8	3.4	Cost plus margin or as agreed
Cost of service	-	-	50.9	66.7	Contract price or cost plus margin
Other expenses	-	-	0.4	0.1	Cost plus margin or as agreed
<u>Transactions with associated companies</u>					
Service income	1.4	-	-	-	Contract price
Cost of service	7.0	5.3	0.1	0.1	Contract price
<u>Transactions with related companies</u>					
Service income	-	5.4	-	0.2	Contract price
Other income	0.2	-	0.2	-	Cost plus margin or as agreed
Cost of service	4.1	4.0	3.2	3.8	Contract price
Other expenses	0.7	0.9	0.7	0.9	Contract price or market price

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2020 and 31 December 2019 between the Group and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements	financial statements	financial statements	financial statements
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade and other receivables - related parties</u>				
<u>Service contract receivables - related parties</u>				
(Note 4)				
Subsidiaries	-	-	28,226	44,894
Associated company	-	794	-	-
Related company (common director)	428	428	-	-
Total	428	1,222	28,226	44,894
Less: Allowance for expected credit losses/ Allowance for doubtful debts	(13)	-	(380)	-
Total service contract receivables - net	415	1,222	27,846	44,894
<u>Other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	30,149	24,743
Related company (common shareholders and director)	107	33	107	33
Total	107	33	30,256	24,776
Less: Allowance for expected credit losses/ Allowance for doubtful debts	-	-	(342)	-
Total other receivables - net	107	33	29,914	24,776
Total trade and other receivables - related parties - net	522	1,255	57,760	69,670
<u>Retention receivables - related parties</u>				
Subsidiaries	-	-	2,134	1,398
Total retention receivables - related parties	-	-	2,134	1,398
<u>Advance payments for cost of service</u>				
<u>- related party</u>				
Related company (common shareholders and director)	435	342	435	342
Total advance payments for cost of service - related party	435	342	435	342

Short-term loan to related party

As at 30 September 2020 and 31 December 2019, the balance of short-term loan to related party between the Company and its subsidiary and the movement of this loan is as follows:

(Unit: Thousand Baht)

Short-term loan	Related by	Separate financial statements			Balance as at 30 September 2020
		Balance as at 31 December 2019	Increase during the period	Decrease during the period	
		(Audited)			
ATT Consultants Company Limited	subsidiary	34,700	44,000	(13,200)	65,500

This short-term loan to related party is repayable on demand and unsecured, and carries interest at the rate of 5.90 percent per annum (31 December 2019: 6.56 percent per annum).

Long-term loan to related party

As at 30 September 2020 and 31 December 2019, the balance of long-term loan to related party between the Company and its subsidiary and the movement of this loan is as follows:

(Unit: Thousand Baht)

Long-term loan	Related by	Separate financial statements			Balance as at 30 September 2020
		Balance as at 31 December 2019	Increase during the period	Decrease during the period	
		(Audited)			
ATT Consultants Company Limited	subsidiary	2,070	-	(250)	1,820

This loan contract grants a credit facility of Baht 2.3 million and as at 30 September 2020, the subsidiary had drawn down Baht 2.1 million. This long-term loan is repayable in monthly installments and is to be fully repaid within 15 years from the contract date. The loan carries interest at the rate announced by the Company minus 2 percent, with the rate referenced to MLR. The loan is unsecured.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade and other payables - related parties</u>				
<u>Trade payables - related parties (Note 11)</u>				
Subsidiaries	-	-	15,007	43,082
Associated company	288	-	288	-
Related company (common shareholders and director)	1,644	1,845	1,444	1,397
Total trade payables - related parties	1,932	1,845	16,739	44,479
<u>Other payables - related parties (Note 11)</u>				
Subsidiary	-	-	77	88
Related company (common shareholders and directors)	-	4	-	4
Total other payables - related parties	-	4	77	92
<u>Retention payables - related parties</u>				
Subsidiaries	-	-	90	90
Related company (common shareholders and director)	422	329	422	329
Total retention payables - related parties	422	329	512	419
<u>Accrued expenses - related parties</u>				
Related company (common shareholders and director)	126	401	126	401
Total accrued expenses - related parties	126	401	126	401
Total trade and other payables - related parties	2,480	2,579	17,454	45,391
<u>Advances received from customer - related party</u>				
Subsidiary	-	-	3,340	3,340
Total Advances received from customer - related party	-	-	3,340	3,340

(Unaudited but reviewed)

Directors and management's remuneration

During the three-month and nine-month periods ended 30 September 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	12,622	19,274	6,632	13,946
Post-employment benefits	297	692	105	482
Total	<u>12,919</u>	<u>19,966</u>	<u>6,737</u>	<u>14,428</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	38,340	51,740	19,637	35,351
Post-employment benefits	870	7,737	292	4,821
Total	<u>39,210</u>	<u>59,477</u>	<u>19,929</u>	<u>40,172</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 20.3 to the interim financial statements.

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	428	1,222	6,826	2,420
Past due				
Up to 3 months	-	-	5,802	5,848
3 - 6 months	-	-	4,099	16,707
6 - 12 months	-	-	7,313	9,866
Over 12 months	-	-	4,186	10,053
Total	428	1,222	28,226	44,894
Less: Allowance for expected credit losses/				
Allowance for doubtful debts	(13)	-	(380)	-
Total trade receivables - related parties - net	415	1,222	27,846	44,894
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	275,583	172,288	224,629	112,727
Past due				
Up to 3 months	52,845	147,638	36,155	113,004
3 - 6 months	13,114	18,370	8,924	13,964
6 - 12 months	10,453	40,159	7,840	29,998
Over 12 months	92,270	100,816	65,308	58,216
Total	444,265	479,271	342,856	327,909
Less: Allowance for expected credit losses/				
Allowance for doubtful debts	(15,218)	(10,602)	(12,365)	(8,749)
Total trade receivables - unrelated parties - net	429,047	468,669	330,491	319,160
Total trade receivables - net	429,462	469,891	358,337	364,054

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Other receivables</u>				
Other receivables - related parties	107	33	30,256	24,776
Other receivables - unrelated parties	3,534	2,587	3,244	1,921
Accrued interest income	698	203	406	159
Total	4,339	2,823	33,906	26,856
Less: Allowance for expected credit losses/ Allowance for doubtful debts	(314)	-	(656)	-
Total other receivables - net	4,025	2,823	33,250	26,856
Total trade and other receivables - net	433,487	472,714	391,587	390,910

5. Unbilled receivables / Retention receivables / Service income received in advance and advances received from customers

Contract balances

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Unbilled receivables	509,464	473,258	262,925	299,931
Less: Allowance for expected credit losses/ Allowance for doubtful debts	(1,432)	-	(416)	-
Total unbilled receivables - net	508,032	473,258	262,509	299,931
Retention receivables	118,613	134,587	76,647	85,466
Service income received in advance and advances received from customers				
Service income received in advance	299,220	206,573	156,003	78,237
Advances received from customers	193,402	154,757	160,851	119,248
Total	492,622	361,330	316,854	197,485

(Unaudited but reviewed)

6. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Prepaid expenses	12,406	15,375	9,866	13,221
Advance payments for cost of service	17,059	3,302	17,009	3,295
Value added tax refundable	7,582	11,545	-	157
Purchase vat awaiting tax invoices	7,055	9,339	2,595	3,812
Current tax assets	8,193	8,063	7,797	4,720
Others	796	1,162	697	1,053
Total other current assets	53,091	48,786	37,964	26,258

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss on investments		Carrying amount based on cost method - net		Dividend received during the nine-month periods	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	30 September 2019
	(Percent)	(Percent)	(Percent)	(Percent)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
ATT Consultants Company Limited	20	20	100.00	100.00	46	46	-	-	46	46	44	9
Geotechnical & Foundation Engineering Company Limited	10	10	100.00	100.00	12	12	-	-	12	12	15	12
Management Solutions International Ltd.	10	10	100.00	100.00	15	15	(5)	(5)	10	10	-	-
TEAM SQ Company Limited	10	10	100.00	100.00	12	12	-	-	12	12	3	6
TEAM Construction Management Company Limited	10	10	100.00	100.00	15	15	-	-	15	15	9	9
TEAM Consulting International Company Limited	10	10	100.00	100.00	10	10	(3)	(3)	7	7	-	-
TLT Consultants Company Limited	10.25	10.25	48.77	48.77	6	6	-	-	6	6	8	2
TEAM Quality Management Company Limited	10	10	83.75	83.75	6	6	(3)	(3)	3	3	-	-
TWI Consultants Company Limited	15	15	93.73	93.73	14	14	(14)	(14)	-	-	-	-
LTEAM Sole CO., LTD. (paid-in capital LAK 1,000 million)	5	5	100.00	100.00	5	5	-	-	5	5	-	-
Total investments in subsidiaries					141	141	(25)	(25)	116	116	79	38

8. Investments in associated companies

Details of associates held through Geotechnical & Foundation Engineering Company Limited which is the Company's subsidiary.

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019
			(Percent)	(Percent)	(Audited)		(Audited)	
Krungthep Geotechnique Company Limited	Providing services in exploration and testing of geotechnical materials	Thailand	30	30	1,500	1,500	3,738	3,103
IGL Synergy Co., Ltd.	Providing services in engineering consultancy and project management	The Lao People's Democratic Republic	30	30	1,064	1,064	1,112	1,032
Total investments in associated companies					2,564	2,564	4,850	4,135

9. Property, plant and equipment

Movements in the property, plant and equipment for the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2019	182,555	154,422
Adjustments of right-of-use assets due to TFRS 16 adoption	24,777	17,069
Acquisitions during the period - at cost	18,602	16,950
Transfer of building improvement to investment property	-	(3)
Disposal/write-off during the period - net book value as at disposal/write-off date	(1,177)	(1,265)
Depreciation for the period	(27,571)	(21,171)
Net book value as at 30 September 2020	197,186	166,002

(Unaudited but reviewed)

The Company has pledged land together with buildings constructed with net book values amounting to approximately Baht 106 million (31 December 2019: Baht 108 million) as collateral against credit facilities received from financial institutions, as described in Note 19 to the interim financial statements.

10. Intangible assets - computer software

Movements of intangible assets which are computer software for the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020	61,339	52,046
Acquisitions during the period - at cost	5,630	5,443
Amortisation during the period	(7,313)	(5,882)
Net book value as at 30 September 2020	59,656	51,607

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Trade payables - related parties	1,932	1,845	16,739	44,479
Trade payables - unrelated parties	40,297	48,098	26,520	29,439
Other payables - related parties	-	4	77	92
Other payables - unrelated parties	15,525	16,870	14,234	14,362
Retention payables	13,907	13,711	12,315	12,222
Accrued expenses	145,231	131,835	97,523	86,470
Total trade and other payables	216,892	212,363	167,408	187,064

(Unaudited but reviewed)

12. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Deferred output tax	26,841	34,953	19,915	23,589
Withholding tax payable	13,734	7,092	11,033	4,270
Value added tax payable	8,402	10,660	5,240	5,923
Others	2,717	15,637	981	12,519
Total other current liabilities	51,694	68,342	37,169	46,301

13. Lease liabilities

Net book value of lease liabilities and movements for the nine-month period ended 30 September 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020 (Note 2)	45,157	30,759
Increase during the period	15,671	14,709
Paid during the period	(16,165)	(11,849)
Net book value as at 30 September 2020	44,663	33,619
Comprise of:		
Current lease liabilities	18,339	13,336
Non-current lease liabilities	26,324	20,283
	44,663	33,619

14. Provision for long-term employee benefits

Movements of provision for long-term employee benefits for the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	284,787	204,988
Increase during the period	24,750	16,920
Benefits paid during the period	(16,811)	(12,958)
Balance as at 30 September 2020	<u>292,726</u>	<u>208,950</u>

15. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	9,266	13,796	3,977	6,231
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	(1,448)	(2,990)	(768)	(1,361)
Income tax expense reported in profit or loss	<u>7,818</u>	<u>10,806</u>	<u>3,209</u>	<u>4,870</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	23,596	33,906	8,244	17,458
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	<u>(318)</u>	<u>(14,707)</u>	<u>1,658</u>	<u>(10,404)</u>
Income tax expense reported in profit or loss	<u>23,278</u>	<u>19,199</u>	<u>9,902</u>	<u>7,054</u>

16. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit to equity holders of the Company for the period (Thousand Baht)	29,210	44,256	14,106	30,713
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.04	0.07	0.02	0.05

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit to equity holders of the Company for the period (Thousand Baht)	97,737	80,673	124,083	74,999
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.14	0.12	0.18	0.11

17. Operating segment information

The Group is organised into business units based on type of service and specialisation. During the period, the reported operating segments have not changed.

The following tables present revenue and profit information regarding the Group's operating segments for nine-month periods ended 30 September 2020 and 2019.

(Unit: Million Baht)

	For nine-month period ended 30 September 2020							Elimination	Total	Consolidated financial statement	
	Transportation and logistics project segment	Water resources project segment	Urban, building and infrastructure project segment	Project management and construction supervision segment	Construction management and supervision for various types of buildings and infrastructure segment	Energy, power, oil and gas, petrochemical and related industry, including port and infrastructure project segment	Geotechnical engineering and underground structure project segment				Other segment
Revenues from external customers	329	85	167	229	150	100	126	113	1,299	-	1,299
Segment profit	91	22	34	80	36	24	27	34	348	-	348
Other income											13
Share of profit from investments in associated companies											1
Administrative expenses											(239)
Finance cost											(2)
Profit before income tax expenses											121
Income tax expenses											(23)
Profit for the period											98

(Unit: Million Baht)

For nine-month period ended 30 September 2019

	Transportation and logistics project segment	Water resources project segment	Urban, building and infrastructure project segment	Project management and construction supervision segment	Construction management and supervision for various types of buildings and infrastructure segment	Energy, power, oil and gas, petrochemical and related industry, including port and infrastructure project segment	Geotechnical engineering and underground structure project segment	Other segment	Total	Elimination	Consolidated financial statement
Revenues from external customers	284	104	230	200	152	125	144	124	1,363	-	1,363
Segment profit	82	11	83	62	38	43	32	44	395	-	395
Other income											8
Administrative expenses											(302)
Finance cost											(2)
Profit before income tax expenses											99
Income tax expenses											(19)
Profit for the period											80

(Unaudited but reviewed)

Revenues from external customers are set up from the customer's location for nine-month periods ended 30 September 2020 and 2019.

(Unit: Million Baht)

	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Revenues from external customers		
Segment in Thailand	1,158	1,178
Segment in overseas	141	185
Total	<u>1,299</u>	<u>1,363</u>

18. Dividends

Dividends	Approved by	Total dividends	Number of ordinary shares	Dividend per share
		(Million Baht)	(Million Shares)	(Baht per share)
Dividend for year 2018	Annual General Meeting of the shareholders on 3 April 2019	51.0	680	0.075
Interim dividend for year 2019	Board of Directors Meeting of the Company on 7 August 2019	<u>34.0</u>	680	0.050
Total dividend for 2019		<u>85.0</u>		
Interim dividend for the period as from 1 July 2019 to 31 December 2019	Board of Directors Meeting of the Company on 7 April 2020	40.8	680	0.060
Interim dividend for year 2020	Board of Directors Meeting of the Company on 11 August 2020	<u>74.8</u>	680	0.110
Total dividend for 2020		<u>115.6</u>		

19. Credit facilities from financial institutions

Credit facilities from financial institutions of the Group are secured by

- a) Certain saving deposits and fixed deposits of the Group.
- b) Certain mortgaged land with constructions thereon as described in Note 9 to the interim financial statements.
- c) Certain mortgaged investment properties of the Company which net book value as at 30 September 2020 amounting to approximately Baht 8 million (31 December 2019: Baht 9 million).
- d) Transfer of rights over receipt of payment under certain contracts of the Group.

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 30 September 2020, the Group had capital commitment of approximately Baht 4 million (the Company only: Baht 3 million) (31 December 2019: Baht 1 million, the Company only: Baht 1 million) relating to the acquisition of equipment and computer software.

20.2 Service commitments

As at 30 September 2020, the Group has the following service commitments:

- a) The Group has commitments totaling Baht 219 million (the Company only: Baht 200 million) (31 December 2019: Baht 48 million, the Company only: Baht 32 million) in respect of cost of service, for which the Group had already entered into agreements.
- b) The Group has commitments totaling Baht 6 million (the Company only: Baht 6 million) (31 December 2019: Baht 3 million, the Company only: Baht 3 million) in respect of other service commitments, for which the Group had already entered into agreements.

20.3 Related party guarantees

As at 30 September 2020, the Company has provided guarantees totaling Baht 720 million (31 December 2019: Baht 698 million) for bank credit facilities on behalf of the Company for its subsidiaries.

20.4 Bank guarantees

As at 30 September 2020 and 31 December 2019, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business of the Group. The details of bank guarantees are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
		(Audited)		(Audited)
Guarantee of service contracts, advance payment and bidding	722	637	493	461
Guarantee of retention	67	41	45	27
Other guarantees	2	2	2	2
	<u>791</u>	<u>680</u>	<u>540</u>	<u>490</u>

20.5 Litigation

The Company

In 2013, an employer filed a lawsuit against the Company with the Central Administrative Court for its breach of a hire of work contract, seeking damages totaling approximately Baht 8 million. On 21 August 2017, the Central Administrative Court ordered the Company to pay damages, together with interest in total amount of approximately Baht 0.7 million. The Company recorded the whole amount as an expense in the statement of comprehensive income for the year 2017.

Subsequently, on 19 September 2017, the plaintiff and the Company appealed to the Supreme Administrative Court, and the Company requested an amendment to its appeal on 8 December 2017. Currently, the Company is awaiting a judgment from the Supreme Administrative Court. However, the management of the Company expects no additional material loss to be incurred as a result of the case.

Subsidiary

On 23 February 2016, a lawsuit was filed against TEAM Construction Management Company Limited, a subsidiary, with the Civil Court on the grounds related to breach of a hire of work contract with the plaintiff, who sought damages of Baht 31 million from the subsidiary. The contract value was Baht 0.9 million, with a maximum fine of 10 percent of the contract value specified in the contract. On 17 April 2019, the Civil Court ordered the subsidiary to pay damages, together with interest and other fees in total amount of approximately Baht 1.2 million. The subsidiary recorded the whole amount as an expense in the statement of comprehensive income for the year 2019. Subsequently, on 6 September 2019 and 8 October 2019, the subsidiary and the plaintiff, respectively, lodged appeals with the Appeal Court. Currently, the subsidiary is awaiting a judgment from the Appeal Court. However, the management of the Group expects no additional material losses to be incurred as a result of the case.

21. Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Group as at 30 September 2020 and 31 December 2019 are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.7	0.9	0.1	0.1	31.6579	30.1540
LAK	201.2	21.2	-	-	0.0034	0.0034
MMK	-	-	-	4.0	0.0242	0.0203

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.5	0.5	0.1	0.1	31.6579	30.1540

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 November 2020.