

TEAM Consulting Engineering and Management
Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2022



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EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลอริชดา
193/136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0789-90
ey.com

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 2022, 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 2022, 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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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.



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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.



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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.



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- 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.

Cheri Kasemsrih

Chatchai Kasemsrithanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 23 February 2023

TEAM Consulting Engineering and Management Public Company Limited and Its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents		461,909,362	331,255,297	145,701,471	97,320,674
Trade and other receivables	7	450,541,009	367,910,977	422,730,978	334,137,924
Unbilled receivables	8	778,233,570	861,146,490	520,455,258	574,064,598
Current portion of finance lease receivables	21	1,597,265	1,410,026	-	-
Short-term loans to related parties	6	-	-	77,000,000	81,500,000
Work In process and equipment		23,381,846	15,968,441	-	-
Other current financial assets		1,144,115	4,115,302	906,789	3,878,326
Other current assets	9	64,949,043	68,412,077	35,582,022	45,855,597
		<u>1,781,756,210</u>	<u>1,650,218,610</u>	<u>1,202,376,518</u>	<u>1,136,757,119</u>
Non-current assets classified as held for sale	13	1,966,313	-	3,000,000	-
Total current assets		<u>1,783,722,523</u>	<u>1,650,218,610</u>	<u>1,205,376,518</u>	<u>1,136,757,119</u>
Non-current assets					
Restricted bank deposits	10	64,673,230	55,673,230	52,160,000	43,160,000
Finance lease receivables, net of current portion	21	71,298,258	17,716,786	58,495,918	3,495,934
Long-term loan to related party	6	-	-	950,000	1,300,000
Investments in subsidiaries	11	-	-	105,395,140	108,245,140
Investment in joint venture	12	624,995	-	624,995	-
Investments in associated companies	13	10,200,345	10,475,970	7,000,000	7,750,000
Investment properties	14	2,091,429	2,440,597	9,690,664	9,786,149
Property, plant and equipment	15	149,028,610	142,324,152	125,219,025	121,319,253
Right-of-use assets	21	36,062,091	39,732,671	21,454,546	29,166,418
Intangible assets - computer software	16	46,565,558	51,495,238	40,879,413	44,631,162
Deferred tax assets	28	58,820,519	58,017,908	38,282,830	38,613,496
Retention receivables	8	93,892,012	106,826,824	58,154,896	70,348,560
Other non-current assets		13,614,426	41,714,844	12,961,094	40,068,172
Total non-current assets		<u>546,871,473</u>	<u>526,418,220</u>	<u>531,268,521</u>	<u>517,884,284</u>
Total assets		<u>2,330,593,996</u>	<u>2,176,636,830</u>	<u>1,736,645,039</u>	<u>1,654,641,403</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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	168,795,799	67,474,717	103,000,000	-
Trade and other payables	18	163,406,855	211,520,153	130,744,948	139,383,509
Current portion of long-term liabilities					
- Long-term loan from financial institution	19	2,136,000	-	2,136,000	-
- Lease liabilities	21	14,125,843	14,017,792	9,322,778	9,718,289
Service income received in advance and advances received from customers	8	553,867,432	521,770,198	269,619,128	327,157,253
Income tax payable		2,230,504	6,284,539	1,450,223	4,402,557
Other current liabilities	20	68,567,831	43,487,473	46,677,306	28,803,353
Total current liabilities		973,130,264	864,554,872	562,950,383	509,464,961
Non-current liabilities					
Long-term liabilities - net of current portion					
- Long-term loan from financial institution	19	34,524,000	-	34,524,000	-
- Lease liabilities	21	22,600,155	24,148,749	13,126,009	17,913,916
Provision for long-term employee benefits	22	270,817,229	271,587,465	189,739,428	192,138,365
Total non-current liabilities		327,941,384	295,736,214	237,389,437	210,052,281
Total liabilities		1,301,071,648	1,160,291,086	800,339,820	719,517,242

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

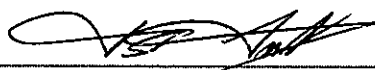
Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
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-up					
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	27,900,000	23,300,000	27,900,000	23,300,000
Unappropriated		<u>277,129,463</u>	<u>268,266,114</u>	<u>144,087,224</u>	<u>147,506,166</u>
Equity attributable to owners of the Company		1,024,584,170	1,011,120,821	936,305,219	935,124,161
Non-controlling interests of the subsidiaries		<u>4,938,178</u>	<u>5,224,923</u>	-	-
Total shareholders' equity		<u>1,029,522,348</u>	<u>1,016,345,744</u>	<u>936,305,219</u>	<u>935,124,161</u>
Total liabilities and shareholders' equity		<u>2,330,593,996</u>	<u>2,176,636,830</u>	<u>1,736,645,039</u>	<u>1,654,641,403</u>

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



(Mr. Chawalit Chantararat)

Director



(Mr. Aphichat Srarnoon)

Director



TEAM Consulting Engineering and
Management Public Company Limited

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Sales and service income	24	1,623,667,481	1,759,306,534	944,374,505	1,123,269,834
Other income					
Dividend income	11	-	-	47,448,516	51,277,808
Others		15,826,181	21,312,143	82,649,604	81,882,705
Total revenues		1,639,493,662	1,780,618,677	1,074,472,625	1,256,430,347
Expenses					
Cost of sales and service		1,201,952,255	1,318,258,397	722,856,533	850,577,259
Administrative expenses		316,122,502	322,588,810	261,764,080	262,827,869
Total expenses		1,518,074,757	1,640,847,207	984,620,613	1,113,405,128
Operating profit		121,418,905	139,771,470	89,852,012	143,025,219
Share of loss from investments in joint venture and associates	12, 13	(109,343)	(1,329,803)	-	-
Finance income	25	14,651,550	6,872,247	17,098,054	10,629,362
Finance cost	26	(7,879,084)	(3,766,581)	(5,039,848)	(1,488,047)
Profit before income tax expenses		128,082,028	141,547,333	101,910,218	152,166,534
Income tax expenses	28	(25,019,358)	(29,692,555)	(11,426,730)	(21,067,625)
Profit for the year		103,062,670	111,854,778	90,483,488	131,098,909
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	13	-	95,200	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax		12,377,918	24,334,041	12,697,570	21,610,125
Other comprehensive income for the year		12,377,918	24,429,241	12,697,570	21,610,125
Total comprehensive income for the year		115,440,588	136,284,019	103,181,058	152,709,034

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit (loss) attributable to:					
Equity holders of the Company		103,085,431	111,542,819	90,483,488	131,098,909
Non-controlling interests of the subsidiaries		(22,761)	311,959		
		<u>103,062,670</u>	<u>111,854,778</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		115,463,349	135,972,060	103,181,058	152,709,034
Non-controlling interests of the subsidiaries		(22,761)	311,959		
		<u>115,440,588</u>	<u>136,284,019</u>		
Earnings per share	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.15</u>	<u>0.16</u>	<u>0.13</u>	<u>0.19</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 2022

(Unit: Baht)

Note	Consolidated financial statements									
	Equity attributable to owners of the Company									
	Issued and fully paid-up 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	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
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	-	-	-	-	-	-	-	-	(284,692)	(284,692)
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 2022

(Unit: Baht)

		Consolidated financial statements																
		Equity attributable to owners of the Company					Other components of equity											
		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 comprehensive income		Total equity attributable to shareholders of the Company		Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity		
Note	Issued and fully paid-up share capital							Appropriated - statutory reserve	Unappropriated	in foreign currencies	on translation of financial statements	Exchange differences						
	340,000,000	424,317,995	(22,215,349)	(22,547,939)	23,300,000	288,286,114	-	1,011,120,821	-	5,224,923	1,016,345,744							
	-	-	-	-	-	103,085,431	-	103,085,431	-	(22,761)	103,062,670							
	-	-	-	-	-	12,377,918	-	12,377,918	-	-	12,377,918							
	-	-	-	-	-	115,463,349	-	115,463,349	-	(22,761)	115,440,588							
23	-	-	-	-	4,600,000	(4,600,000)	-	-	-	-	-							
32	-	-	-	-	-	(102,000,000)	-	(102,000,000)	-	-	(102,000,000)							
	-	-	-	-	-	-	-	-	-	(263,984)	(263,984)							
	340,000,000	424,317,995	(22,215,349)	(22,547,939)	27,900,000	277,129,463	-	1,024,584,170	-	4,938,178	1,029,522,348							

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 2022

(Unit: Baht)

	Separate financial statements					Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total	
			Appropriated - statutory reserve	Unappropriated		
Note						
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	-	-	6,600,000	(6,600,000)		-
Dividend paid	-	-	-	(34,000,000)		(34,000,000)
Balance as at 31 December 2021	340,000,000	424,317,995	23,300,000	147,506,166		935,124,161
Balance as at 1 January 2022	340,000,000	424,317,995	23,300,000	147,506,166		935,124,161
Profit for the year	-	-	-	90,483,488		90,483,488
Other comprehensive income for the year	-	-	-	12,697,570		12,697,570
Total comprehensive income for the year	-	-	-	103,181,058		103,181,058
Transfer unappropriated retained earnings to statutory reserve	-	-	4,600,000	(4,600,000)		-
Dividend paid	-	-	-	(102,000,000)		(102,000,000)
Balance as at 31 December 2022	340,000,000	424,317,995	27,900,000	144,087,224		936,305,219

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax	128,082,028	141,547,333	101,910,218	152,166,534
Adjustments to reconcile profit before income tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	38,423,678	43,634,507	29,000,253	33,776,877
Allowance for expected credit losses	15,499,175	17,114,056	16,554,370	14,024,392
Allowance for loss on impairment of investment in subsidiaries (reversal)	-	-	4,100,000	(3,400,000)
Loss on return of capital of investment in subsidiary	-	-	-	3,523,888
Share of loss from investments in joint venture and associates	109,343	1,329,803	-	-
Gains on disposal/write-off of land and building for rent	(813,617)	-	(813,617)	-
(Gains) loss on disposal/write-off of building improvements, equipment and right-of-use assets	(168,515)	19,577	(128,121)	27,104
Unrealised exchange gains	(60,570)	(1,722,490)	(101,988)	(1,264,312)
Allowance for project losses (reversal)	(385,609)	(6,108)	745,605	(730,482)
Provision for long-term employee benefits	30,897,378	32,896,020	24,785,255	22,848,744
Written-off withholding tax deducted at source	57,309	144,690	5,374	-
Dividend income	-	-	(47,448,516)	(51,277,808)
Finance income	(14,651,550)	(6,872,247)	(17,098,054)	(10,629,362)
Finance cost	7,879,084	3,766,581	5,039,848	1,488,047
Profit from operating activities before changes in operating assets and liabilities	204,868,134	231,851,722	116,550,627	160,553,622
Operating assets (increase) decrease				
Trade and other receivables	(80,617,923)	(42,466,200)	(90,509,558)	(64,878,541)
Unbilled receivables	78,485,117	(282,328,943)	51,254,778	(257,524,870)
Finance lease receivables	1,231,273	247,334	-	73,530
Work in process and equipment	(7,413,405)	(11,937,900)	-	-
Other current assets	(54,923,420)	(34,229,475)	(44,726,408)	(12,819,486)
Retention receivables	12,934,812	6,577,428	12,193,665	8,124,432
Other non-current assets	4,726,330	25,375	6,100	167,418
Operating liabilities increase (decrease)				
Trade and other payables	(51,657,432)	26,050,777	(13,215,573)	4,195,933
Services income received in advance and advances received from customers	32,097,234	34,783,016	(57,538,126)	(12,271,134)
Other current liabilities	24,224,108	(128,898)	17,777,479	(737,593)
Cash paid for provision for long-term employee benefits	(16,195,217)	(27,070,642)	(11,312,231)	(24,132,075)
Cash flows from (used in) operating activities	147,759,611	(98,626,406)	(19,519,247)	(199,248,764)
Interest received	1,633,055	1,517,600	4,840,381	5,031,048
Interest paid	(7,879,085)	(3,766,581)	(5,028,777)	(1,488,047)
Corporate income tax received	28,309,226	3,678,462	27,095,604	-
Corporate income tax paid	(33,805,617)	(36,514,571)	(17,222,791)	(16,262,305)
Net cash flows from (used in) operating activities	136,017,190	(133,711,496)	(9,834,830)	(211,968,068)

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 2022

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from investing activities				
(Increase) decrease in other current financial assets	2,971,187	(2,772,711)	2,971,537	(2,772,244)
(Increase) decrease in restricted bank deposits	(9,000,000)	6,306,770	(9,000,000)	6,000,000
(Increase) decrease in short-term loans to related parties	-	-	4,500,000	(17,000,000)
Decrease in long-term loan to related party	-	-	350,000	370,000
Cash received from return of capital of investment in subsidiary	-	-	-	6,475,812
Cash paid for additional investment in subsidiary	-	-	(1,250,000)	-
Dividend income from subsidiaries	-	-	47,448,516	51,277,808
Cash paid for investment in joint venture	(624,995)	-	(624,995)	-
Cash paid for investment in associated company	(2,250,000)	(750,000)	(2,250,000)	(750,000)
Dividend received from investment in associated company	449,970	-	-	-
Cash paid for acquisitions of improvements of building for rent	(3,134)	(1,493)	(598,351)	(287,752)
Cash received from disposal/write-off of land and building for rent	1,198,000	-	1,198,000	-
Cash paid for acquisitions of building improvements and equipment	(15,294,763)	(9,815,570)	(8,415,698)	(4,850,822)
Cash paid for acquisitions of intangible assets - computer software	(5,781,273)	(2,267,337)	(5,155,698)	(1,282,936)
Cash received from disposal of equipment and right-of-use assets	3,212,725	1,151,304	1,657,659	1,146,306
Net cash flows from (used in) investing activities	(25,122,283)	(8,149,037)	30,830,970	38,326,172
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	101,321,082	35,808,712	103,000,000	-
Cash received from long-term loan from financial institution	36,660,000	-	36,660,000	-
Payment of principal portion of lease liabilities	(16,012,734)	(20,324,711)	(10,396,819)	(14,808,779)
Dividend paid	(101,914,596)	(33,981,670)	(101,914,596)	(33,981,671)
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	(263,984)	(395,942)	-	-
Net cash flows from (used in) financing activities	19,789,768	(18,893,805)	27,348,585	(48,790,450)
Effect of exchange rate on cash and cash equivalents	(30,610)	152,261	36,072	135,818
Net increase (decrease) in cash and cash equivalents	130,654,065	(160,602,077)	48,380,797	(222,296,528)
Cash and cash equivalents at the beginning of year	331,255,297	491,857,374	97,320,674	319,617,202
Cash and cash equivalents at the end of year	461,909,362	331,255,297	145,701,471	97,320,674

Supplemental cash flow information:

Non-cash transactions

Increase (decrease) in accounts payable from purchase of building improvements, equipment and intangible assets	8,003,559	(230,314)	3,871,691	(239,312)
Purchases of vehicles under lease agreements	14,603,700	12,081,206	5,244,556	7,030,248
Transfer of right-of-use assets to equipment and vehicles	3,352,169	2,667,329	2,653,494	1,171,829
Transfer of land and buildings to investment properties	42,353	1,229,369	42,353	647,401
Increase (decrease) in dividend payables	85,404	(112,920)	455,680	18,329

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 2022

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.

During the current year, Mr. Teerachai Rattanakamolporn acquired additional ordinary shares of the Company, resulting in a total shareholding of 107.5 million ordinary shares. As at 31 December 2022, the Company has five major shareholders that are Mr. Teerachai Rattanakamolporn, Mr. Sathaporn Ngamruangpong, Mr. Amnat Promsut, Mr. Thakorn Rattanakamolporn and Mr. Suppachok Tantivit.

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	
			<u>2022</u> Percent	<u>2021</u> 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
TEAM Next Company Limited (formerly known as “Management Solutions International Company Limited”)	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
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, joint venture, 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 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 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 2023

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 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group 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 sales 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 and retention receivables

An unbilled receivable is the excess of cumulative revenue earned over the billings to date. Unbilled receivables are transferred to trade 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 Work in process and equipment

Work in process and equipment is valued at the lower of cost (under the specific method) or net realisable value.

4.6 Non-current assets classified as held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company will classify assets held for sale when the sale is highly probable, which is completed within one year from the date of the classification. In addition, the asset is available for immediate sale in its present condition.

4.7 Investments in subsidiaries, joint venture, and associates

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

Investments in subsidiaries, joint venture 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.

4.8 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.

4.9 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.

4.10 Intangible assets/Amortisation

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.

4.11 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.

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.

4.12 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 joint venture and 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.

4.13 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.

4.14 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, joint venture and associates, investment properties and 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.

4.15 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.

4.16 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.

4.17 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.

4.18 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.

4.19 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		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	33	28	Contract price or cost plus margin
Dividend income	-	-	47	51	As declared
Management fee income	-	-	64	57	Contract price or cost plus margin
Building rental income	-	-	2	2	Contract price
Interest income	-	-	5	4	Interest rates of 3.82 - 6.12% per annum (2021: Interest rates of 3.83 - 5.83% per annum)
Other income	-	-	6	9	Cost plus margin or as agreed
Cost of service	-	-	46	62	Contract price or cost plus margin
Other expenses	-	-	1	1	Cost plus margin or as agreed
<u>Transactions with associates</u>					
Service income	1	1	1	-	Contract price
Other income	1	-	1	-	Contract price
Cost of service	1	-	1	-	Contract price
Dividend income	1	-	-	-	As declared
<u>Transactions with related parties</u>					
Service income	9	1	9	1	Contract price
Cost of service	1	3	1	3	Contract price
Other expenses	-	1	-	1	Contract price or market price

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade and other receivables - related parties</u>				
<u>Service contract receivables - related parties</u>				
(Note 7)				
Subsidiaries	-	-	25,100	26,836
Associates	151	104	49	-
Related companies (common shareholders/ common director)	2,749	416	2,749	416
Total	2,900	520	27,898	27,252
Less: Allowance for expected credit losses	-	-	(694)	(512)
Total service contract receivables - net	2,900	520	27,204	26,740
<u>Other receivables - related parties (Note 7)</u>				
Subsidiaries	-	-	62,612	42,184
Related company (common shareholders and directors)	-	8	-	8
Total	-	8	62,612	42,192
Less: Allowance for expected credit losses	-	-	(1,337)	(1,178)
Total other receivables - net	-	8	61,275	41,014
Total trade and other receivables - related parties - net	2,900	528	88,429	67,754
<u>Retention receivables - related parties</u>				
Subsidiaries	-	-	1,183	2,596
Total retention receivables - related parties	-	-	1,183	2,596
<u>Advance payments for cost of service</u>				
<u>- related party</u>				
Related company (common shareholders and directors)	-	93	-	93
Total advance payments for cost of service	-	93	-	93
- related party	-	93	-	93

Short-term loans to related parties

As at 31 December 2022 and 2021, the balance of short-term loans between the Company and its subsidiaries and the movement in loans are as follows:

(Unit: Thousand Baht)

Short-term loan	Related by	Separate financial statements			Balance as at 31 December 2022
		Balance as at 31 December 2021	Increase during the year	Decrease during the year	
ATT Consultants Company Limited	subsidiary	74,500	-	(2,500)	72,000
TLT Consultants Company Limited	subsidiary	5,000	-	-	5,000
TWI Consultants Company Limited	subsidiary	2,000	-	(2,000)	-
		<u>81,500</u>	<u>-</u>	<u>(4,500)</u>	<u>77,000</u>

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 2022 and 2021, the balance of long-term loan between the Company and its subsidiary and the movement in loan is as follows:

(Unit: Thousand Baht)

Long-term loan	Related by	Separate financial statements			Balance as at 31 December 2022
		Balance as at 31 December 2021	Increase during the year	Decrease during the year	
ATT Consultants Company Limited	subsidiary	1,300	-	(350)	950

This loan contract grants a credit facility of Baht 2.3 million, 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 is unsecured. The loan carries interest at the rate announced by the Company minus 2 percent, with the rate referenced to MLR.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade and other payables - related parties</u>				
<u>Trade payables - related parties (Note 18)</u>				
Subsidiaries	-	-	44,227	14,619
Associate	387	-	387	-
Total trade payables - related parties	387	-	44,614	14,619
<u>Other payables - related parties (Note 18)</u>				
Subsidiaries	-	-	684	523
Related companies (common shareholders and directors)	-	181	-	181
Total other payables - related parties	-	181	684	704
<u>Retention payable - related parties</u>				
Subsidiaries	-	-	90	90
Related company (common shareholders and directors)	-	463	-	463
Total retention payable - related parties	-	463	90	553
<u>Accrued expenses - related party</u>				
Related company (common shareholders and directors)	-	111	-	111
Total accrued expenses - related parties	-	111	-	111
Total trade and other payables - related parties	387	755	45,388	15,987

Directors and management's remuneration

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	50	55	31	29
Post-employment benefits	3	3	6	1
Total	53	58	37	30

Guarantee obligations with related parties

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

7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	49	-	2,461	2,517
Past due				
Up to 3 months	2,851	520	8,553	7,346
3 - 6 months	-	-	4,738	6,934
6 - 12 months	-	-	10,624	7,148
Over 12 months	-	-	1,522	3,307
Total	2,900	520	27,898	27,252
Less: Allowance for expected credit losses	-	-	(694)	(512)
Total trade receivables - related parties, net	2,900	520	27,204	26,740
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	127,803	128,872	71,845	73,152
Past due				
Up to 3 months	138,940	139,371	111,593	122,317
3 - 6 months	54,203	24,204	43,462	18,058
6 - 12 months	45,811	5,730	43,594	4,565
Over 12 months	95,524	84,698	75,106	56,935
Total	462,281	382,875	345,600	275,027
Less: Allowance for expected credit losses	(16,115)	(18,528)	(12,754)	(11,654)
Total trade receivables - unrelated parties, net	446,166	364,347	332,846	263,373
Total trade receivables - net	449,066	364,867	360,050	290,113

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Other receivables</u>				
Other receivables - related parties	-	8	62,612	42,192
Other receivables - unrelated parties	2,706	3,802	2,669	3,772
Accrued interest income	527	73	474	55
Total	3,233	3,883	65,755	46,019
Less: Allowance for expected credit losses	(1,758)	(839)	(3,074)	(1,994)
Total other receivables - net	1,475	3,044	62,681	44,025
Total trade and other receivables - net	450,541	367,911	422,731	334,138

The normal credit term is 14 to 90 days.

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	19,367	14,115	14,160	11,813
Provision for expected credit losses	10,967	11,844	13,216	10,752
Recognises interest income	(3,462)	(2,339)	(6,594)	(4,089)
Amount recovered	(5,580)	(365)	(1,738)	(365)
Amount written off	(3,361)	(4,473)	(2,467)	(4,473)
Effect from foreign exchange	(58)	585	(55)	522
Ending balance	17,873	19,367	16,522	14,160

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

8.1 Contract balances

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Unbilled receivables	785,921	864,406	524,731	575,986
Less: Allowance for expected credit losses	(7,687)	(3,260)	(4,276)	(1,921)
Total unbilled receivables - net	778,234	861,146	520,455	574,065
Retention receivables	93,892	106,827	58,155	70,349
Service income received in advance and advances received from customers				
Service income received in advance	349,268	301,141	136,443	177,552
Advances received from customers	204,599	220,629	133,176	149,605
Total	553,867	521,770	269,619	327,157

As at 31 December 2022, the Group has the balances of unbilled receivables amounted to approximately Baht 575 million (the Company only: Baht 401 million) is expected to bill with customers within 1 year (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).

8.2 Revenue recognised in relation to contract

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue recognised during the year that was included in service income received in advance at the beginning of the year	249,297	261,594	165,862	167,333
Revenue recognised during the year from changes in variable considerations of performance obligations satisfied in previous years	13,846	2,238	11,848	(4,672)

8.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2022, revenue totaling to Baht 3,859 million (the Company only: Baht 2,434 million) (2021: Baht 3,245 million, the Company only: Baht 2,077 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 8 years (the Company only: 8 years) (2021: 7 years, the Company only: 7 years).

9. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Prepaid expenses	13,197	10,322	11,018	8,561
Advance payments for cost of service	19,036	33,032	16,730	31,687
Value added tax refundable	1,110	1,180	-	-
Purchase vat awaiting tax invoices	11,638	7,842	4,759	2,512
Withholding tax	11,094	7,342	-	-
Others	8,874	8,694	3,075	3,096
Total other current assets	<u>64,949</u>	<u>68,412</u>	<u>35,582</u>	<u>45,856</u>

10. 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.

11. 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	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
			(Percent)	(Percent)								
ATT Consultants Company Limited	21	20	100.00	100.00	47.7	46.4	-	-	47.7	46.4	-	9.8
Geotechnical & Foundation Engineering Company Limited	10	10	100.00	100.00	12.3	12.3	-	-	12.3	12.3	21.0	14.0
TEAM Next Company Limited (formerly known as "Management Solutions International Company Limited")	10	10	100.00	100.00	14.9	14.9	(5.5)	(5.5)	9.4	9.4	-	-
TEAM SQ Company Limited	10	10	100.00	100.00	11.8	11.8	-	-	11.8	11.8	-	5.7
TEAM Construction Management Company Limited	10	10	100.00	100.00	15.2	15.2	-	-	15.2	15.2	23.2	10.5
TLT Consultants Company Limited	10.25	10.25	48.77	48.77	5.5	5.5	-	-	5.5	5.5	3.2	11.3
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	(4.5)	(0.4)	-	4.1	-	-
Total investments in subsidiaries					132.5	131.2	(27.1)	(23.0)	105.4	108.2	47.4	51.3

ATT Consultants Company Limited

On 8 July 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 of ATT Consultants Company Limited passed a resolution to increase the registered share capital by Baht 5 million, from Baht 20 million (200,000 ordinary shares with a par value of Baht 100 each) to Baht 25 million (250,000 ordinary shares with a par value of Baht 100 each). ATT Consultants Company Limited has called for payment Baht 1.25 million (50,000 ordinary shares with a par value of Baht 25 each), representing 25 percent of the company's newly issued registered capital and the Company has already paid for the shares in proportion to its investment.

TLT Consultants Company Limited

On 7 December 2022, the Extraordinary General Meeting of Shareholders No.1/2022 of TLT Consultants Company Limited, a subsidiary, approved a decrease of the company's preferred shares by Baht 5.25 million (52,500 preferred shares with a par value of Baht 100 per share). TLT Consultants Company Limited registered the capital decrease with the Ministry of Commerce on 1 February 2023.

12. Investment in joint venture

12.1 Details of joint venture held through the Company.

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Consolidated financial statements				Carrying amounts based on equity method	
			Shareholding percentage		Cost		method	
			<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			(percent)	(percent)				
D T X Company Limited	Providing services related to contract development of tools and technologies for analysing big data	Thailand	50	-	625	-	625	-
Total investment in joint venture					<u>625</u>	<u>-</u>	<u>625</u>	<u>-</u>

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			<u>2022</u> (percent)	<u>2021</u> (percent)	<u>2022</u>	<u>2021</u>
D T X Company Limited	Providing services related to contract development of tools and technologies for analyzing big data	Thailand	50	-	625	-
Total investment in joint venture					625	-

During the current year, the Company invested in ordinary shares of D T X Company Limited, which was incorporated and registered with the Ministry of Commerce on 6 December 2022, with a registered share capital is Baht 5 million (500,000 ordinary shares with a par value of Baht 10 each) and 25% of the registered share capital had been called up and paid for by the Company in proportion to its investment. In January 2023, D T X Company Limited called for the payment of shares, representing 75% of the remaining called-up share capital and the Company has already paid for the shares in proportion to its investment.

On 17 January 2023, the Extraordinary General Meeting of Shareholders No.1/2023 of D T X Company Limited approved an increase of Baht 25 million in the registered share capital, from Baht 5 million (500,000 ordinary shares with a par value of Baht 10 each) to Baht 30 million (3,000,000 ordinary shares with a par value of Baht 10 each). In January 2023, D T X Company Limited called for the payment of Baht 15 million (2,500,000 ordinary shares with a par value of Baht 6 each), representing 60% of the company's new shares. The Company has paid for the shares in proportion to its investment in January 2023.

13. Investments in associates

13.1 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		2022	2021	2022	2021
			(percent)	(percent)				
Krungthep Geotechnique Company Limited	Providing services in exploration and testing of geotechnical materials	Thailand	30	30	1,500	1,500	3,472	3,229
IGL Synergy Co., Ltd.	Providing services in engineering consultancy and project management	The Lao People's Democratic Republic	30	30	1,064	1,064	-	-
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	6,728	6,781
Asset Activator Company Limited	Providing property technology related services	Thailand	30	30	3,000	750	1,966	466
Total investments in associates					12,564	10,314	12,166	10,476
Less: Classified as non-current asset held for sales*					(3,000)	-	(1,966)	-
Less: Allowance for impairment loss on investment					(1,064)	(1,064)	-	-
Investments in associates - net					8,500	9,250	10,200	10,476

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2022 (percent)	2021 (percent)	2022	2021
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	30	3,000	750
Total investments in associates					10,000	7,750
Less: Classified as non-current asset held for sales*					(3,000)	-
Total investments in associates					7,000	7,750

Asset Activator Company Limited

During the current year, Asset Activator Company Limited has called up the remaining share capital and the Company has already paid for the shares in proportion to its of the investment.

* On 14 November 2022, the Board of Directors Meeting No. 9/2022 of the Company passed a resolution to approve the disposal of the Company's entire investment in Asset Activator Company Limited to D T X Company Limited. In February 2023, the Company received full payment and completed the transfer of rights to the ordinary shares. The Company has therefore classified such investments as non-current assets held for sale in the statement of financial position as at 31 December 2022.

Pratumwan Smart District Cooling Company Limited

On 3 January 2023, the Extraordinary General Meeting of Shareholders No.1/2023 of Pratumwan Smart District Cooling Company Limited approved an increase of Baht 340 million in the registered share capital, from Baht 50 million (500,000 ordinary shares with a par value of Baht 100 each) to Baht 390 million (3,900,000 ordinary shares with a par value of Baht 100 each) and initially called up Baht 85 million (3,400,000 ordinary shares of Baht 25 each), representing 25% of the company's new shares. The Company paid for the shares in proportion to its investment in January 2023

The new associated company

On 14 November 2022, the Board of Directors Meeting No. 9/2022 of the Company passed a resolution to approve the Company's investment in a newly established company. This company will be engaged in the business related to water resource management, with a registered share capital of Baht 2,000 million. The Company will invest Baht 400 million, representing a 20% interest in such company. Currently, the process of establishing this new company is being carried out.

13.2 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Krungthep Geotechnique Company Limited	693	61	-	-
IGL Synergy Co., Ltd.	-	(1,081)	-	95
Pratumwan Smart District Cooling Company Limited	(52)	(27)	-	-
Asset Activator Company Limited	(750)	(283)	-	-
Total	<u>(109)</u>	<u>(1,330)</u>	<u>-</u>	<u>95</u>

13.3 Financial information about material associates

Summarised information about financial position

(Unit: Thousand Baht)

	Krungthep Geotechnique		Pratumwan Smart District	
	Company Limited		Cooling Company Limited	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current assets	11,475	7,016	47,408	48,521
Non-current assets	3,144	4,620	900	700
Current liabilities	2,408	323	246	788
Non-current liabilities	638	550	-	-

Summarised information about comprehensive income

(Unit: Thousand Baht)

	Krungthep Geotechnique		Pratumwan Smart District Cooling	
	Company Limited		Company Limited	
	For the year ended 31 December			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue	22,354	14,895	62	49
Profit (loss)	2,310	202	(371)	(190)
Total comprehensive income	2,310	202	(371)	(190)

14. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 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	
<u>Less: Accumulated depreciation</u>	(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 2022:							
Cost	1,839	1,380	3,219	35,069	1,380	36,449	
<u>Less: Accumulated depreciation</u>	(561)	(567)	(1,128)	(26,191)	(567)	(26,758)	
Net book value	1,278	813	2,091	8,878	813	9,691	

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	2,441	1,241	9,786	9,195
Additions	3	2	598	288
Transfer from property, plant and equipment	42	1,229	42	647
Disposal/write-off during the year - net book value	(361)	-	(384)	-
Depreciation for the year	(34)	(31)	(351)	(344)
Net book value at end of year	<u>2,091</u>	<u>2,441</u>	<u>9,691</u>	<u>9,786</u>

The fair value of the investment properties as at 31 December 2022 and 2021 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land and office buildings for rent	3,249	3,141	25,374	25,266
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 8 million (2021: Baht 9 million) as collateral against credit facilities received from financial institutions, as described in Note 17 to the consolidated financial statements.

15. Property, plant and equipment

(Unit: Thousand Baht)

	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		
Cost								
As at 1 January 2021	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	
Additions	-	286	-	13,050	2,793	3,257	19,386	
Transfer from right-of-use assets	-	-	-	13,122	11,139	-	24,261	
Transfer to investment properties	(29)	(28)	-	-	-	-	(57)	
Disposals/write off	-	(386)	-	(6,735)	(7,760)	-	(14,881)	
Transfer in (out)	-	2,664	593	-	-	(3,257)	-	
As at 31 December 2022	72,782	200,328	5,125	140,580	11,088	-	429,903	

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Buildings and building improvements	Solar cell and smart chiller equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Accumulated depreciation							
As at 1 January 2021	-	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
Depreciation for the year	-	1,778	544	10,099	598	-	13,019
Transfer from right-of-use assets	-	-	-	13,090	7,724	-	20,814
Transfer to investment properties	-	(15)	-	-	-	-	(15)
Depreciation on disposals/write off	-	(223)	-	(6,545)	(5,046)	-	(11,814)
As at 31 December 2022	-	159,322	1,053	114,736	5,763	-	280,874
Net book value							
As at 31 December 2021	72,811	40,010	4,023	23,051	2,429	-	142,324
As at 31 December 2022	72,782	41,006	4,072	25,844	5,325	-	149,029
Depreciation for the year							
2021 (Baht 3 million included in cost of services and the balance in administrative expenses)							14,950
2022 (Baht 4 million included in cost of services and the balance in administrative expenses)							13,019

(Unit: Thousand Baht)

Cost	Separate financial statements						Total
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation		
As at 1 January 2021	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
Additions	-	250	9,455	-	2,664		12,369
Transfer from right-of-use assets	-	-	11,839	8,367	-		20,206
Transfer to investment properties	(29)	(28)	-	-	-		(57)
Disposals/write off	-	(265)	(4,278)	(3,438)	-		(7,981)
Transfer in (out)	-	2,664	-	-	(2,664)		-
As at 31 December 2022	71,050	165,312	108,201	6,849	-		351,412

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	
Accumulated depreciation						
As at 1 January 2021	-	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 from 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
Depreciation for the year	-	1,808	7,443	392	-	9,643
Transfer from right-of-use assets	-	-	11,813	5,645	-	17,458
Transfer to investment properties	-	(15)	-	-	-	(15)
Depreciation on disposals/write off	-	(146)	(4,217)	(2,086)	-	(6,449)
As at 31 December 2022	-	131,229	89,963	5,001	-	226,193
Net book value						
As at 31 December 2021	71,079	33,109	16,261	870	-	121,319
As at 31 December 2022	71,050	34,083	18,238	1,848	-	125,219
Depreciation for the year						
2021 (Baht 2 million included in cost of services and the balance in administrative expenses)						11,726
2022 (Baht 3 million included in cost of services and the balance in administrative expenses)						9,643

As at 31 December 2022, certain building, 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 78 million (the Company only: Baht 61 million) (2021: Baht 58 million, the Company only: Baht 45 million).

The Company has mortgaged land and structures thereon amounting to approximately Baht 105 million (2021: Baht 104 million) as collateral against credit facilities received from financial institutions, as described in Note 17 to the consolidated financial statements.

16. Intangible assets

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost	132,736	127,094	104,379	99,304
Accumulated amortisation	(86,170)	(75,599)	(63,500)	(54,673)
Net book value	<u>46,566</u>	<u>51,495</u>	<u>40,879</u>	<u>44,631</u>
Amortisation expenses included in the profit or loss for the year	<u>10,571</u>	<u>10,215</u>	<u>8,827</u>	<u>8,343</u>

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	51,495	59,895	44,631	52,190
Acquisitions of computer software	5,584	1,815	5,075	784
Increase from development within the business	58	-	-	-
Amortisation	(10,571)	(10,215)	(8,827)	(8,343)
Net book value at end of year	<u>46,566</u>	<u>51,495</u>	<u>40,879</u>	<u>44,631</u>

17. Bank overdrafts and short-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated financial		Separate	
Interest rate		statements		financial statements	
(% p.a.)		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Bank overdrafts	Rate of saving deposits+1.00, MOR and MOR-1.00	196	9,475	-	-
Promissory notes	Rate of 4.03 and 4.10, rate of saving deposits+1.00, rate of fixed deposit 24 months+2.00, MLR-1.50 and MMR	168,600	58,000	103,000	-
Total		<u>168,796</u>	<u>67,475</u>	<u>103,000</u>	<u>-</u>

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

18. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related parties		387	-	44,614	14,619
Trade payables - unrelated parties		60,611	52,499	37,658	30,443
Other payables - related parties		-	181	684	704
Other payables - unrelated parties		24,629	14,933	14,992	10,541
Retention payables		2,605	4,599	1,430	2,494
Accrued expenses		75,175	139,308	31,367	80,583
Total trade and other payables		<u>163,407</u>	<u>211,520</u>	<u>130,745</u>	<u>139,384</u>

19. Long-term loan from financial institution

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Long-term loan from financial institution	36,660	-
Less: Current portion	(2,136)	-
Long-term loan - net of current portion	<u>34,524</u>	<u>-</u>

Movements in the long-term loan from financial institution account for the year 2022 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Balance at beginning of year	-
Additional borrowings	36,660
Balance at end of year	<u>36,660</u>

On 9 March 2022, the Company entered into a long-term loan agreement with a local commercial bank for a credit facility of Baht 38.4 million. The loan carries interest at the rate specified in the agreement. The loan principal is to be repaid in 108 monthly installments, starting in July 2023. The loan is secured by assets and the transfer of rights over receipt of payment in the contract of water supply system project.

Under the conditions of the loan agreement, the Company agrees not to mortgage or otherwise encumber its assets with any other parties throughout the loan agreement period. The loan agreement contains several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreement.

20. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred output tax	38,651	26,178	27,818	18,898
Withholding tax payable	5,469	5,718	3,094	4,051
Value added tax payable	22,072	6,772	14,015	3,707
Others	2,376	4,819	1,750	2,147
Total other current liabilities	68,568	43,487	46,677	28,803

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 to 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Buildings	Office equipment	Motor vehicles	Total
As at 1 January 2021	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	160	2,448	37,125	39,733
Additions	-	242	14,362	14,604
Transfer to property, plant and equipment	-	(32)	(3,415)	(3,447)
Write-off during the year - net book value as at write-off date	-	(30)	-	(30)
Depreciation for the year	(120)	(1,497)	(13,181)	(14,798)
As at 31 December 2022	40	1,131	34,891	36,062

(Unit: Thousand Baht)

	Separate financial statements		
	Office equipment	Motor vehicles	Total
As at 1 January 2021	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
Additions	-	5,245	5,245
Transfer to property, plant and equipment	(26)	(2,722)	(2,748)
Write-off during the year - net book value as at write-off date	(29)	-	(29)
Depreciation for the year	(1,046)	(9,133)	(10,179)
As at 31 December 2022	580	20,875	21,455

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	39,432	41,207	23,896	29,727
Less: Deferred interest expenses	(2,706)	(3,040)	(1,447)	(2,095)
Total	36,726	38,167	22,449	27,632
Less: Portion due within one year	(14,126)	(14,018)	(9,323)	(9,718)
Lease liabilities - net of current portion	22,600	24,149	13,126	17,914

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	38,167	46,410	27,632	36,821
Additions	14,603	12,082	5,245	7,030
Accretion of interest	1,842	2,123	1,187	1,488
Repayments	(17,855)	(22,448)	(11,584)	(16,297)
Cancellation of the lease agreements	(31)	-	(31)	-
Transfer the right of the lease agreements to the subsidiaries	-	-	-	(1,410)
Balance at end of year	<u>36,726</u>	<u>38,167</u>	<u>22,449</u>	<u>27,632</u>

A maturity analysis of lease payments is disclosed in Note 34.1 to the consolidated 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 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	14,798	18,439	10,179	13,364
Interest expense on lease liabilities	1,842	2,123	1,187	1,488
Expense relating to short-term leases	1,297	1,388	979	293

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 18 million (the Company only: Baht 12 million) (2021: Baht 24 million, the Company only: Baht 17 million) including the cash outflow related to short-term lease and leases of low-value assets.

21.2 Group as a lessor

The Group has entered into long-term agreements for the water recycling system, water supply system and solar power generation system, with lease terms ranging from 10 to 26 years. Under these agreements, the Group act as an investor in the water recycling system, water supply system and solar power generation system. The agreements are not defined as legal leases, but are defined as leases under TFRS 16 Leases because the customer has the right to use the assets, and the Group receives consideration in the form of monthly sales of water and electricity. A summary of undiscounted lease payments receivable under finance leases as at 31 December 2022 and 2021 is presented below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Within 1 year	4,018	2,263	1,668	28
Over 1 and up to 5 years	25,071	11,785	14,890	1,416
Over 5 years	71,651	9,792	66,111	2,266
Total	100,740	23,840	82,669	3,710
Less: Deferred interest income	(27,844)	(4,713)	(24,173)	(214)
Net investment in the finance leases	72,896	19,127	58,496	3,496

Amounts recognised in profit or loss for finance leases for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Selling profit for finance leases	6,822	1,437	6,822	-
Interest income on the net investment in finance leases	1,242	189	416	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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Defined benefit obligation at beginning of year	271,587	296,180	192,138	220,434
Included in profit or loss:				
Current service cost	24,849	28,871	20,772	20,091
Interest cost	6,048	4,025	4,013	2,757
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	894	2,774	-	-
Financial assumptions changes	(13,061)	(25,376)	(11,833)	(17,021)
Experience adjustments	(3,305)	(7,816)	(4,039)	(9,991)
Benefits paid during the year	<u>(16,195)</u>	<u>(27,071)</u>	<u>(11,312)</u>	<u>(24,132)</u>
Provisions for long-term employee benefits at end of year	<u>270,817</u>	<u>271,587</u>	<u>189,739</u>	<u>192,138</u>

The Group expects to pay Baht 35 million of long-term employee benefits during the next year (the Company only: Baht 32 million) (2021: Baht 31 million, the Company only: Baht 27 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits is 13 - 16 years (the Company only: 13 years) (2021: 13 - 17 years, the Company only: 14 years).

Significant actuarial assumptions are summarised below.

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	2.96 - 3.44	2.29 - 2.83	3.06	2.38
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 2022 and 2021 are summarised below:

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(24)	28	(16)	19
Salary increase rate	27	(23)	18	(16)

(Unit: Million Baht)

	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(25)	29	(17)	19
Salary increase rate	28	(24)	19	(16)

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 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 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Service income	1,569,780	1,737,347	890,539	1,117,115
Revenue from sales of water and electricity	1,472	19,375	1,420	3,570
Revenue from sales of water supply and water recycling system	52,415	2,585	52,415	2,585
Total	1,623,667	1,759,307	944,374	1,123,270

25. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest received from bank deposits	846	1,238	149	707
Interest received from loans	-	-	4,695	4,188
Interest received from finance lease	1,242	189	416	44
Interest income from reversing allowance for expected credit losses	12,564	5,445	11,838	5,690
Total	14,652	6,872	17,098	10,629

26. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expenses on borrowings	6,037	1,644	3,853	-
Interest expenses on lease liabilities	1,842	2,123	1,187	1,488
Total	7,879	3,767	5,040	1,488

27. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries and wages and other employee benefits	911,319	990,904	548,789	602,359
Survey expenses and subcontractors costs	325,879	242,451	134,041	256,993
Depreciation and amortisation	38,424	43,635	29,000	33,777

28. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	29,522	31,791	14,511	20,665
Adjustment in respect of income tax of previous year	(606)	-	(240)	-
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	(3,897)	(2,098)	(2,844)	403
Income tax expense reported in profit or loss	<u>25,019</u>	<u>29,693</u>	<u>11,427</u>	<u>21,068</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gain	3,094	6,084	3,174	5,403

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	128,082	141,547	101,910	152,167
Income tax in Thailand's corporate income tax rate of 20%	25,616	28,309	20,382	30,433
Adjustment in respect of income tax of previous year	(606)	-	(240)	-
Effects of:				
Promotional privileges	(41)	(306)	-	-
Non-deductible expenses	16,410	5,297	14,134	4,212
Exemption of income	(13,363)	(2,408)	(22,707)	(12,706)
Additional expense deductions allowed	(1,995)	(265)	(236)	(208)
Unused tax loss in the current year	78	31	-	-
Utilisation of previously unrecognised tax losses	-	(544)	-	-
Share of loss from investments in joint venture and associates	22	266	-	-
Other	(1,102)	(687)	94	(663)
Total	9	1,384	(8,715)	(9,365)
Income tax expenses reported in profit or loss	25,019	29,693	11,427	21,068

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Provision for long-term employee benefits	54,164	54,318	37,948	38,427
Unused tax losses	2,021	951	-	-
Effect on elimination of intercompany transactions	2,299	2,560	-	-
Others	337	189	335	186
Total	58,821	58,018	38,283	38,613

As at 31 December 2022, the subsidiaries have unused tax losses totaling Baht 0.4 million (2021: Baht 0.1 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.

The unused tax losses amounting to Baht 10 million will expire by 2027.

29. Earnings per share

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

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit attributable to equity holders of the Company (Thousand Baht)	103,085	111,543	90,483	131,099
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.15	0.16	0.13	0.19

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 consolidated financial statements.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2022 and 2021, respectively.

(Unit: Million Baht)

	For the year ended 31 December 2022						Elimination	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 project segment	Energy, power, oil and gas, petrochemical and related industry, underground structure project segment			Geotechnical engineering and underground structure project segment
Revenues from external customers	217	174	146	343	227	142	1,624	-	1,624
Segment profit (loss)	(1)	51	48	119	64	45	422	-	422
Other income									30
Share of loss from investments in joint venture and associates									-
Administrative expenses									(316)
Finance cost									(8)
Profit before income tax expenses									128
Income tax expenses									(25)
Profit for the year									103

(Unit: Million Baht)

For the year ended 31 December 2021

	Transportation and logistics project segment	Water resources project segment	Urban, building and infrastructure project segment	Project management and supervision construction 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	410	230	204	296	200	132	155	132	1,759	-	1,759
Segment profit	92	72	45	84	47	29	38	34	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

Geographic information

Revenues from external customers set up by customer location.

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
Revenues from external customers		
Project domestic segment	1,492	1,660
Project international segment	132	99
Total	<u>1,624</u>	<u>1,759</u>

Major customers

In 2022, the Group had service revenues from major customers, which consisted of a group of government and state enterprise, amounting to Baht 1,015 million (2021: Baht 1,169 million).

31. Provident funds

The Group 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 year 2022 were recognised as expenses amounting to Baht 24 million (the Company only: Baht 16 million) (2021: Baht 25 million, the Company only: Baht 16 million).

32. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Dividend for year 2020	Annual General Meeting of the shareholders on 29 April 2021	34.0	0.05
Total		<u>34.0</u>	<u>0.05</u>
Dividend for year 2021	Annual General Meeting of the shareholders on 26 April 2022	102.0	0.15
Total		<u>102.0</u>	<u>0.15</u>

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2022, the Group had capital commitment of approximately Baht 1 million (the Company only: Baht 1 million) (2021: Baht 7 million, the Company only: Baht 6 million) relating to the acquisition of tools, office equipment and computer software.

33.2 Service commitments

As at 31 December 2022, the Group has the following service commitments:

- a) The Group has commitments totaling Baht 95 million (the Company only: Baht 58 million) (2021: Baht 211 million, the Company only: Baht 181 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) (2021: 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 2022, the Company had provided guarantees totaling Baht 720 million (2021: Baht 720 million) for bank credit facilities on behalf of its subsidiaries.

33.4 Bank guarantees

As at 31 December 2022 and 2021, 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	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Guarantee of service contracts, advance payment and bidding	770	775	599	615
Guarantee of retention	118	103	94	76
Other guarantees	2	2	2	2
Total	<u>890</u>	<u>880</u>	<u>695</u>	<u>693</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, retention receivables, bank overdrafts and short-term loans from financial institution, trade and other payables, lease liabilities and long term loan from financial institution. 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, restricted bank deposits and retention receivables. 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 2022 and 2021, 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.3	1.1	-	0.1	34.5624	33.4199
LAK	76.3	32.0	-	-	0.0020	0.0030

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.2	0.7	-	0.1	34.5624	33.4199

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 2022 and 2021 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 financial institutions, lease liabilities and long term loan from financial institution. 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 2022 and 2021, 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						Non-interest bearing				Total		Effective interest rate		
		Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Effective interest rate		
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Financial assets																
Cash and cash equivalents		699	782	85	-	-	-	344,971	271,488	116,154	58,985	461,909	331,255	0.05 - 0.70	0.05 - 1.10	
Trade and other receivables		-	-	-	-	-	-	-	-	450,541	367,911	450,541	367,911	-	-	
Finance lease receivables		1,597	1,410	14,598	8,747	56,700	8,970	-	-	-	-	72,895	19,127	2.75 - 5.48	0.80 - 5.50	
Other current financial assets		1,144	4,115	-	-	-	-	-	-	-	-	1,144	4,115	0.25 - 0.45	0.10 - 0.20	
Restricted bank deposits		60,923	51,923	3,750	3,750	-	-	-	-	-	-	64,673	55,673	0.15 - 0.70	0.05 - 1.10	
Retention receivables		-	-	-	-	-	-	-	-	93,892	106,827	93,892	106,827	-	-	
Total		64,363	58,230	18,433	12,497	56,700	8,970	344,971	271,488	660,587	533,723	1,145,054	884,908			
Financial liabilities																
Bank overdrafts and short-term loans																
from financial institutions		37,500	7,500	-	-	-	-	131,296	59,975	-	-	168,796	67,475	Note 17	Note 17	
Trade and other payables		-	-	-	-	-	-	-	-	163,407	211,520	163,407	211,520	-	-	
Long term loan from financial institution																
institution		2,136	-	21,360	-	13,164	-	-	-	-	-	36,660	-	4.47	-	
Lease liabilities		14,126	14,018	22,600	24,149	-	-	-	-	-	-	36,726	38,167	4.33 - 8.00	4.39 - 6.93	
Total		53,762	21,518	43,960	24,149	13,164	-	131,296	59,975	163,407	211,520	405,589	317,162			

(Unit: Thousand Baht)

Separate financial statements

As at 31 December

	Fixed interest rates				Floating interest rate				Non-interest bearing		Effective interest rate			
	Within 1 year		1 - 5 years		Within 1 year		1 - 5 years		bearing		interest rate			
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
Financial assets														
Cash and cash equivalents	-	-	-	-	75,715	61,338	-	-	69,986	35,983	145,701	97,321	0.05 - 0.50	0.05 - 0.50
Trade and other receivables	-	-	-	-	-	-	-	-	422,731	334,138	422,731	334,138	-	-
Finance lease receivables	-	6,918	1,302	51,578	2,194	-	-	-	-	-	58,496	3,496	2.75 - 4.43	0.80
Short-term loans to related parties	-	-	-	-	77,000	81,500	-	-	-	-	77,000	81,500	6.12	5.83
Other current financial assets	907	3,878	-	-	-	-	-	-	-	-	907	3,878	0.25 - 0.45	0.10 - 0.20
Long-term loan to related party	-	-	-	-	-	-	950	1,300	-	-	950	1,300	4.12	3.83
Restricted bank deposits	52,160	43,160	-	-	-	-	-	-	-	-	52,160	43,160	0.25 - 0.50	0.10 - 0.30
Retention receivables	-	-	-	-	-	-	-	-	58,155	70,349	58,155	70,349	-	-
Total	53,067	47,038	1,302	51,578	152,715	142,838	950	1,300	550,872	440,470	816,100	635,142		
Financial liabilities														
Bank overdrafts and short-term loans from financial institutions	30,000	-	-	-	73,000	-	-	-	-	-	103,000	-	Note 17	Note 17
Trade and other payables	-	-	-	-	-	-	-	-	130,745	139,384	130,745	139,384	-	-
Long term loan from financial institution	2,136	-	21,360	13,164	-	-	-	-	-	-	36,660	-	4.47	-
Lease liabilities	9,323	9,718	13,126	17,914	-	-	-	-	-	-	22,449	27,632	4.33 - 5.03	4.39 - 6.76
Total	41,459	9,718	34,486	13,164	73,000	-	-	-	130,745	139,384	292,854	167,016		

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 2022 and 2021 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 financial institutions, lease contracts and long term loan from financial institution. Approximately 75 percent of the Group's debt will mature in less than one year at 31 December 2022 (2021: 75 percent) (the Company only: 70 percent, 2021: 71 percent) 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 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	174,196	-	-	174,196
Trade and other payables	-	163,407	-	-	163,407
Long term loan from financial institution	-	3,755	26,729	14,095	44,579
Lease liabilities	-	15,521	23,911	-	39,432
Total	-	356,879	50,640	14,095	421,614

(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 financial institutions	-	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)

		Separate financial statements			
		As at 31 December 2022			
	On	Less than	1 to 5		
	demand	1 year	years	> 5 years	Total
Bank overdraft and short-term loans					
from financial institutions	-	108,147	-	-	108,147
Trade and other payables	-	130,745	-	-	130,745
Long term loan from financial					
institution	-	3,755	26,729	14,095	44,579
Lease liabilities	-	10,132	13,764	-	23,896
Total	-	252,779	40,493	14,095	307,367

(Unit: Thousand Baht)

		Separate financial statements			
		As at 31 December 2021			
	On	Less than	1 to 5		
	demand	1 year	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

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 2022 and 2021, the Group's debt-to-equity ratio is summarised below:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Debt-to-equity ratio	1.26	1.14	0.85	0.77

36. Event after the reporting period

On 23 February 2023, the meeting of the Company's Board of Directors No. 1/2023 passed the following resolutions.

- A) Propose to the shareholders' meeting to consider and approve the dividend payment from the Company's 2022 net profit to the shareholders. The dividends will be paid in the form of ordinary shares of the Company in the amount of not more than 136,000,000 shares with a par value of Baht 0.5 per share to the Company's shareholders at the rate of 5 existing shares per 1 stock dividend, totaling not more than Baht 68,000,000 or equivalent to a dividend payout ratio of Baht 0.10 per share. However, in case any shareholder has a fraction of the original shares after the stock dividend allocation, they will instead receive dividends in cash at a rate of Baht 0.10 per share as well as receive cash dividends at a rate of Baht 0.011111111111 per share, with a total amount not exceeding Baht 7,555,556. The stock dividend and dividend payment is scheduled for 22 May 2023.
- B) Propose to the shareholders' meeting to consider and approve the issuance and allocation of warrants to purchase ordinary shares of the Company No. 1 (TEAMG-W1), totaling not more than 136,000,000 units, to existing shareholders of the Company in proportion to their shareholding (Rights Offering) at a rate of 5 existing shares per 1 unit of warrants. The issuance of the warrants will be free of charge.
- C) Propose to the shareholders' meeting to consider and approve the issuance of the Company's ordinary shares for sale to the employees of the Group under the TEAMG-ESOP project in the amount of not more than 2 million units, with an offering price of Baht 0.5 per share.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2023.