

Independent Auditor's Report

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

Opinion

I have audited the accompanying consolidated financial statements of TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of TEAM Consulting Engineering and Management Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries and of TEAM Consulting Engineering and Management Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

Recognition of revenue from service income

The Group disclosed its policies on recognition of revenue from service income and estimation of project costs in Note 4 and Note 5 to the financial statements. I identified the recognition of revenue from service income to be areas of significant risk in audit. This is because the amount of revenue from service income that the Group recognises in each period forms a significant portion of the Group's total revenue. In addition, the process of measurement, the determination of appropriate timing of recognition are areas requiring management to exercise significant judgement to assess the percentage of completion of project. There are therefore risks with respect to the amount and timing of the recognition of revenue from service income.

I examined the recognition of revenue from service income by assessing and testing the effectiveness of the internal controls put in place by the Group over the procurement process, the estimation of project costs and revisions thereto, the recognition of revenue and the estimation of percentage of work completion and possible losses from projects by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I also read the service contracts to consider the conditions relating to revenue recognition, made enquiry of responsible executives, gained an understanding of the Group process to assess the percentage of completion and cost estimates for projects, checked estimates of project costs to the project budgets. I checked actual costs against supporting documents, tested the calculation of the percentage of completion based on actual projects costs incurred, performed analytical procedures on gross margins of projects and compared the percentage of completion as evaluated by the project engineer to the percentage of completion based on actual projects costs incurred.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Chatchai Kasemsrithanawat

Chatchai Kasemsrithanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 23 February 2022

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	331,255,297	491,857,374	97,320,674	319,617,202
Trade and other receivables	8	367,910,977	333,444,147	334,137,924	274,838,496
Unbilled receivables	9	861,146,490	580,760,403	574,064,598	318,053,151
Current portion of finance lease receivables	21	1,410,026	-	-	-
Short-term loans to related parties	6	-	-	81,500,000	64,500,000
Inventories	10	15,968,441	4,030,540	-	-
Other current financial assets		4,115,302	1,342,591	3,878,326	1,106,082
Other current assets	11	68,412,077	60,278,937	45,855,597	49,710,504
Total current assets		1,650,218,610	1,471,713,992	1,136,757,119	1,027,825,435
Non-current assets					
Restricted bank deposits	12	55,673,230	61,980,000	43,160,000	49,160,000
Finance lease receivables, net of current portion	21	17,716,786	-	3,495,934	-
Long-term loan to related party	6	-	-	1,300,000	1,670,000
Investments in subsidiaries	13	-	-	108,245,140	114,844,840
Investments in associated companies	14	10,475,970	10,960,574	7,750,000	7,000,000
Investment properties	15	2,440,597	1,240,609	9,786,149	9,195,392
Property, plant and equipment	16	142,324,152	147,017,081	121,319,253	128,598,038
Right-of-use assets	21	39,732,671	48,710,417	29,166,418	38,067,434
Intangible assets - computer software	17	51,495,238	59,894,647	44,631,162	52,190,254
Deferred tax assets	28	58,017,908	62,003,681	38,613,496	44,418,790
Retention receivables	9	106,826,824	113,404,252	70,348,560	78,472,992
Other non-current assets		41,714,844	31,499,058	40,068,172	27,130,661
Total non-current assets		526,418,220	536,710,319	517,884,284	550,748,401
Total assets		2,176,636,830	2,008,424,311	1,654,641,403	1,578,573,836

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 31 December 2021

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	18	67,474,717	31,666,005	-	-
Trade and other payables	19	211,520,153	185,458,844	139,383,509	135,952,324
Current portion of lease liabilities	21	14,017,792	18,887,239	9,718,289	14,437,527
Service income received in advance and advances received from customers	9	521,770,198	486,987,182	327,157,253	339,428,387
Income tax payable		6,284,539	3,666,693	4,402,557	-
Other current liabilities	20	43,487,473	43,729,292	28,803,353	29,522,616
Total current liabilities		<u>864,554,872</u>	<u>770,395,255</u>	<u>509,464,961</u>	<u>519,340,854</u>
Non-current liabilities					
Lease liabilities, net of current portion	21	24,148,749	27,522,807	17,913,916	22,383,502
Provision for long-term employee benefits	22	271,587,465	296,179,638	192,138,365	220,434,353
Total non-current liabilities		<u>295,736,214</u>	<u>323,702,445</u>	<u>210,052,281</u>	<u>242,817,855</u>
Total liabilities		<u>1,160,291,086</u>	<u>1,094,097,700</u>	<u>719,517,242</u>	<u>762,158,709</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 financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital					
Registered					
680,000,000 ordinary shares of Baht 0.5 each		<u>340,000,000</u>	<u>340,000,000</u>	<u>340,000,000</u>	<u>340,000,000</u>
Issued and fully paid					
680,000,000 ordinary shares of Baht 0.5 each		340,000,000	340,000,000	340,000,000	340,000,000
Share premium		424,317,995	424,317,995	424,317,995	424,317,995
Deficit from the change in the ownership interests in subsidiaries		(22,215,349)	(22,215,349)	-	-
Deficit from the reorganisation of business of group under common control		(22,547,939)	(22,547,939)	-	-
Retained earnings					
Appropriated - statutory reserve	23	23,300,000	16,700,000	23,300,000	16,700,000
Unappropriated		268,266,114	172,989,254	147,506,166	35,397,132
Other components of shareholders' equity					
Exchange differences on translation of financial statements in foreign currencies		-	(95,200)	-	-
Equity attributable to owners of the Company		<u>1,011,120,821</u>	<u>909,148,761</u>	<u>935,124,161</u>	<u>816,415,127</u>
Non-controlling interests of the subsidiaries		<u>5,224,923</u>	<u>5,177,850</u>	-	-
Total shareholders' equity		<u>1,016,345,744</u>	<u>914,326,611</u>	<u>935,124,161</u>	<u>816,415,127</u>
Total liabilities and shareholders' equity		<u>2,176,636,830</u>	<u>2,008,424,311</u>	<u>1,654,641,403</u>	<u>1,578,573,836</u>

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

(Mr. Chawalit Chantararat)

Director

(Mr. Apichat Sramoon)

Director

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales and service income	24	1,759,306,534	1,704,950,190	1,123,269,834	1,037,712,720
Other income					
Dividend income	13	-	-	51,277,808	79,297,904
Others		21,312,143	7,971,845	81,882,705	70,623,220
Total revenues		1,780,618,677	1,712,922,035	1,256,430,347	1,187,633,844
Expenses					
Cost of sales and service		1,318,258,397	1,249,760,318	850,577,259	785,933,805
Administrative expenses		322,588,810	320,538,335	262,827,869	265,300,567
Total expenses		1,640,847,207	1,570,298,653	1,113,405,128	1,051,234,372
Operating profit		139,771,470	142,623,382	143,025,219	136,399,472
Share of profit (loss) from investments in associates	14	(1,329,803)	174,675	-	-
Finance income	25	6,872,247	8,397,209	10,629,362	11,408,831
Finance cost	26	(3,766,581)	(2,878,074)	(1,488,047)	(1,657,338)
Profit before income tax expenses		141,547,333	148,317,192	152,166,534	146,150,965
Income tax expenses	28	(29,692,555)	(28,963,873)	(21,067,625)	(12,176,391)
Profit for the year		111,854,778	119,353,319	131,098,909	133,974,574
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	14	95,200	(48,956)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain (loss) - net of income tax	22	24,334,041	(8,104,173)	21,610,125	(10,957,417)
Other comprehensive income for the year		24,429,241	(8,153,129)	21,610,125	(10,957,417)
Total comprehensive income for the year		136,284,019	111,200,190	152,709,034	123,017,157

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2021

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit attributable to:				
Equity holders of the Company	111,542,819	119,372,250	<u>131,098,909</u>	<u>133,974,574</u>
Non-controlling interests of the subsidiaries	<u>311,959</u>	<u>(18,931)</u>		
	<u>111,854,778</u>	<u>119,353,319</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	135,972,060	111,219,121	<u>152,709,034</u>	<u>123,017,157</u>
Non-controlling interests of the subsidiaries	<u>311,959</u>	<u>(18,931)</u>		
	<u>136,284,019</u>	<u>111,200,190</u>		
Earnings per share	29			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.16</u>	<u>0.18</u>	<u>0.19</u>	<u>0.20</u>
Weighted average number of ordinary shares (shares)	<u>680,000,000</u>	<u>680,000,000</u>	<u>680,000,000</u>	<u>680,000,000</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 year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
	Other components of equity										
	Other										
	comprehensive income										
	Exchange differences										
	on translation of										
	financial statements										
	in foreign currency										
	Unappropriated										
	statutory reserve										
	Appropriated -										
	common control										
	in subsidiaries										
	Share premium										
	Issued and fully paid share capital										
Note											
Balance as at 1 January 2020		340,000,000	424,317,995	(22,215,349)	(22,547,939)	10,000,000	184,021,177	(46,244)	913,529,640	5,461,377	918,991,017
Profit for the year		-	-	-	-	-	119,372,250	-	119,372,250	(18,931)	119,353,319
Other comprehensive income for the year		-	-	-	-	-	(8,104,173)	(48,956)	(8,153,129)	-	(8,153,129)
Total comprehensive income for the year		-	-	-	-	-	111,268,077	(48,956)	111,219,121	(18,931)	111,200,190
Transfer unappropriated retained earnings to statutory reserve	23	-	-	-	-	6,700,000	(6,700,000)	-	-	-	-
Dividend paid	32	-	-	-	-	-	(115,600,000)	-	(115,600,000)	-	(115,600,000)
Dividend paid to non-controlling interests of the subsidiaries		-	-	-	-	-	-	-	-	(264,596)	(264,596)
Balance as at 31 December 2020		340,000,000	424,317,995	(22,215,349)	(22,547,939)	16,700,000	172,989,254	(95,200)	909,148,761	5,177,850	914,326,611

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 (continued)

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
Note	Issued and fully paid share capital	Share premium	Deficit from the change in the ownership interests in subsidiaries	Deficit from the reorganisation of business of group under common control	Retained earnings		Other components of equity		Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
					Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currencies	Other comprehensive income			
Balance as at 1 January 2021	340,000,000	424,317,995	(22,215,349)	(22,547,939)	16,700,000	172,989,254	(95,200)	-	909,148,761	5,177,850	914,326,611
Profit for the year	-	-	-	-	-	111,542,819	-	-	111,542,819	311,959	111,854,778
Other comprehensive income for the year	-	-	-	-	-	24,334,041	95,200	-	24,429,241	-	24,429,241
Total comprehensive income for the year	-	-	-	-	-	135,876,860	95,200	-	135,972,060	311,959	136,284,019
Transfer unappropriated retained earnings to											
statutory reserve	-	-	-	-	6,600,000	(6,600,000)	-	-	-	-	-
Dividend paid	-	-	-	-	-	(34,000,000)	-	-	(34,000,000)	-	(34,000,000)
Decrease in non-controlling interests of the subsidiary due to the dissolution of a subsidiary	-	-	-	-	-	-	-	-	-	(194)	(194)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	(264,692)	(264,692)
Balance as at 31 December 2021	340,000,000	424,317,995	(22,215,349)	(22,547,939)	23,300,000	268,266,114	-	-	1,011,120,821	5,224,923	1,016,345,744

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 (continued)

For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements						
	Note	Issued and fully paid share capital	Share premium	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2020		340,000,000	424,317,995	10,000,000	34,679,975	808,997,970
Profit for the year		-	-	-	133,974,574	133,974,574
Other comprehensive income for the year		-	-	-	(10,957,417)	(10,957,417)
Total comprehensive income for the year		-	-	-	123,017,157	123,017,157
Transfer unappropriated retained earnings to statutory reserve	23	-	-	6,700,000	(6,700,000)	-
Dividend paid	32	-	-	-	(115,600,000)	(115,600,000)
Balance as at 31 December 2020		<u>340,000,000</u>	<u>424,317,995</u>	<u>16,700,000</u>	<u>35,397,132</u>	<u>816,415,127</u>
Balance as at 1 January 2021		340,000,000	424,317,995	16,700,000	35,397,132	816,415,127
Profit for the year		-	-	-	131,098,909	131,098,909
Other comprehensive income for the year		-	-	-	21,610,125	21,610,125
Total comprehensive income for the year		-	-	-	152,709,034	152,709,034
Transfer unappropriated retained earnings to statutory reserve	23	-	-	6,600,000	(6,600,000)	-
Dividend paid	32	-	-	-	(34,000,000)	(34,000,000)
Balance as at 31 December 2021		<u>340,000,000</u>	<u>424,317,995</u>	<u>23,300,000</u>	<u>147,506,166</u>	<u>935,124,161</u>

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before income tax	141,547,333	148,317,192	152,166,534	146,150,965
Adjustments to reconcile profit before income tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	43,634,507	46,566,110	33,776,877	36,487,264
Allowance for expected credit losses	17,114,056	1,376,536	14,024,392	1,624,058
Allowance for impairment of investment in subsidiary (reversal)	-	-	(3,400,000)	800,000
Loss on return of capital of investment in subsidiary	-	-	3,523,888	-
Share of (profit) loss from investments in associates	1,329,803	(174,675)	-	-
Loss on disposal/write-off of building improvements, equipment, vehicles and right-of-use assets	19,577	1,407,686	27,104	1,141,325
Loss on write-off of improvements of land and building for rent	-	1,089	-	226,901
Unrealised exchange (gains) losses	(1,722,490)	739,712	(1,264,312)	536,440
Allowance for project losses (reversal)	(6,108)	44,411	(730,482)	(1,997,559)
Provision for long-term employee benefits	32,896,020	32,999,997	22,848,744	22,559,407
Written-off withholding tax deducted at source	144,690	665,016	-	665,016
Dividend income	-	-	(51,277,808)	(79,297,904)
Finance income	(6,872,247)	(8,397,209)	(10,629,362)	(11,408,831)
Finance cost	3,766,581	2,878,074	1,488,047	1,657,339
Profit from operating activities before changes in operating assets and liabilities	231,851,722	226,423,939	160,553,622	119,144,421
Operating assets (increase) decrease				
Trade and other receivables	(42,466,200)	134,936,867	(64,878,541)	112,455,063
Unbilled receivables	(282,328,943)	(108,819,528)	(257,524,870)	(18,529,309)
Finance lease receivables	247,334	-	73,530	-
Inventories	(11,937,900)	-	-	-
Other current assets	(34,229,475)	(5,994,839)	(12,819,486)	(11,541,209)
Retention receivables	6,577,428	21,182,832	8,124,432	6,993,057
Other non-current assets	25,375	1,410,340	167,418	(853,702)
Operating liabilities increase (decrease)				
Trade and other payables	26,050,777	(25,739,226)	4,195,933	(47,968,877)
Services income received in advance and advances received from customers	34,783,016	125,656,806	(12,271,134)	141,943,285
Other current liabilities	(128,898)	(24,898,062)	(737,593)	(16,932,267)
Cash paid for provision for long-term employee benefits	(27,070,642)	(31,737,271)	(24,132,075)	(20,809,821)
Cash flows from (used in) operating activities	(98,626,406)	312,421,858	(199,248,764)	263,900,641
Interest received	1,517,600	2,996,601	5,031,048	5,100,410
Interest paid	(3,766,581)	(2,878,074)	(1,488,047)	(1,657,339)
Corporate income tax received	3,678,462	3,574,323	-	-
Corporate income tax paid	(36,514,571)	(44,012,424)	(16,262,305)	(23,675,994)
Net cash flows from (used in) operating activities	(133,711,496)	272,102,284	(211,968,068)	243,667,718

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Increase in other current financial assets	(2,772,711)	(191,182)	(2,772,244)	(190,444)
Decrease in restricted bank deposit	6,306,770	1,250,000	6,000,000	-
Increase in short-term loans to related parties	-	-	(17,000,000)	(29,800,000)
Decrease in long-term loan to related party	-	-	370,000	400,000
Cash received from return of capital of investment in subsidiary	-	-	6,475,812	-
Dividend income from subsidiaries	-	-	51,277,808	79,297,904
Cash paid for additional of investment in associates	(750,000)	(7,000,000)	(750,000)	(7,000,000)
Dividend received from investment in associates	-	299,980	-	-
Cash paid for acquisitions of improvements of building for rent	(1,493)	-	(287,752)	-
Cash paid for acquisitions of building improvements and equipment	(9,815,570)	(4,528,604)	(4,850,822)	(3,842,205)
Cash paid for acquisitions of intangible assets - computer software	(2,267,337)	(8,800,018)	(1,282,936)	(8,393,689)
Cash received from disposal of equipment, vehicles and right-of-use assets	1,151,304	7,477	1,146,306	321,288
Net cash flows from (used in) investing activities	(8,149,037)	(18,962,347)	38,326,172	30,792,854
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from banks	35,808,712	24,921,066	-	-
Payment of principal portion of lease liabilities	(20,324,711)	(21,519,227)	(14,808,779)	(15,767,561)
Dividend paid	(33,981,670)	(115,446,348)	(33,981,671)	(115,446,348)
Cash paid to non-controlling interests of the subsidiary				
due to the dissolution of a subsidiary	(194)	-	-	-
Dividend paid to non-controlling interests of the subsidiaries	(395,942)	(133,346)	-	-
Net cash flows used in financing activities	(18,893,805)	(112,177,855)	(48,790,450)	(131,213,909)
Effect of exchange rate on cash and cash equivalents	152,261	16,839	135,818	(1,041)
Net increase (decrease) in cash and cash equivalents	(160,602,077)	140,978,921	(222,296,528)	143,245,622
Cash and cash equivalents at the beginning of year	491,857,374	350,878,453	319,617,202	176,371,580
Cash and cash equivalents at the end of year	331,255,297	491,857,374	97,320,674	319,617,202

Supplemental cash flow information:

Non-cash transactions

Decrease in accounts payable from purchase of

building improvements, equipment and intangible assets

Purchases of vehicles under lease agreements

Transfer of land and buildings to investment properties

Transfer of right-of-use assets to equipment

Increase (decrease) in dividend payables

(230,314)	(1,185,072)	(239,312)	(1,141,048)
12,081,206	22,790,037	7,030,248	21,829,525
1,229,369	16	647,401	3,503
2,667,329	-	1,171,829	-
(112,920)	284,902	18,329	153,652

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2021

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. 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.

On 7 September 2021, Nexter Ventures Co., Ltd. purchased the Company's ordinary shares from major shareholders in amount of 67.3 million shares at the price of Baht 2.54 per share. As a result, the Company has five major shareholders that are Nexter Ventures Co., Ltd., Dr. Prasert Patramai, Mr. Amnat Prommasutra, Mr. Peerawat Premchun and Mr. Chawalit Chantararat.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is 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.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of TEAM Consulting Engineering and Management Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively as “the Group”) as follows:

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 Percent	2020 Percent
ATT Consultants Company Limited	Consulting services in the fields of energy, power, oil, gas and petroleum as well as related industries including port and utilities	Thailand	100.00	100.00
Geotechnical & Foundation Engineering Company Limited	Consulting services in the fields of geotechnical, foundation, and underground structure engineering	Thailand	100.00	100.00
Management Solutions International Co., Ltd.	Consulting services in the areas of strategic management, finance and investment, accounting, marketing, project management and project development	Thailand	100.00	100.00
TEAM SQ Company Limited	Architectural planning and design, interior design, landscape architecture, and design for urban development	Thailand	100.00	100.00
TEAM Construction Management Company Limited	Consulting services in construction management and supervision for various types of buildings and infrastructure	Thailand	100.00	100.00
TEAM Consulting International Company Limited	Consulting services in various fields of engineering, environmental management, and related businesses internationally	Thailand	-	100.00
TLT Consultants Company Limited	Consulting services on environmental impact assessment (EIA)	Thailand	48.77	48.77
TEAM Quality Management Company Limited	Consulting services in energy engineering including energy conservation, energy management system, energy measurement, energy utilisation inspection and analysis	Thailand	83.75	83.75
TWI Consultants Company Limited	Consulting services in the areas of water resources and utility system	Thailand	93.73	93.73
LTEAM Sole Co., Ltd.	Consulting services in the fields of engineering, environment, and related businesses in Lao PDR	The Lao People's Democratic Republic	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated as from being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) The financial statements of TLT Consultants Company Limited are included in the consolidated financial statements even though the Company's shareholding is 48.77 percent. This is because the Company has voting rights that is more than half of shares and voting rights over of such company, and the Company has the ability to direct the significant activities, while other shareholders are only minor shareholders, therefore regarded as subsidiary.
 - f) Material balances and transactions between the Group, investments in subsidiaries and share capital of the subsidiaries have been eliminated from the consolidated financial statements.
 - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
 - h) The difference between the net proceeds paid or received from the change in the percentage of shareholding in the Company's subsidiaries and the interest of the non-controlling interests of the subsidiaries in the net book value of the subsidiaries as of the date of such change it is included in the consolidated statement of changes in shareholders' equity under caption of "Deficit from the change in the ownership interests in subsidiaries".
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

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

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenues and expenses recognition

Revenue from sales

The Group recognises revenue from sale when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after discounts.

Service income

The Group determines that its service contracts generally have one performance obligation. The Group recognises service revenue over time where the stage of completion is measured using an input method, which is based on comparison of actual service costs incurred up to the end of the period and total anticipated cost of service at completion.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other revenues and expenses

Other revenues and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Unbilled receivables / Retention receivables

An unbilled receivable is the excess of cumulative revenue earned over the billings to date. Unbilled receivables are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to customer).

Retention receivables are non-interest bearing, unsecured and relate to service contracts and classified as non-current asset based on the contractual terms of respective contract. Retention receivables were derived from the amount deducted at the agreed rate from the service fees paid to the Group by its customers for each payment. These retention receivables shall be returned when the Group meets obligations and conditions stipulated in service contracts.

4.4 Service income received in advance and advances received from customers

A service income received in advance is the excess of the billings to date over the cumulative revenue earned and the Group has the obligation to transfer goods or services to a customer. Service income received in advance is recognised as revenue when the Group fulfils its performance obligations under the contracts.

Advances received from customers are advance payment specified in the contracts. This advance will be gradually deducted with invoice billed in each installment at the agreed rate.

4.5 Inventory

Inventory is valued at the lower of cost (under the specific method) or net realisable value.

4.6 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years and 40 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land classified as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

4.8 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	20 - 40	years
Buildings improvements	5 - 20	years
Solar cell and smart chiller equipment	6 - 25	years
Furniture, fixtures and office equipment	5 - 10	years
Motor vehicles	5 - 10	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.9 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets of the Group with finite useful lives are computer software, and have useful lives of 5 - 10 years.

4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

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

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2	years
Office equipment	3 - 5	years
Motor vehicles	1 - 5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments 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 change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

4.11 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Group.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investments in subsidiaries and associates, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and their employees have jointly established provident funds. The funds are monthly contributed by employees and by the Group. The fund's assets are held in separate trust funds and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labour law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on projects is made in the accounts in full when the possibility of loss is ascertained.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost. The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and unbilled receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of trade receivables and unbilled receivables

In determining an allowance for expected credit losses of trade receivables and unbilled receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Revenue from service contracts

The Group recognises revenue from service contracts over time. To the satisfaction of the performance obligation, the management determines the stage of completion by using an input method based on comparison of actual service costs incurred up to the end of the period and total anticipated service costs at completion of the service. The significant judgements are required in determining the extent of the contract costs incurred for work performed to the end of period, the estimated total contract revenue and service cost, the recoverability of the contract costs to complete as well as assessing potential deduction to revenue due to delay in delivery or contractual penalties. In making these judgements, the Group evaluates based on past experience, historical information and information from the project engineers or relying on the work of specialists (if any).

Estimated project costs

The Group estimates costs of service projects based on details of the service, taking into account the labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on projects

Management applied judgement in estimating the loss they expect to be realised on each project, based on estimates of anticipated costs, taking into account the progress of the project and actual costs incurred to date, together with fluctuations in cost of labour and the current situation.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, 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)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	28.4	58.1	Contract price or cost plus margin
Dividend income	-	-	51.3	79.3	As declared
Management fee income	-	-	56.7	52.8	Contract price or cost plus margin
Building rental income	-	-	2.3	2.5	Contract price
Interest income	-	-	4.2	3.1	Interest rates of 3.83 - 5.83% per annum (2020: Interest rates of 3.89 - 6.53% per annum)
Other income	-	-	8.7	7.4	Cost plus margin or as agreed
Cost of service	-	-	62.0	66.2	Contract price or cost plus margin
Other expenses	-	-	1.0	0.6	Cost plus margin or as agreed
<u>Transactions with associates</u>					
Service income	0.8	1.4	-	-	Contract price
Other income	0.1	-	0.1	-	Contract price
Cost of service	-	6.9	-	0.4	Contract price
Dividend income	-	0.3	-	-	As declared
<u>Transactions with related parties</u>					
Service income	0.9	0.5	0.9	0.5	Contract price
Other income	0.1	0.2	0.1	0.2	Contract price or cost plus margin
Cost of service	3.4	6.3	2.8	5.2	Contract price
Other expenses	0.8	0.9	0.8	0.9	Contract price or market price

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related companies are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<u>Trade and other receivables - related parties</u>				
<u>Service contract receivables - related parties</u>				
(Note 8)				
Subsidiaries	-	-	26,836	33,047
Associate	104	-	-	-
Related companies (common director)	416	428	416	-
Total	520	428	27,252	33,047
Less: Allowance for expected credit losses	-	(13)	(512)	(163)
Total service contract receivables - net	520	415	26,740	32,884
<u>Other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	42,184	23,069
Related company (common director)	8	9	8	9
Total	8	9	42,192	23,078
Less: Allowance for expected credit losses	-	-	(1,178)	(267)
Total other receivables - net	8	9	41,014	22,811
Total trade and other receivables - related parties - net	528	424	67,754	55,695
<u>Retention receivables - related parties</u>				
Subsidiaries	-	-	2,596	2,596
Total retention receivables - related parties	-	-	2,596	2,596
<u>Advance payments for cost of service</u>				
<u>- related party</u>				
Related company (common director)	93	93	93	93
Total advance payments for cost of service				
- related party	93	93	93	93

Short-term loans to related parties

As at 31 December 2021 and 2020, the balance of short-term loans between the Company and its subsidiary and the movement in loans are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Short-term loan	Related by	Balance as at			Balance as at
		31 December	Increase	Decrease	31 December
		2020	during the year	during the year	2021
ATT Consultants Company					
Limited	subsidiary	64,500	10,000	-	74,500
TLT Consultants Company					
Limited	subsidiary	-	5,000	-	5,000
TWI Consultants Company					
Limited	subsidiary	-	2,000	-	2,000
		64,500	17,000	-	81,500

These short-term loans are repayable on demand and unsecured, and carry interest at the rate announced by the Company, with rate referenced to MLR.

Long-term loan to related party

As at 31 December 2021 and 2020, the balance of long-term loan between the Company and its subsidiary and the movement in loan is as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Long-term loan	Related by	Balance as at			Balance as at
		31 December	Increase	Decrease	31 December
		2020	during the year	during the year	2021
ATT Consultants Company					
Limited	subsidiary	1,670	230	(600)	1,300

This loan contract grants a credit facility of Baht 2.3 million and as at 31 December 2021, the subsidiary had drawn down loan in full. 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.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Trade and other payables - related parties</u>				
<u>Trade payables - related parties (Note 19)</u>				
Subsidiaries	-	-	14,619	12,145
Related company (common shareholders and director)	-	446	-	246
Total trade payables - related parties	-	446	14,619	12,391
<u>Other payables - related parties (Note 19)</u>				
Subsidiaries	-	-	523	108
Related companies (common shareholder and director)	181	4	181	4
Total other payables - related parties	181	4	704	112
<u>Retention payable - related parties</u>				
Subsidiaries	-	-	90	90
Related company (common director)	463	436	463	436
Total retention payable - related parties	463	436	553	526
<u>Accrued expenses - related parties</u>				
Subsidiaries	-	-	-	1
Related company (common director)	111	580	111	580
Total accrued expenses - related parties	111	580	111	581
Total trade and other payables - related parties	755	1,466	15,987	13,610
<u>Advances received from customer - related party</u>				
Subsidiary	-	-	-	3,340
Total Advances received from customer - related party	-	-	-	3,340

Directors and management's remuneration

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	55	50	29	28
Post-employment benefits	3	3	1	1
Total	58	53	30	29

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 33.3 to the financial statements.

7. Cash and cash equivalents

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	370	439	290	359
Bank deposits	330,885	491,418	97,031	319,258
Total	331,255	491,857	97,321	319,617

As at 31 December 2021, bank deposits in saving accounts and fixed accounts carried interests between 0.05 and 1.10 percent per annum (the Company only: between 0.05 and 0.40 percent per annum) (2020: between 0.05 and 1.10 percent per annum, the Company only: between 0.05 and 0.60 percent per annum).

8. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	2,517	8,016
Past due				
Up to 3 months	520	-	7,346	14,706
3 - 6 months	-	-	6,934	4,211
6 - 12 months	-	-	7,148	4,021
Over 12 months	-	428	3,307	2,093
Total	520	428	27,252	33,047
Less: Allowance for expected credit losses	-	(13)	(512)	(163)
Total trade receivables - related parties, net	520	415	26,740	32,884
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	128,872	145,778	73,152	94,033
Past due				
Up to 3 months	139,371	100,716	122,317	65,634
3 - 6 months	24,204	2,826	18,058	1,803
6 - 12 months	5,730	10,615	4,565	8,789
Over 12 months	84,698	82,583	56,935	56,042
Total	382,875	342,518	275,027	226,301
Less: Allowance for expected credit losses	(18,528)	(13,868)	(11,654)	(11,150)
Total trade receivables - unrelated parties, net	364,347	328,650	263,373	215,151
Total trade receivables - net	364,867	329,065	290,113	248,035
<u>Other receivables</u>				
Other receivables - related parties	8	9	42,192	23,078
Other receivables - unrelated parties	3,802	4,440	3,772	4,078
Accrued interest income	73	164	55	147
Total	3,883	4,613	46,019	27,303
Less: Allowance for expected credit losses	(839)	(234)	(1,994)	(500)
Total other receivables - net	3,044	4,379	44,025	26,803
Total trade and other receivables - net	367,911	333,444	334,138	274,838

The normal credit term is 30 to 90 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Beginning balance	14,115	16,737	11,813	15,540
Provision for expected credit losses	11,844	964	10,752	2,013
Recognises interest income	(2,339)	(2,357)	(4,089)	(4,568)
Amount recovered	(365)	(1,204)	(365)	(1,155)
Amount written off	(4,473)	-	(4,473)	-
Effect from foreign exchange	585	(25)	522	(17)
Ending balance	<u>19,367</u>	<u>14,115</u>	<u>14,160</u>	<u>11,813</u>

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

9.1 Contract balances

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Unbilled receivables	864,406	582,077	575,986	318,461
Less: Allowance for expected credit losses	(3,260)	(1,317)	(1,921)	(408)
Total unbilled receivables - net	<u>861,146</u>	<u>580,760</u>	<u>574,065</u>	<u>318,053</u>
 Retention receivables	 <u>106,827</u>	 <u>113,404</u>	 <u>70,349</u>	 <u>78,473</u>
 Service income received in advance and advances received from customers				
Service income received in advance	301,141	309,180	177,552	190,113
Advances received from customers	220,629	177,807	149,605	149,315
Total	<u>521,770</u>	<u>486,987</u>	<u>327,157</u>	<u>339,428</u>

As at 31 December 2021, the Group has the balances of unbilled receivables amounted to approximately Baht 761 million (the Company only: Baht 543 million) is expected to bill with customers within 1 year (2020: the Group has the balances of unbilled receivables amounted to approximately Baht 562 million, the Company only: Baht 318 million is expected to bill with customers within 1 year).

9.2 Revenue recognised in relation to contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue recognised during the year that was included in service income received in advance at the beginning of the year	261,594	170,887	167,333	66,532
Revenue recognised during the year from changes in variable considerations of performance obligations satisfied in previous years	2,238	4,945	(4,672)	9,534

9.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2021, revenue totaling to Baht 3,245 million (the Company only: Baht 2,077 million) (2020: Baht 3,116 million, the Company only: Baht 1,955 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied). The Group expects to satisfy these performance obligations within 7 years (the Company only: 7 years) (2020: 8 years, the Company only 8 years).

10. Inventories

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2021</u>	<u>2020</u>
Work in process	13,676	4,031
Equipment	2,292	-
Total inventories	<u>15,968</u>	<u>4,031</u>

11. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Prepaid expenses	10,322	11,456	8,561	8,690
Advance payments for cost of service	33,032	22,091	31,687	22,041
Value added tax refundable	1,180	2,588	-	-
Purchase vat awaiting tax invoices	7,842	5,723	2,512	1,599
Current tax assets	7,342	14,064	-	13,105
Others	8,694	4,357	3,096	4,276
Total other current assets	<u>68,412</u>	<u>60,279</u>	<u>45,856</u>	<u>49,711</u>

12. Restricted bank deposits

The outstanding balances represent bank deposit accounts which have been pledged with banks to secure the issuance of bank guarantees for electricity utilisation, other guarantee from banks and credit facilities of the Group.

13. 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		(Unit: Million Baht) Dividend received during the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			(Percent)									
ATT Consultants Company Limited	20	20	100.00	100.00	46.4	46.4	-	-	46.4	46.4	9.8	44.0
Geotechnical & Foundation Engineering Company Limited												
Management Solutions International Co., Ltd.	10	10	100.00	100.00	12.3	12.3	-	-	12.3	12.3	14.0	15.0
TEAM SQ Company Limited	10	10	100.00	100.00	14.9	14.9	(5.5)	(5.5)	9.4	9.4	-	-
TEAM Construction Management Company Limited	10	10	100.00	100.00	11.8	11.8	-	-	11.8	11.8	5.7	3.5
TEAM Consulting International Company Limited	-	10	-	100.00	-	10.0	-	(3.4)	-	6.6	-	-
TLT Consultants Company Limited	10.25	10.25	48.77	48.77	5.5	5.5	-	-	5.5	5.5	11.3	8.0
TEAM Quality Management Company Limited	10	10	83.75	83.75	6.5	6.5	(3.0)	(3.0)	3.5	3.5	-	-
TWI Consultants Company Limited	15	15	93.73	93.73	14.1	14.1	(14.1)	(14.1)	-	-	-	-
LTEAM Sole Co., Ltd. (paid-in capital LAK 1,000 million)	5	5	100.00	100.00	4.5	4.5	(0.4)	(0.4)	4.1	4.1	-	-
Total investments in subsidiaries					<u>131.2</u>	<u>141.2</u>	<u>(23.0)</u>	<u>(26.4)</u>	<u>108.2</u>	<u>114.8</u>	<u>51.3</u>	<u>79.3</u>

On 18 November 2016, the Extraordinary General Meeting of the shareholders No.1/2016 of TEAM Consulting International Company Limited, a subsidiary, passed a special resolution approving the dissolution of such company. The liquidator of the subsidiary registered the dissolution with the Ministry of Commerce on 30 November 2016. Subsequently in September 2021, the subsidiary returned its capital to the Company amounting to Baht 6.5 million and registered the liquidation with the Ministry of Commerce on 11 October 2021.

14. Investments in associates

14.1 Details of associates held through the Group.

(Unit: Thousand Baht)								
Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding		Cost		Carrying amounts based on equity method	
			percentage					
			<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
			(percent)	(percent)				
Krungthep Geotechnique Company Limited	Providing services in exploration and testing of geotechnical materials	Thailand	30	30	1,500	1,500	3,229	3,168
iGL Synergy Co., Ltd.	Providing services in engineering consultancy and project management	The Lao People's Democratic Republic	30	30	1,064	1,064	-	986
Prathumwan Smart District Cooling Company Limited	Providing services in installing and managing the District Cooling system for the distribution of chilled water	Thailand	14	14	7,000	7,000	6,781	6,807
Asset Activator Company Limited	Providing property Technology related services	Thailand	30	-	750	-	466	-
Total investments in associates					<u>10,314</u>	<u>9,564</u>	<u>10,476</u>	<u>10,961</u>
Less: Allowance for impairment loss on investment					<u>(1,064)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments in associates - net					<u><u>9,250</u></u>	<u><u>9,564</u></u>	<u><u>10,476</u></u>	<u><u>10,961</u></u>

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			<u>2021</u> (percent)	<u>2020</u> (percent)	<u>2021</u>	<u>2020</u>
Prathumwan Smart District Cooling Company Limited	Providing services in installing and managing the District Cooling system for the distribution of chilled water	Thailand	14	14	7,000	7,000
Asset Activator Company Limited	Providing property Technology related services	Thailand	30	-	750	-
Total investments in associates					<u>7,750</u>	<u>7,000</u>

During the current year, the Company invested in ordinary shares of Asset Activator Company Limited, which registered its incorporation with the Ministry of Commerce on 13 September 2021. Its registered share capital is Baht 10 million (1,000,000 ordinary shares with a par value of Baht 10 each) and 25% of the registered share capital was called up. The Company acquired 30% of its share capital for a total investment of Baht 0.75 million.

14.2 Share of comprehensive income

During the years, the Group recognised its share of comprehensive income from investments in associates in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Share of profit (loss) from investments in associates during the years		Share of other comprehensive income from investments in associates during the years	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Krungthep Geotechnique Company Limited	61	365	-	-
iGL Synergy Co., Ltd.	(1,081)	3	95	(49)
Prathumwan Smart District Cooling Company Limited	(27)	(193)	-	-
Asset Activator Company Limited	(283)	-	-	-
Total	<u>(1,330)</u>	<u>175</u>	<u>95</u>	<u>(49)</u>

14.3 Financial information about material associates

Summarised information about financial position

	(Unit: Thousand Baht)			
	Krungthep Geotechnique		Prathumwan Smart District	
	Company Limited		Cooling Company Limited	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current assets	7,016	7,768	48,521	50,002
Non-current assets	4,620	4,552	700	12
Current liabilities	323	1,299	788	1,379
Non-current liabilities	550	460	-	-

Summarised information about comprehensive income

	(Unit: Thousand Baht)			
	Krungthep Geotechnique		Prathumwan Smart District Cooling	
	Company Limited		Company Limited	
	For the years ended		For the years ended	
	31 December		31 December	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue	14,895	16,892	49	2
Profit (loss)	202	1,216	(190)	(1,377)
Total comprehensive income	202	1,216	(190)	(1,377)

15. Investment properties

The net book value of investment properties as at 31 December 2021 and 2020 is presented below.

	Consolidated financial statements			Separate financial statements			(Unit: Thousand Baht)
	Land and office buildings for rent	Others	Total	Land and office buildings for rent	Others	Total	
As at 31 December 2021:							
Cost	1,777	3,880	5,657	34,468	3,880	38,348	
Less: Accumulated depreciation	(524)	(2,692)	(3,216)	(25,870)	(2,692)	(28,562)	
Net book value	1,253	1,188	2,441	8,598	1,188	9,786	
As at 31 December 2020:							
Cost	168	3,880	4,048	35,180	3,880	39,060	
Less: Accumulated depreciation	(130)	(2,677)	(2,807)	(27,188)	(2,677)	(29,865)	
Net book value	38	1,203	1,241	7,992	1,203	9,195	

(Unit: Thousand Baht)

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	1,241	1,259	9,195	9,766
Additions	2	-	288	-
Transfer from property, plant and equipment	1,229	-	647	4
Write-off during the year - net book value as at write-off date	-	(1)	-	(227)
Depreciation for the year	(31)	(17)	(344)	(348)
Net book value at end of year	<u>2,441</u>	<u>1,241</u>	<u>9,786</u>	<u>9,195</u>

The fair value of the investment properties as at 31 December 2021 and 2020 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land and office buildings for rent	3,141	113	25,266	23,993
Others	4,750	4,750	4,750	4,750

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer and categorised within Level 3 of the fair value hierarchy. The fair value of the land and other investment properties has been determined based on market prices, while that of the office buildings for rent has been determined using the replacement cost approach.

The Company has mortgaged investment properties amounting to approximately Baht 9 million (2020: Baht 8 million) as collateral against credit facilities received from financial institutions, as described in Note 18 to the financial statements.

16. Property, plant and equipment

(Unit: Thousand Baht)

Cost	Consolidated financial statements						Total
	Land	Buildings and building improvements	Solar cell and smart chiller equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	
As at 1 January 2020	73,626	198,329	2,459	129,799	46,126	-	450,339
Additions	-	58	-	3,277	254	240	3,829
Transfer to right-of-use assets	-	-	-	(17,080)	(44,189)	-	(61,269)
Disposals/write off	-	(1,827)	-	(1,264)	(23)	-	(3,114)
As at 31 December 2020	73,626	196,560	2,459	114,732	2,168	240	389,785
Additions	-	1,814	2,073	6,151	-	-	10,038
Transfer from right-of-use assets	-	-	-	2,316	5,677	-	7,993
Transfer to investment properties	(815)	(792)	-	-	-	-	(1,607)
Disposals/write off	-	(30)	-	(2,056)	(2,929)	-	(5,015)
Transfer in (out)	-	240	-	-	-	(240)	-
As at 31 December 2021	72,811	197,792	4,532	121,143	4,916	-	401,194
Accumulated depreciation							
As at 1 January 2020	-	154,120	91	83,014	30,559	-	267,784
Depreciation for the year	-	2,300	159	13,544	329	-	16,332
Transfer to right-of-use assets	-	-	-	(9,562)	(30,093)	-	(39,655)
Depreciation on disposals/write off	-	(596)	-	(1,067)	(10)	-	(1,693)
As at 31 December 2020	-	155,824	250	85,909	785	-	242,768
Depreciation for the year	-	2,337	259	11,911	443	-	14,950
Transfer from right-of-use assets	-	-	-	2,309	3,017	-	5,326
Transfer to investment properties	-	(378)	-	-	-	-	(378)
Depreciation on disposals/write off	-	(1)	-	(2,037)	(1,758)	-	(3,796)
As at 31 December 2021	-	157,782	509	98,092	2,487	-	258,870
Net book value							
As at 31 December 2020	73,626	40,736	2,209	28,823	1,383	240	147,017
As at 31 December 2021	72,811	40,010	4,023	23,051	2,429	-	142,324
Depreciation for the year							
2020 (Baht 2 million included in cost of services and the balance in administrative expenses)							16,332
2021 (Baht 2 million included in cost of services and the balance in administrative expenses)							14,950
							30

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	
Cost						
As at 1 January 2020	71,764	161,074	100,605	35,865	-	369,308
Additions	-	27	2,581	254	240	3,102
Transfer to right-of-use assets	-	-	(11,995)	(34,199)	-	(46,194)
Transfer to investment properties	-	(4)	-	-	-	(4)
Disposals/write off	-	(1,492)	(2,200)	-	-	(3,692)
As at 31 December 2020	71,764	159,605	88,991	1,920	240	322,520
Additions	-	1,161	3,949	-	-	5,110
Transfer from right-of-use assets	-	-	-	2,930	-	2,930
Transfer from (to) investment properties	(685)	1,685	-	-	-	1,000
Disposals/write off	-	-	(1,755)	(2,930)	-	(4,685)
Transfer in (out)	-	240	-	-	(240)	-
As at 31 December 2021	71,079	162,691	91,185	1,920	-	326,875
Accumulated depreciation						
As at 1 January 2020	-	124,872	64,492	25,522	-	214,886
Depreciation for the year	-	1,751	11,166	286	-	13,203
Transfer to right-of-use assets	-	-	(6,857)	(25,080)	-	(31,937)
Depreciation on disposals/write off	-	(487)	(1,743)	-	-	(2,230)
As at 31 December 2020	-	126,136	67,058	728	-	193,922
Depreciation for the year	-	1,799	9,605	322	-	11,726
Transfer from right-of-use assets	-	-	-	1,758	-	1,758
Transfer to investment properties	-	1,647	-	-	-	1,647
Depreciation on disposals/write off	-	-	(1,739)	(1,758)	-	(3,497)
As at 31 December 2021	-	129,582	74,924	1,050	-	205,556
Net book value						
As at 31 December 2020	71,764	33,469	21,933	1,192	240	128,598
As at 31 December 2021	71,079	33,109	16,261	870	-	121,319
Depreciation for the year						
2020 (Baht 2 million included in cost of services and the balance in administrative expenses)						13,203
2021 (Baht 2 million included in cost of services and the balance in administrative expenses)						11,726

As at 31 December 2021, certain plant, equipment and vehicle items of the Group have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 58 million (the Company only: Baht 45 million) (2020: Baht 43 million, the Company only: Baht 31 million).

The Company has mortgaged land together with buildings constructed thereon amounting to approximately Baht 104 million (2020: Baht 105 million) as collateral against credit facilities received from financial institutions, as described in Note 18 to the financial statements.

17. Intangible assets

Details of intangible assets which are computer software are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cost	127,094	125,279	99,304	98,520
Accumulated amortisation	(75,599)	(65,384)	(54,673)	(46,330)
Net book value	<u>51,495</u>	<u>59,895</u>	<u>44,631</u>	<u>52,190</u>
Amortisation expenses included in the profit or loss for the year	<u>10,215</u>	<u>9,759</u>	<u>8,343</u>	<u>7,849</u>

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	59,895	61,339	52,190	52,046
Acquisitions of computer software	1,815	8,315	784	7,993
Amortisation	(10,215)	(9,759)	(8,343)	(7,849)
Net book value at end of year	<u>51,495</u>	<u>59,895</u>	<u>44,631</u>	<u>52,190</u>

18. Bank overdrafts and short-term loans from banks

		(Unit: Thousand Baht)	
		Consolidated financial statements	
Interest rate			
(% p.a.)		2021	2020
Bank overdrafts	Rate of saving deposits plus the specific rate, rate of fixed deposit 12 and 24 months plus the specific rates, MOR - 1 and MOR	9,475	1,666
Promissory notes	Rate of 3.6%, rate of saving deposits plus 1%, rate of fixed deposit 24 months plus 2%, MLR - 1, MLR - 1.5 and MMR	58,000	30,000
Total		67,475	31,666

Credit facilities from financial institutions of the Group are secured by certain saving deposits and fixed deposits of the Group, certain mortgaged land with constructions thereon and investment properties of the Company, and include transfer of rights over receipt of payment under certain contracts of the Group.

19. Trade and other payables

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		2021	2020
Trade payables - related parties	-	446	14,619
Trade payables - unrelated parties	52,499	21,828	30,443
Other payables - related parties	181	4	704
Other payables - unrelated parties	14,933	17,886	10,541
Retention payables	4,599	14,050	2,494
Accrued expenses	139,308	131,245	80,583
Total trade and other payables	211,520	185,459	139,384

20. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred output tax	26,178	23,676	18,898	16,455
Withholding tax payable	5,718	7,567	4,051	4,493
Value added tax payable	6,772	9,140	3,707	6,341
Others	4,819	3,346	2,147	2,234
Total other current liabilities	<u>43,487</u>	<u>43,729</u>	<u>28,803</u>	<u>29,523</u>

21. Leases

21.1 The Group as a lessee

The Group has lease contracts for various assets used in its operations. Leases generally have lease terms between 3 months - 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Office			
	<u>Buildings</u>	<u>equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
As at 1 January 2020	163	12,609	33,619	46,391
Additions	-	-	22,796	22,796
Write-off during the year -				
net book value as at write-off date	-	(18)	-	(18)
Depreciation for the year	(123)	(6,204)	(14,132)	(20,459)
As at 31 December 2020	40	6,387	42,283	48,710
Additions	242	219	11,687	12,148
Transfer to property, plant and				
equipment	-	(6)	(2,661)	(2,667)
Write-off during the year -				
net book value as at write-off date	-	(19)	-	(19)
Depreciation for the year	(122)	(4,133)	(14,184)	(18,439)
As at 31 December 2021	<u>160</u>	<u>2,448</u>	<u>37,125</u>	<u>39,733</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Office equipment	Motor vehicles	Total
As at 1 January 2020	9,663	21,663	31,326
Additions	-	21,830	21,830
Depreciation for the year	(4,711)	(10,378)	(15,089)
As at 31 December 2020	4,952	33,115	38,067
Additions	-	7,030	7,030
Transfer to property, plant and equipment	-	(1,172)	(1,172)
Write-off during the year - net book value as at write-off date	(19)	(1,376)	(1,395)
Depreciation for the year	(3,252)	(10,112)	(13,364)
As at 31 December 2021	1,681	27,485	29,166

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	41,207	50,254	29,727	39,900
Less: Deferred interest expenses	(3,040)	(3,844)	(2,095)	(3,079)
Total	38,167	46,410	27,632	36,821
Less: Portion due within one year	(14,018)	(18,887)	(9,718)	(14,438)
Lease liabilities - net of current portion	24,149	27,523	17,914	22,383

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balance at beginning of year	46,410	45,157	36,821	30,759
Additions	12,082	22,790	7,030	21,830
Accretion of interest	2,123	2,402	1,488	1,657
Repayments	(22,448)	(23,921)	(16,297)	(17,425)
Cancellation of the lease agreements	-	(18)	-	-
Transfer the right of the lease agreements to the subsidiaries	-	-	(1,410)	-
Balance at end of year	38,167	46,410	27,632	36,821

A maturity analysis of lease payments is disclosed in Note 34.1 to the financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

Expenses relating to leases that are recognised in profit or loss for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	18,439	20,459	13,364	15,089
Interest expense on lease liabilities	2,123	2,402	1,488	1,657
Expense relating to short-term leases	1,388	5,015	293	3,421
Expense relating to leases of low-value assets	-	70	-	-

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 24 million (the Company only: Baht 17 million) (2020: Baht 29 million, the Company only: Baht 19 million). including the cash outflow related to short-term lease, leases of low-value assets.

21.2 Group as a lessor

The Group has entered into finance leases for its sales of water recycling system and solar power generation system of the lease terms are 10 years.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2021</u>	<u>2021</u>
Undiscounted lease payments receivable under finance leases		
Within 1 year	2,263	28
Over 1 and up to 5 years	11,785	1,416
Over 5 years	9,792	2,266
Total	23,840	3,710
Less: Deferred interest income	(4,713)	(214)
Net investment in the finance leases	19,127	3,496

Amounts recognised in profit or loss for finance leases

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2021</u>	<u>2021</u>
Selling profit (loss) for finance leases	1,437	-
Interest income on the net investment in finance leases	189	44

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Defined benefit obligation at beginning of year	296,180	284,787	220,434	204,988
Included in profit or loss:				
Current service cost	28,871	28,922	20,091	19,771
Interest cost	4,025	4,078	2,757	2,788
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	2,774	(1)	-	-
Financial assumptions changes	(25,376)	5,452	(17,021)	4,288
Experience adjustments	(7,816)	4,679	(9,991)	9,409
Benefits paid during the year	(27,071)	(31,737)	(24,132)	(20,810)
Provisions for long-term employee benefits at end of year	<u>271,587</u>	<u>296,180</u>	<u>192,138</u>	<u>220,434</u>

The Group expects to pay Baht 31 million of long-term employee benefits during the next year (the Company only: Baht 27 million) (2020: Baht 42 million, the Company only: Baht 42 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefits is 13 - 17 years (the Company only: 14 years) (2020: 14 - 18 years, the Company only: 14 years).

Significant actuarial assumptions are summarised below.

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Discount rate	2.29 - 2.83	1.49 - 1.90	2.38	1.49
Salary increase rate	6.00	6.00	6.00	6.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(25)	29	(17)	19
Salary increase rate	28	(24)	19	(16)

	(Unit: Million Baht)			
	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(28)	33	(19)	23
Salary increase rate	31	(27)	21	(18)

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve equal to at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend payment.

According to Section 1202 of the Thai Civil and Commercial Code, the subsidiaries (incorporated under Thai Laws) are required to set aside a statutory reserve equal to at least 5 percent of its net profit each time the company pays out a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve is not available for dividend payment.

24. Revenue from contracts with customers

Disaggregated revenue information.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Service income	1,737,347	1,704,950	1,117,115	1,037,713
Revenue from sales of water recycling system and solar power generation system	19,375	-	3,570	-
Revenue from construction of water supply system	2,585	-	2,585	-
Total	<u>1,759,307</u>	<u>1,704,950</u>	<u>1,123,270</u>	<u>1,037,713</u>

25. Finance income

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest received from bank deposits	1,238	2,957	707	1,991
Interest received from loans	-	-	4,188	3,097
Interest received from finance lease	189	-	44	-
Interest income from reversing allowance for expected credit losses	5,445	5,440	5,690	6,321
Total	<u>6,872</u>	<u>8,397</u>	<u>10,629</u>	<u>11,409</u>

26. Finance cost

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest expenses on borrowings	1,644	476	-	-
Interest expenses on lease liabilities	2,123	2,402	1,488	1,657
Total	<u>3,767</u>	<u>2,878</u>	<u>1,488</u>	<u>1,657</u>

27. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Salaries and wages and other employee benefits	990,904	1,034,606	602,359	639,321
Survey expenses and subcontractors costs	242,451	156,145	256,993	165,028
Depreciation and amortisation	43,635	46,566	33,777	36,487

28. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Current income tax charge	31,791	28,750	20,665	9,906
Deferred tax relating to origination and reversal of temporary differences	(2,098)	214	403	2,270
Income tax expense reported in profit or loss	<u>29,693</u>	<u>28,964</u>	<u>21,068</u>	<u>12,176</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax relating to actuarial gain (loss)	<u>6,084</u>	<u>(2,026)</u>	<u>5,403</u>	<u>(2,739)</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit before tax	141,547	148,317	152,167	146,151
Income tax at the Company in Thailand's corporate income tax rate of 20%	28,309	29,664	30,433	29,230
Difference in tax rate in group companies	-	(20)	-	-
Effects of:				
Promotional privileges	(306)	(12)	-	-
Non-deductible expenses	5,297	988	4,212	802
Exemption of income	(2,408)	(1,088)	(12,706)	(17,124)
Additional expense deductions allowed	(265)	(892)	(208)	(739)
Unused tax loss in the current year	31	352	-	-
Utilisation of previously unrecognised tax losses	(544)	-	-	-
Share of (profit) loss from investment in associates	266	(35)	-	-
Other	(687)	7	(663)	7
Total	1,384	(680)	(9,365)	(17,054)
Income tax expenses reported in profit or loss	29,693	28,964	21,068	12,176

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax assets				
Provision for long-term employee benefits	54,318	59,236	38,427	44,087
Unused tax losses	951	-	-	-
Effect on elimination of intercompany transactions	2,560	2,431	-	-
Others	189	337	186	332
Total	58,018	62,004	38,613	44,419

As at 31 December 2021, the subsidiaries have unused tax losses totaling Baht 0.1 million (2020: Baht 6.5 million), on which deferred tax assets have not been recognised as the subsidiaries believe that future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

Details of expiry date of unused tax losses are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2021</u>	<u>2020</u>
31 December 2021	-	2,229
31 December 2022	40	40
31 December 2023	-	29
31 December 2024	-	3,898
31 December 2025	8	343
31 December 2026	11	-
	<u>59</u>	<u>6,539</u>

29. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit attributable to equity holders of the Company (Thousand Baht)	111,543	119,372	131,099	133,975
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.16	0.18	0.19	0.20

30. Operating segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Executive Committee.

For management purposes, the Group is organised into business units based on its type of service and specialisation and has eight reportable segments as follows:

- (1) Transportation and logistics project segment
- (2) Water resources project segment
- (3) Urban, building and infrastructure project segment
- (4) Project management and construction supervision segment
- (5) Construction management and supervision for various types of buildings and infrastructure segment
- (6) Energy, power, oil and gas, petrochemical and related industry, including port and infrastructure project segment
- (7) Geotechnical engineering and underground structure project segment
- (8) Other segment, which consists of environment science project work, architectural planning and design, interior design, landscape architecture and design work for urban development project, and related business project work

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The basis of pricing policies for the inter-segment transfer are at the prices as described in Note 6 to the financial statements.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Million Baht)

	For the year ended 31 December 2021								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	Elimination	
Revenues from external customers	410	230	204	296	200	132	155	1,759	1,759
Segment profit	92	72	45	84	47	29	38	441	441
Other income									28
Share of loss from investments in associates									(1)
Administrative expenses									(322)
Finance cost									(4)
Profit before income tax expenses									142
Income tax expenses									(30)
Profit for the year									112

(Unit: Million Baht)

For the year ended 31 December 2020

		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	427		121	212	303	200	131	167	144	1,705	-	1,705
Segment profit	116		32	40	108	48	33	35	43	455	-	455
Other income												17
Administrative expenses												(321)
Finance cost												(3)
Profit before income tax expenses												148
Income tax expenses												(29)
Profit for the year												119

Geographic information

Revenues from external customers set up by customer location.

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	<u>2021</u>	<u>2020</u>
Revenues from external customers		
Project domestic segment	1,660	1,535
Project international segment	99	170
Total	<u>1,759</u>	<u>1,705</u>

Major customers

In 2021, the Group had service revenues from major customers, which consisted of a group of government and state enterprise, amounting to Baht 1,169 million (2020: Baht 1,074 million).

31. Provident funds

The Company and some subsidiaries and their employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contribute to the funds monthly at the rate of 3 to 5 percent of basic salary. The funds, which are managed by Krungsri Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. The contribution for the years 2021 were recognised as expenses amounting to Baht 25 million (the Company only: Baht 16 million) (2020: Baht 25 million, the Company only: Baht 17 million).

32. Dividends

Dividends	Approved by	Total	Number of	Dividend
		dividends	ordinary	per share
		(Million Baht)	(Million Shares)	(Baht)
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	0.06
Interim dividend for year 2020	Board of Directors Meeting of the Company on 11 August 2020	74.8	680	0.11
Total dividend for 2020		<u>115.6</u>		

Dividends	Approved by	Total dividends (Million Baht)	Number of ordinary shares (Million Shares)	Dividend per share (Baht)
Dividend for year 2020	Annual General Meeting of the shareholders on 29 April 2021	34.0	680	0.05
Total dividend for 2021		34.0		

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2021, the Group had capital commitment of approximately Baht 7 million (the Company only: Baht 6 million) (2020: Baht 2 million, the Company only: Baht 2 million) relating to the acquisition of building improvement, tools, office equipment and computer software.

33.2 Service commitments

As at 31 December 2021, the Group has the following service commitments:

- a) The Group has commitments totaling Baht 211 million (the Company only: Baht 181 million) (2020: Baht 194 million, the Company only: Baht 178 million) in respect of cost of service, for which the Group had already entered into agreements.
- b) The Group has commitments totaling Baht 3 million (the Company only: Baht 3 million) (2020: Baht 3 million, the Company only: Baht 3 million) in respect of other service commitments, for which the Group had already entered into agreements.

33.3 Related party guarantees

As at 31 December 2021, the Company had provided guarantees totaling Baht 720 million (2020: Baht 720 million) for bank credit facilities on behalf of its subsidiaries.

33.4 Bank guarantees

As at 31 December 2021 and 2020, 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	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Guarantee of service contracts, advance payment and bidding	775	730	615	565
Guarantee of retention	103	67	76	46
Other guarantees	2	2	2	2
	<u>880</u>	<u>799</u>	<u>693</u>	<u>613</u>

33.5 Litigation

The Company

In 2013, an employer was 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 losses 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.

34. Financial instruments

34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, finance lease receivables, loans to related parties, other current financial assets, restricted bank deposits, bank overdrafts and short-term loans from banks, trade and other payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to cash and cash equivalents, trade and other receivables, unbilled receivables, finance lease receivables, loans to related parties, other current financial assets and restricted bank deposits. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and unbilled receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and unbilled receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a various and large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Bank deposits

The Group manages the credit risk of bank deposits by entering into agreements with counterparties that are banks and financial institutions with high credit ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk as follows.

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from consulting contracts and advances received from employers that are denominated in foreign currencies.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities of the Group denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	1.1	0.9	0.1	0.1	33.4199	30.0371
LAK	32.0	163.2	-	-	0.0030	0.0032

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.7	0.5	0.1	0.1	33.4199	30.0371

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in above foreign currencies exchange rates affected as at 31 December 2021 and 2020 is not material.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, finance lease receivables, loans to related parties, other current financial assets, restricted bank deposits, bank overdrafts and short-term loans from banks and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

Consolidated financial statements														
As at 31 December														
Fixed interest rates														
Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Effective interest rate		
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
Financial assets														
Cash and cash equivalents		782	390	-	-	-	271,488	353,723	58,985	137,744	331,255	491,857	0.05 - 1.10	0.05 - 0.60
Trade and other receivables		-	-	-	-	-	-	-	367,911	333,444	367,911	333,444	-	-
Finance lease receivables		1,410	-	8,747	-	8,970	-	-	-	-	19,127	-	0.80 - 5.50	-
Other current financial assets		4,115	1,343	-	-	-	-	-	-	-	4,115	1,343	0.10 - 0.20	0.20 - 0.35
Restricted bank deposits		51,923	61,980	3,750	-	-	-	-	-	-	55,673	61,980	0.05 - 1.10	0.10 - 1.10
		58,230	63,713	12,497	-	8,970	-	271,488	353,723	426,896	778,081	888,624		
Financial liabilities														
Bank overdrafts and short-term loans														
from banks		7,500	-	-	-	-	59,975	31,666	-	-	67,475	31,666	Note 18	Note 18
Trade and other payables		-	-	-	-	-	-	-	211,520	185,459	211,520	185,459	-	-
Lease liabilities		14,018	18,887	24,149	27,523	-	-	-	-	-	38,167	46,410	4.39 - 6.93	4.39 - 6.93
		21,518	18,887	24,149	27,523	-	59,975	31,666	211,520	185,459	317,162	263,535		

As at 31 December

	Fixed interest rates				Floating interest rate				Non-interest		Effective	
	Within 1 year		1 - 5 years		Over 5 years		Within 1 year		1 - 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2021 and 2020 is not material.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and short-term loans from banks and lease contracts. Approximately 75% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 70%) (the Company only: 71%, 2020: 68%) based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

		Consolidated financial statements			
		As at 31 December 2021			
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	67,475	-	-	67,475
Trade and other payables	-	211,520	-	-	211,520
Lease liabilities	-	15,521	25,686	-	41,207
Total	-	294,516	25,686	-	320,202

(Unit: Thousand Baht)

		Consolidated financial statements			
		As at 31 December 2020			
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	31,666	-	-	31,666
Trade and other payables	-	185,459	-	-	185,459
Lease liabilities	-	20,842	29,412	-	50,254
Total	-	237,967	29,412	-	267,379

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2021				
On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	-	139,384	-	139,384
Lease liabilities	-	10,779	18,948	29,727
Total	-	150,163	18,948	169,111

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2020				
On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	-	135,952	-	135,952
Lease liabilities	-	15,880	24,020	39,900
Total	-	151,832	24,020	175,852

34.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair values are not expected to be materially different from the amounts presented in the statement of financial position.

35. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2021 and 2020, the Group's debt-to-equity ratio is summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Debt-to-equity ratio	1.14	1.20	0.77	0.93

36. Event after the reporting period

On 23 February 2022, the meeting of the Company's Board of Directors No. 1/2022 passed a resolution to propose to the 2022 Annual General Meeting of the Company's shareholders a dividend of Baht 0.15 in respect of the Company's net profit for the year 2021 to be paid to the Company's shareholders who hold 680 million shares, or a total of Baht 102 million, for approval.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2022.

