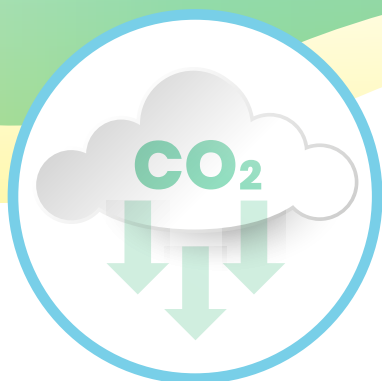


TEAM GROUP

Driving Forward Environmentally-Friendly Businesses

45th
ANNIVERSARY



Annual Registration Statement /
Annual Report (Form 56-1 One Report)

2022




Annual Report 2022

Annual Registration Statement / Annual Report 2022
(Form 56-1 One Report)

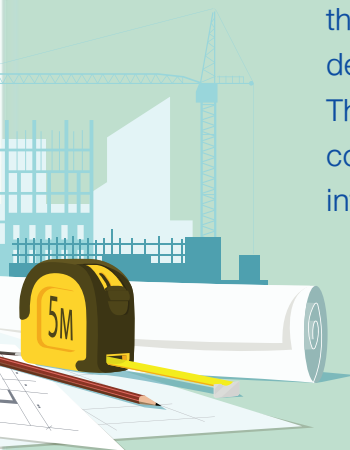


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“Any referenced information in this report disclosed on the Company’s website at www.teamgroup.co.th shall be deemed that such information is part of this 56-1 One Report. The Board of Directors is responsible for the correctness and completeness of those referenced information as well as the information presented in this 56-1 One Report form.”

Message from the Chairman of the Board



In 2022, although the economy had experienced recovery due to alleviation of the COVID-19 pandemic and associated curbs, many challenges remained, including the volatility of the global economy, impacts from the Russo-Ukrainian War, rising oil prices, inflation, natural and human-induced disasters, political instability and so forth.

As such, we have conducted business with prudence. In this regard, TEAMG, a well-prepared and well-adapted firm, has constantly adjusted its strategic and business plans to accommodate current circumstances and various factors along with the implementation of its risk management plan. The objective is to sustainably generate growth for TEAMG and returns for shareholders, committees, executives and employees.

Thanks to the cooperation and dedication of executives and employees, TEAMG has overcome all constraints lately, leading to satisfactory performance in 2022.

Apart from its commitment to sustainably generating growth and returns, TEAMG has placed importance on business operations based on sustainable development by practicing good corporate governance, social responsibility and environmental friendliness. The execution focuses on enhancing service capability and developing technologies and innovations to achieve net zero goals in terms of greenhouse gas emissions for sustainable environmental conservation.

The year 2023 is a special year that marks the 45th anniversary of the foundation of TEAMG. I would like to extend my sincere thanks to the “**sturdy power**” of our executives and employees who exhibit determination and perseverance as well as energy, tenacity and intelligence to prevail over current challenges. As a result, TEAMG has become the leading engineering and management consultancy firm in Thailand and Southeast Asia today.

My sincere thanks also go to clients, shareholders, investors, business partners and related parties for the reliability, fiduciary, opportunity and support they give to TEAMG on a continuous basis. On behalf of the Board of Directors, we pledge our commitment to continue operating in line with good corporate governance principles, addressing our stakeholders’ welfare and embracing social and environmental responsibility. In addition, we will continue to deliver excellent outputs, pursue sustainable growth and generate returns and benefits for stakeholders in order to promote the value of our corporate image and contribute to national development.

Mr. Rapee Phongbupakicha
Chairman of the Board

Message from the CEO



The COVID-19 epidemic has recently eased and in its aftermath the implementation of both government and private projects has continued anew thanks to the reopening of the country. As such, in 2022 TEAMG was awarded many more projects, especially abroad, and corporate income began to rise after several years of slowdown. TEAMG thus grew at the expected rate in 2022 and had a backlog valued at over four billion Baht. The company continues to grow in accordance with national economic recovery.

Apart from business growth, our self-esteem also stems from the **Excellent CG Scoring** rated by the Thai Institute of Directors (IOD) in the 2022 Corporate Governance Report of Thai Listed Companies (CGR) as well as the 100/100 scoring given by the Thai Investors Association (TIA) in the **Quality Assessment of the 2022 Annual General Meetings of Shareholders**.

In 2023, TEAMG will remain committed to its vision of being **“A regional solution provider and innovative business developer”**. Thanks to continuous adjustment, we have unlocked the door to business excellence growth in the digital world. Digital technology has been adopted to upgrade our consulting service standards, enhance operational efficiency, and minimize environmental impacts. We have developed innovations to reduce use of natural resources while exceeding clients' expectations. With such higher standards, our services can certainly contribute to and become an integral part of national development in the long term.

The year 2023 also marks the 45th anniversary of TEAMG. Given our long-established presence and success in the consulting business arena, TEAMG is stable in every aspect and well furnished with knowledge and expertise. Energetic and kindled by creativity, we will grow further. I strongly believe that the capacity of our executives and staff will drive TEAMG's thrust to achieve our vision via professional and service excellence.

On this occasion, I would like to express my deep appreciation to TEAMG staffs for their dedicated efforts to make TEAMG a leading consulting company that always keeps abreast of latest changes and technology and overcomes all constraints and challenges. My sincere thanks also go to shareholders, directors and all business partners who have provided generous cooperation and support. I am confident that, with strong synergy, TEAMG will make continuous progress to generate satisfactory benefits for shareholders and the public as well as to be instrumental in driving national development on a sustainable basis.

A handwritten signature in black ink, appearing to read 'Aphichat Sramoon'.

Dr. Aphichat Sramoon
Chief Executive Officer

Company Background



Initial Steps with Strong Confidence

Prior to 1978, Thailand was accelerating the development of infrastructure and improving its socioeconomic structure to match industrialized countries at that time. Foreign engineering consulting firms then played a vital role and rapidly expanded their businesses in Thailand. With farsighted vision and confidence in the potential of Thai engineers, a small group of Thai engineers established **TEAM Consulting Engineers Company Limited** in 1978 (currently TEAM Consulting Engineering and Management Public Company Limited or TEAMG) to provide comprehensive engineering consulting services with a strong commitment to service excellence and following international standards.

The First Decade: Accumulating Experience

Inaugurated with only a few staff members, TEAMG provided integrated engineering consulting services in the domain of water resource and environmental management. The services ranged from surveys, site studies to environmental analysis for projects related to water source development and irrigation systems in remote areas, dam construction and piped water systems nationwide.

The Second Decade: Growing Steadily

In the second decade of operation, TEAMG grew and developed businesses and services continuously. The Company expanded into urban and regional development, community development, transportation infrastructure and traffic management, provision of public utilities, and energy supply. Its **one-stop services** successfully reduced complexity and redundancy in project implementation. As a result, TEAMG won clients' satisfaction and trust and became well recognized domestically and internationally as a consulting conglomerate that provided the most comprehensive services in Thailand.

The Third Decade: A Well-established Business

TEAMG stepped into its third decade with a solid foundation. Thanks to multidisciplinary teams and vigorous cooperation from domestic and international partners, TEAMG became a leading consulting and related business

group in Thailand with credentials both in-country and abroad, namely Cambodia, Lao PDR, Myanmar, Nepal, Sri Lanka, Timor-Leste, Vietnam and Yemen. The Company also expanded its scope of services to cover transportation and logistics, power utilities, management and public relations.

The Fourth Decade: Towards Endless Opportunities

TEAMG grew proudly in its fourth decade in which a new milestone was established when it was transformed into a public limited company on 12 July 2018. The Company's ordinary shares were listed as listed securities and have been traded on the Stock Exchange of Thailand since then. This change provided the Company with potential to raise more capital for business and investment, which was part of the ongoing expansion, and to increase service efficiency.

Currently, TEAMG has expanded its business into investment in public utility projects to increase recurring income. This is an important step in delivering more comprehensive services. Still, the Company is continuously developing technology and innovations to provide a wider range of services to meet all aspects of clients' needs. All staff members are committed to teamwork to achieve corporate goals and drive stable and sustainable growth in the future.

For over four decades, TEAMG's personnel have contributed their professionalism and ability to build **strong team synergy** and deliver world-class services. In 2023, in its 45th year of operation, the Company is trusted and recognized by leading organizations both in Thailand and overseas, as a foremost services provider in integrated consulting and related businesses in the region. Achievements in more than 3,100 projects are testimony to TEAMG's service quality that has always generated optimal client satisfaction.

To celebrate its 45th anniversary on 12 July 2023, TEAMG will further pledge its commitment to fostering team spirit, enhancing operational efficiency and promoting the environmental, social and governance (ESG) agenda. The Company will be unwavering in its pursuit of professional and service excellence to fulfil its vision of being **"A regional solution provider and innovative business developer"**.



TEAMG in the Spotlight



With over 45 years of experience, TEAMG has become a top contender in Thailand's consulting business arena and is now targeting the goal of becoming **"the regional solution provider and innovative business developer"** based on corporate policy. In the past, and indeed today, to maintain business expansion, we have adopted the Environmental, Social and Governance concept or ESG using cutting-edge innovations for environmental conservation that embrace renewable energy technology as well as preservation of water sources. Also, we have applied in-depth technology – the digital twin – with in-depth engineering issues to enhance our operational effectiveness, resulting in knowledge integration in various fields and the elevated skills of our engineers. Through continuous amelioration of management approaches, upgrading of services, staff capacity building as well as staying ahead of the game in terms of technological innovation, we remain prompt to deliver excellent services and superior work quality for our clients.

Accumulated Experience, Knowledge Acquisition

For more than 45 years, we have accumulated experience and compiled knowledge – in other words our "intellectual treasure trove" – the strong foundation for a consulting business today. Through knowledge transfer

from generation to generation plus regular training and development in both theory and practice, our workforce has gained experience and expertise in diverse areas, enabling it to respond to clients' comprehensive needs. These attributes have created confidence and trust among clients domestically and in the ASEAN region.

Advanced Technologies, Progressive Innovations

TEAMG has always valued the development of technologies and innovations. The River Network Model has made TEAMG a water expert while drones or unmanned aerial vehicles enhance surveying activities. The Building Information Model or BIM that assists with data collection and the creation of 3D models of buildings has helped to improve the quality of architectural, engineering and construction endeavors. This technology has also contributed to the analysis and development of smart cities as well as asset and infrastructure management, resulting in increased income, reduced expense and shorter time requirements for projects. Also, we have always embraced new technologies and innovations, such as the digital twin. The digital twin is an engineering technology that transfers concrete object data into a computer system, in other words, from the physical world into its digital counterpart. The digital twin can provide essential data and features of the concrete



object in a real-time manner so that further adjustment, appropriate development, cost savings and prompt solutions are forthcoming. Therefore, the employment of the digital twin for engineering works will help TEAMG expand and optimize output quality and also minimize challenges formerly faced. In this context, we have collaborated with Asset Activator, based in Bangkok. Asset Activator is expert in digital twin technology and this cooperation has helped to consolidate our output.

One-stop Services

One of TEAMG's strengths lies in one-stop services delivered by experienced and knowledgeable teams. Our diversified expertise encompasses, inter alia, the domains of transport and logistics, water resource management, building and infrastructure development, environmental management, energy management and technology adoption, all backstopped by related corporate businesses. Our services cover, among other fields, master planning studies, feasibility studies, survey and design, environmental study and assessment, project management, and construction supervision, as well as other relevant operations. In other words, our one-stop services are delivered from the start to the end of the project for ultimate client satisfaction.

Sustaining Collaboration

Partners have been key allies during TEAMG's four decades of stable growth. Our strong domestic and international partners are ready to cooperate in developing and enhancing our organization on its path towards a vigorous and sustainable future. We have entered into cooperation agreements with business entities, state enterprises and educational institutions, with related objectives and values. This is a means of fortifying our academic background further and developing our human resources so that we are prompt to deliver quality services and work more efficiently for our clients while also continuing expansion into the ASEAN region. TEAMG's diverse network of active partners from Indonesia, Japan, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, the USA and Vietnam has helped to enhance its capacity and extend its scope of services efficiently.

Power of Teamwork, Power of TEAMG

Teamwork has always been TEAMG's most important strength. From its inception, all its achievements have been attributable to the determination, dedication, perseverance and unity among all of its 1,400 staff members, based in Thailand and overseas, who are prompt to deliver optimum outputs for clients.

Highlight Projects

1. Detailed Design of the MRT Purple Line Project
Tao Pun - Rat Burana (Kanchanapisek Road): CKST-PL Joint
Venture



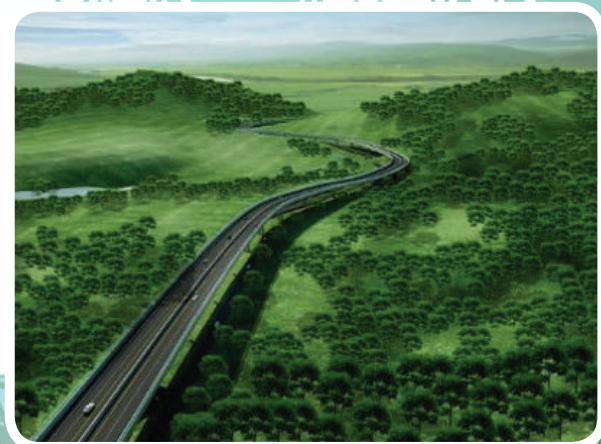
2. The Construction of Den Chai-Chiang Rai-Chiang
Khong Railway Project: State Railway of Thailand



3. Technical In-House Consultant for Bureau of
Location and Design, Department of Highways: Department
of Highways



4. Survey and Design of 4-Lane Highway No.3267,
Ang Thong-Bangkhamod Sub-district section: Department
of Highways

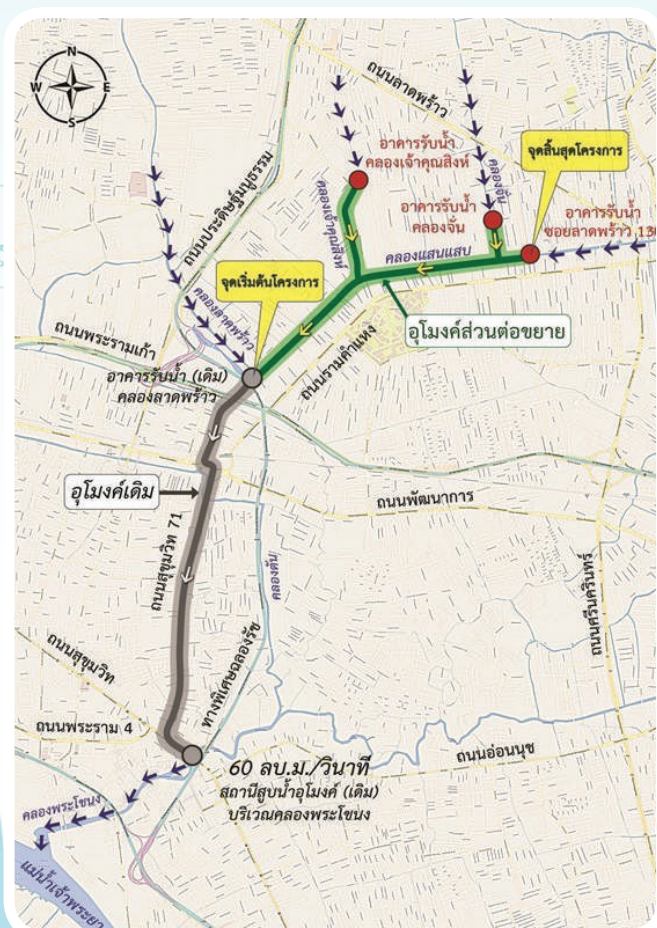




5. Survey and Design of 4-Lane Highway No.117, Uttaradit–Phu Du section, Pa Khanun–Sak Yai intersection: Department of Highways



6. Construction Supervision of Khlong Prem Prachakon Drainage Tunnel from Khlong Bang Bua into the Chao Phraya River: BMA



7. Construction Supervision of Khlong Saen Saep Drainage Tunnel from Khlong Saen Saep and Khlong Lat Phrao Drainage Tunnel to Soi Lat Phrao 130 Project: Department of Drainage and Sewerage, BMA

8. Construction Supervision of Mahasawat water treatment plant expansion to 800,000 cu.m/day and related work (Contract SV-901): Metropolitan Waterworks Authority



9. Construction Supervision of pumping stations, clear water tanks, procurement, and installation of pumps and substation and related work (Contract SV-904): Metropolitan Waterworks Authority



10. Design and improvement of raw water conveyance capacity in the west side of Prapa Canal and related work by the Company: Metropolitan Waterworks Authority



11. Dam Break Analysis and Emergency Action Plan of Bang Phra Dam: Royal Irrigation Department



12. Feasibility Study of the improvement of the left side of the Greater Mae Klong Irrigation Project in Kanchanaburi, Suphan Buri, Ratchaburi, Nakhon Pathom, Samut Sakhon, and Samut Songkhram Provinces: Royal Irrigation Department





13. Instrumentation for Lamsapung Dam (Main Dam) Phase 2: Royal Irrigation Department



14. 18 Instrumentation projects of the Dam for RID: Royal Irrigation Department



15. Preparation of Supporting ESIA Documents for Paklay HPP, Lao PDR: Sinohydro (Hong Kong) Holding Limited and Gulf Energy Development PCL.



16. Detailed Design for the Medical Hub of Somdech Phra Nangchao Sirikit: Naval Medical Department, Royal Thai Navy



17. Project Management Consultant for the Aerial Cable Replacement to Underground Cable Systems–Arun Amarin Road, Bangkok: Metropolitan Electricity Authority

18. Project Management Consultant for the Aerial Cable Replacement to Underground Cable Systems of the MRT Purple Line Extension (Bangkok-Nonthaburi Road and Tiwanon Road): Metropolitan Electricity Authority



19. Project Management and Construction Supervision of ASPIRE Sukhumvit – Rama 4: AP (Thailand) Public Company Limited



20. Project Management and Construction Supervision of NUE Evo Ari Condo Project: Noble Development Public Company Limited



21. Project Management and Construction Supervision of Bangkok Hospital Pluakdaeng : Krung Thep Rayong Hospital Company Limited

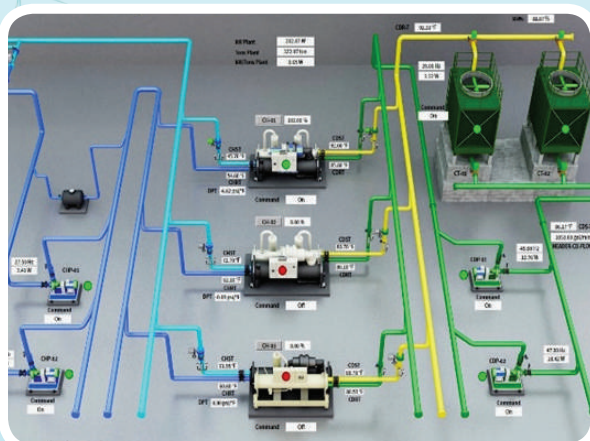




22. Improvement and optimization of the centralized air conditioning system (Chiller) for PEA Buildings in 12 areas: Provincial Electricity Authority



23. Digital Twin Development Project: a Pilot Project for Managing Public Utilities and Properties in Samut Sakhon Industrial Estate



24. Management Consultant of the Project on Adjustment and Development of Chiller System Efficiency: TEAM Consulting Engineering and Management PCL.

Major Achievements (Awards)



Corporate Governance Report of Thai Listed Companies 2022

In 2022, the Company has been awarded “Excellent” level of recognition (5 stars) for the corporate governance practices by the Corporate Governance Report of Thai Listed Companies (CGR), undertaken by the Thai Institute of Directors Association (Thai IOD).

Moreover, the Company and TEAM SQ Co., Ltd. (a subsidiary of the Company) have been awarded a plaque of achievement and pride from the Council of Engineers as the designer of the new Council of Engineers building.



In 2020, the Company received the [International Finance Awards 2020](#) in Best Engineering Consulting Service Company - Thailand category from the [International Finance Magazine \(IFM\)](#), England, an award given to organizations in the consulting engineering business for their outstanding performance and internationally recognized quality. From the Company's more than 45 years of work, together with adhering to the value of SQT: Service – customer oriented, Quality - quality work according to on-time and professional engineering standards, Teamwork - working as a team, good coordination, trustworthy to their work and committed to the engineering professionalism.



In 2013, the Company received the **International Milestone Project** from the **International Commission of Large Dams** as the designer of the Nam Ngum II Rock Fill Dam Project which was nominated by the International Commission on Large Dams.



In 2011, the Company received the **“ASEAN Outstanding Engineering Achievement Award”** from the 29th Conference of ASEAN Federation of Engineering Organizations on Outstanding and Largest Consulting Group as an honor to the outstanding contributions to engineering projects, which significantly have contributed to the country's national development.



Board of Directors



1 Mr. Rapee Phongbupakicha
Chairman of the Board
Independent Director



2 Mr. Amnat Prommasutra
Deputy Chairman



3 General Wichien Sirisoonthorn
Independent Director



4 Mrs. Suvimol Chrityakierne
Independent Director



5 Assoc. Prof. Dr. Chamlong Prabkeao
Independent Director



6 Mr. Chawalit Chantararat
Director



7 Mr. Kittipol Bunnim
Director



8 Mr. Prasong Wangrattanapranee
Director



9 Dr. Aphichat Sramoon
Director

Audit Committee



1 Mr. Rapee Phongbupakicha
Chairman of the Audit Committee



2 General Wichien Sirisoonthorn
Member of the Audit Committee



3 Mrs. Suvimol Chrityakierne
Member of the Audit Committee

Nomination and Compensation Committee



1 General Wichien Sirisoonthorn
Chairman of the Nomination
and Compensation Committee



2 Mr. Chawalit Chantararat
Member of the Nomination
and Compensation Committee



3 Mr. Kittipol Bunnim
Member of the Nomination
and Compensation Committee

Executive Committee and Advisors



1 Dr. Aphichat Sramoon
Chairman of the Executive Committee



2 Mr. Nakorn Sanyasiri
Member of the Executive Committee



3 Mr. Pawak Vongpichate
Member of the Executive Committee



4 Dr. Teerawut Juirnarongrit
Member of the Executive Committee



5 Mr. Sompot Suwapit
Member of the Executive Committee



6 Mrs. Penpilai Phonchaipanich
Member of the Executive Committee



7 Mr. Chawalit Chantararat
Advisor



8 Mr. Kittipol Bunnim
Advisor



9 Mr. Prasong Wangrattanapranee
Advisor



10 Dr. Sirinimit Boonyuen
Advisor

Corporate Governance and Sustainability Committee



1 Mr. Rapee Phongbupakicha
Chairman of the Corporate Governance and Sustainability Committee



2 Mr. Amnat Prommasutra
Member of the Corporate Governance and Sustainability Committee



3 General Wichien Sirisoonthorn
Member of the Corporate Governance and Sustainability Committee



4 Mrs. Suvimol Chrityakierne
Member of the Corporate Governance and Sustainability Committee



5 Assoc. Prof. Dr. Chamlong Prabkeao
Member of the Corporate Governance and Sustainability Committee



6 Mr. Chawalit Chantararat
Member of the Corporate Governance and Sustainability Committee



7 Mr. Kittipol Bunnim
Member of the Corporate Governance and Sustainability Committee



8 Mr. Prasong Wangrattanapranee
Member of the Corporate Governance and Sustainability Committee



9 Dr. Aphichat Sramoon
Member of the Corporate Governance and Sustainability Committee

Risk Management Committee



1 Dr. Aphichat Sramoon
Chairman of the Risk Management Committee



2 Mr. Nakorn Sanyasiri
Member of the Risk Management Committee



3 Dr. Teerawut Juirnarongrit
Member of the Risk Management Committee



4 Mr. Sompat Suwapit
Member of the Risk Management Committee



5 Mr. Meererck Passara
Member of the Risk Management Committee



6 Mr. Talerng Ngamkajornwiwat
Member of the Risk Management Committee



7 Mr. Phongton Kusoljit
Member of the Risk Management Committee



8 Ms. Datchanee Kongsiriwattana
Member of the Risk Management Committee



9 Mrs. Netchanok Tapinta
Member of the Risk Management Committee



10 Mr. Naris Denpaiboon
Member of the Risk Management Committee



11 Mr. Salyawate Prasertwitayakarn
Member of the Risk Management Committee



12 Mr. Worapong Preecha
Member of the Risk Management Committee



13 Mrs. Penpilai Phonchaipanich
Member of the Risk Management Committee



14 Ms. Mayuree Khuayjarernpanishk
Member of the Risk Management Committee



15 Ms. Nuanprae Patramai
Member of the Risk Management Committee
Secretary of the Risk Management Committee

Management Team



1 Dr. Aphichat Sramoon
Chief Executive Officer



2 Mr. Nakorn Sanyasiri
Deputy CEO – Operation



3 Mr. Pawak Vongpichate
Deputy CEO – Related
Businesses



4 Dr. Teerawut Juirnarongrit
Chief Operating Officer



5 Mr. Sompat Suwapit
Chief Investment Officer



6 Mrs. Penpilai Phonchaipanich
Chief Financial Officer

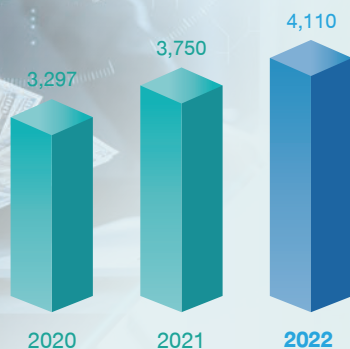
Financial Highlights

Financial Highlights	2022	2021	2020	2019	2018
Income Statement (Million Baht)					
Sales and Service Income	1,623.7	1,759.3	1,705.0	1,836.0	1,654.2
Cost of Sales and Service*	1,202.0	1,318.3	1,249.8	1,291.8	1,107.1
Administrative expenses*	316.1	322.6	320.5	408.8	418.0
Profit for the year	103.1	111.9	119.4	115.5	113.6
Statement of Financial Position (Million Baht)					
Current Assets	1,783.7	1,650.2	1,471.7	1,346.8	1,328.8
Non-Current Assets	546.9	526.4	536.7	539.5	499.2
Total Assets	2,330.6	2,176.6	2,008.4	1,886.3	1,828.0
Current Liabilities	973.1	864.6	770.4	663.2	693.0
Non-Current Liabilities	328.0	295.7	323.7	295.2	207.7
Total Liabilities	1,301.1	1,160.3	1,094.1	958.4	900.7
Shareholders' Equity	1,029.5	1,016.3	914.3	927.9	927.3
Financial Ratio					
Number of Shares (Million shares)	680.00	680.00	680.00	680.00	680.00
Par Value (Baht/share)	0.50	0.50	0.50	0.50	0.50
Book Value (Baht/share)	1.51	1.49	1.34	1.36	1.36
Earnings Per Share** (Baht/share)	0.15	0.16	0.18	0.17	0.19
Return on Asset Ratio (%)	4.6%	5.3%	6.1%	6.2%	7.3%
Return on Equity Ratio (%)	10.1%	11.6%	13.0%	12.4%	16.2%
Debt-to-Equity Ratio (time)	1.3	1.1	1.2	1.0	1.0

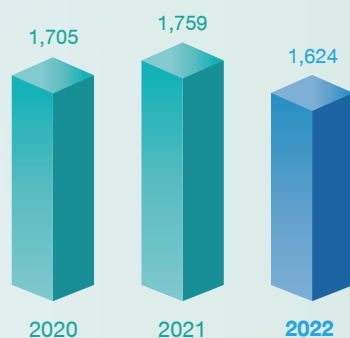
*Including depreciation and amortization

**Calculated by weighted average number of ordinary shares

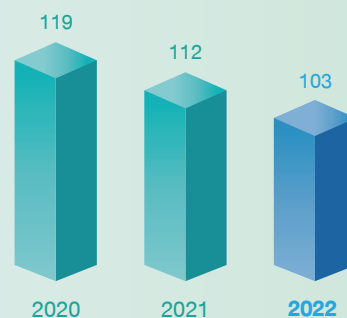
Operating Results



Backlog

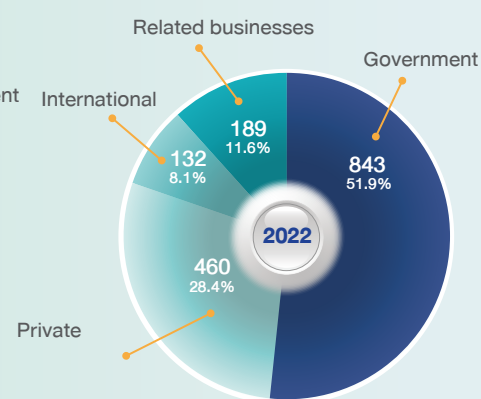
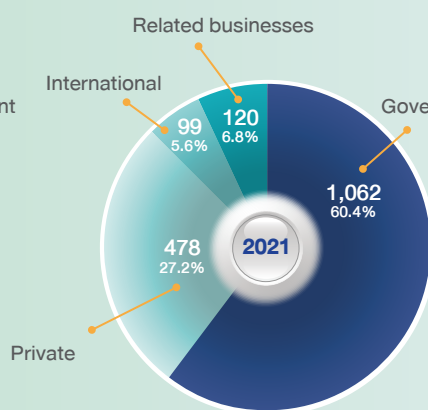
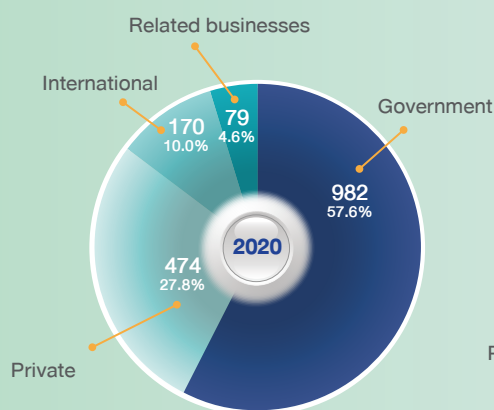


Sales and Service income

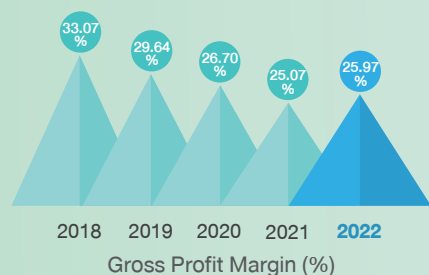


Profit

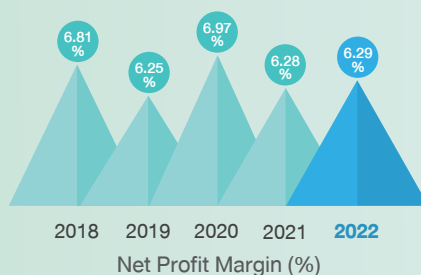
Revenue Structure by Segment



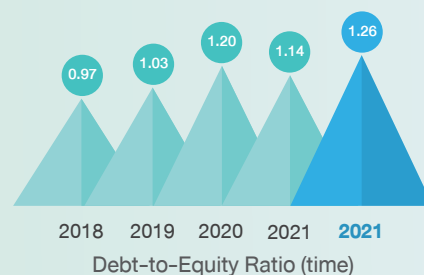
Financial Ratio



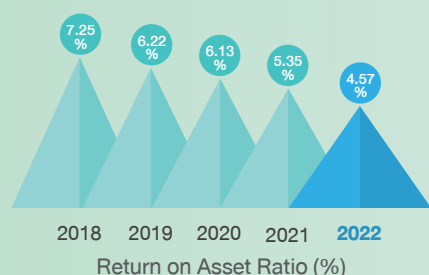
Gross Profit Margin (%)



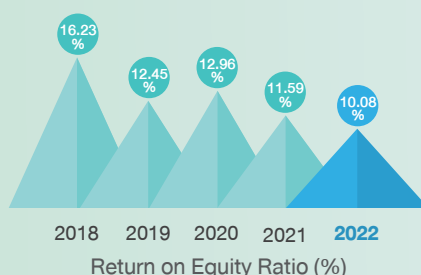
Net Profit Margin (%)



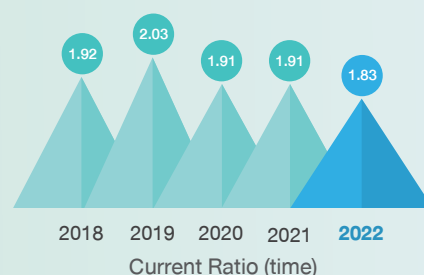
Debt-to-Equity Ratio (time)



Return on Asset Ratio (%)



Return on Equity Ratio (%)



Current Ratio (time)

*Including depreciation and amortization

**Calculated by weighted average number of ordinary shares





Part 1

Business Operation and **Operating Results**



1. The Company's Operational Structure

1.1 Policy and Business Overview

The Company and its subsidiaries provide integrated engineering and environmental consulting services. The followings are the seven subsidiaries of the Company that are still in operation:

- 1) ATT Consultants Company Limited ("ATT"), a consultant firm specializing in energy, power, oil, gas, petrochemicals, and related industries, as well as ports and utilities;
- 2) Geotechnical and Foundation Engineering Company Limited ("GFE"), which provides geotechnical, foundation, and underground structural consultancy services;
- 3) TEAM Construction Management Company Limited ("TEAM-CM") which specializing in project management and construction supervision for all kinds of buildings;
- 4) TEAM SQ Company Limited ("TEAM SQ"), a firm that specializes in planning, interior design, landscape architecture and urban development;
- 5) TLT Consultants Company Limited ("TLT") which provides environmental impact assessment report preparation services;
- 6) LTEAM Sole Company Limited ("LTEAM") which provides environmental impact assessment report services in Lao PDR; and
- 7) TEAM Next Company Limited ("TEAM NEXT"), a firm that invests in a wide range of public and private projects, including concessions, various construction projects, and others.

1.1.1 Vision, mission, values, objectives, strategies and goals of the Company's business operations.



Vision

A regional solution provider and innovative business developer



Mission

To provide customers with services of highest quality by a competent team



Values

SQT (Service, Quality, Teamwork)

S-Service:

- Customer Centered
- Accountability
- Ethics

Q-Quality:

- Knowledge-based
- Professional Standard
- On-time Delivery

T-Teamwork:

- Synchronization
- Unity
- Borderless



2021-2025 Company's Business Strategies

In 2021, the Company set its 2021-2025 vision to be “A regional solution provider and innovative business developer” with the following business goals:

1 To maintain its integrated consulting service leadership, by providing consulting services in the upstream to completing works in the downstream.

3 To implement the Company's 4 Engines Policy, i.e. the Public Sector, Private Sector, International Sector and Related Businesses.

5 To develop technology and management system to increase the efficiency of the Company's operations.

6 To recruit and manage personnel from various fields to work synergistically and efficiently.

2 To expand its business into investments by leveraging the Group of Companies' consulting and partners' expertise.

4 To accelerate the expansion of related businesses and non-consulting business investments to generate returns that are equivalent to the returns from its consulting business, such as renewable energy projects, water supply projects, etc.

7 To reduce greenhouse gas emissions by taking action and collaborating with relevant agencies.

8 To be a leading organization that people want to work for.



1.1.2 Major changes and developments

Background

TEAM Consulting Engineers Company Limited (now TEAM Consulting Engineering and Management Public Company Limited-TEAMG) was founded in 1978 by a group of engineers to provide water resources engineering and environmental consulting services, preceding to developing the services in the fields of architectural services, urban development, energy, transportation and traffic, as well as buildings, utility management and integrated management. TEAMG has grown to become one of Thailand's largest consulting firms with strong competitiveness both in Thailand and abroad. Its highly skilled and experienced staffs of more than 1,400 are dedicated to exceeding the valued client's expectations.

After over 45 years of innovation and development, we are currently a premier provider of cost-effective, integrated solutions in diverse market sectors – from transportation and logistics, building and infrastructure, water resources, environment, energy, management to public relations. To date, we have executed more than 3,100 domestic and cross-border projects.

With our strengths lying in our professional approach focusing on service, quality and teamwork, vast experience and strong commitment to clients, we are among the forefront in Thailand, and are now taking a big step toward regional excellence.

On 20 March 2018, the Company has been converted into a public listed company in the Service industry group, category of Professional Services. The Initial Public Offering (IPO) took place during 4 and 6 July 2018, and since 12 July 2018, TEAMG started its trading on the Stock Exchange of Thailand (SET). The Company now has a registered and paid-up capital of 340,000,000 Baht, which is divided into 680,000,000 ordinary shares having a par value of 0.50 Baht each. Since project management and construction supervision generated the majority of the Company's revenue, the Company relocated to the Property & Construction industry group in the category of Construction Services on 1 July 2020 to provide the services of feasibility study, detailed design, project management and construction supervision, and environmental management with expertise in water resources and environment engineering, urban design, urban development, energy, logistics, traffic, and building and infrastructure.

Control over the Company in the past year, change of shareholds structure, management, or business operations or significant events during the past three years

On 31 March 2022, the Securities and Exchange Commission (SEC) announced that Mr. Teerachai Rattanakamolporn and Ms. Thidarat Suamornrattanakul, the person under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) of Mr. Teerachai Rattanakamolporn, had acquired shares of TEAM Consulting Engineering and Management Public Company Limited as of 30 March 2022, with the total number of securities acquired representing 11.7867 percent of the total voting rights of the Company.

Mr. Teerachai's shareholding and the person under section 258 of Mr. Teerachai's shareholding have changed the top 10 shareholders of the Company's shareholding structure, with Mr. Teerachai as the number one major shareholder. However, the change in shareholding structure has no effect on the Company's management structure, management, or business policies.

Major changes and developments in 2020-2022

► Year 2020

(1) The Company invested in a 90.09 kWp solar rooftop system to convert solar energy, which is a clean source of energy, into electricity for usage in the TEAM building. As a result of the electric power generated by the system, TEAM building has consumed less energy from fossil fuel, reduced global warming while also assisting in the reduction of the TEAM building's electrical costs.

(2) In November 2020, ATT Consultants Company Limited (ATT), a subsidiary of the Company, signed a Solar Power Purchase Agreement (Solar Rooftop) with Siam Quality Steel Company Limited. ATT will invest in the installation of solar panels and other related structures on the roof of the factory, with a capacity of approximately 0.6 MW and will distribute electricity to Siam Quality Steel Company Limited for a period of 10 years.

(3) In December 2020, the Company established a joint venture company namely, Prathumwan Smart District Cooling Company Limited with 2 investors i.e. (1) BCPG Public Company Limited and (2) Keppel DHCS Pte. Ltd. in order to operate the business of installing and managing the District Cooling system for the distribution of chilled water in the commercial area of Suanluang-Samyang to buildings in such area as Chulalongkorn University.

► Year 2021

(1) In May 2021, ATT Consultants Company Limited (ATT), a subsidiary of the Company, signed the Solar Power Purchase Agreement (Solar Rooftop) with Linh Gas Cylinder Company Limited. ATT will invest in the installation of solar panels and other related structures on the roof of the factory, with capacity of approximately 1.0 MW and will distribute electricity to Linh Gas Cylinder Company Limited for a period of 10 years.

(2) In September 2021, the Company established a joint venture company, Asset Activator Company Limited, with four joint venture partners: (1) Maneuver Holding Company Limited, (2) Bay Computing Company Limited, (3) Cons Robotics Company Limited, and (4) Mr. Ponn Virulrak in order to expand and increase business opportunities with regard to the Property Technology. The Company holds shares in the ratio of 30 percent of the registered capital.

(3) In September 2021, the Company signed the Water Treatment and Water Supply System for Sawanpracharak Hospital (New Branch) Project Agreement. The Company will invest in the construction, installation, management, production, and maintenance of the water treatment and water supply system including the raw water system, raw water pipeline system, water treatment plant, and water distribution system in the hospital area. Clean water will be sold through the distribution system for domestic and medical usage in the hospital for a period of 25 years and the Company will receive water fee based on actual usage.

(4) In September 2021, Nexter Ventures Company Limited, a subsidiary of Siam Cement Public Company Limited, purchased the Company's shares from a group of major shareholders. The total number of shares purchased were 67,328,800 shares, equal to 9.90 % of the total issued and sold shares.

Year 2022

► (1) In March 2022, Mr. Teerachai Rattanakamolporn and Ms. Thidarat Suamornrattanakul, the person under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) of Mr. Teerachai Rattanakamolporn, acquired 80,150,000 shares of the Company, representing 11.78 percent of the total issued and sold shares, making Mr. Teerachai and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (1992), the company's first major shareholder.

(2) In June 2022, The company signed a Memorandum of Understanding (MOU) with Ditto (Thailand) Public Company Limited to focus on integrating each other's business expertise, such as engineering, environment, and innovations to achieve sustainable growth.

(3) In December 2022, the Company registered to change the name of Management Solution International Co., Ltd. to Team Next Co., Ltd. in order to engage in investment in all types of public and private projects, including concession projects, various construction projects, and so on.

(4) In November 2022, the Board of Directors' meeting No. 9/2565, held on 14 November 2022, resolved to approve a joint venture with Vongsayam Korsang Company Limited ("VSK") and Ditto (Thailand) Public Company Limited ("DITTO") to conduct business related to water resource management by registering as a new juristic person. It has a registered capital of around 2,000 million Baht. The company will invest in ordinary shares of the new juristic person for a maximum of 400 million Baht, representing a proportion of the new juristic person's investment and shareholding structure, approximately 20% of the registered capital and total stock value. The joint venture in this new entity may enter into a joint venture or enter into a cooperation contract with an individual, company, or organization with expertise in the field to jointly operate businesses related to water resource management by bringing expertise in engineering and water resource management of the Company and expertise in construction, operation, and maintenance of VSK's water resources systems and DITTO's technological experience and future water resource management.

(5) In November 2022, the Board of Directors' Meeting No. 9/2565, held on 14 November 2022, approved the Company's disposition of investment in ordinary shares of Asset Activator Co., Ltd. ("ASATV"), a Company joint venture in which the Company holds 30% of the registered capital worth 10 million Baht, to DTX Co., Ltd. ("DTX") (which is a joint venture between the Company and Ditto (Thailand) Public Company Limited). The Company intends to utilize DITTO's technological knowledge and experience to expand the potential of operations and create added value for ASATV.

(6) In December 2022, the Company established a joint venture company, namely DTX Company Limited with Ditto (Thailand) Public Company Limited to operate the business of development, design, installation, system implementation, and operation and maintenance regarding innovation and technology development.

1.1.3 Use of the proceeds obtained from fund raising

(Unit: Million Baht)

No.	Planned usage of IPO proceeds	Estimated amount of IPO proceeds	IPO proceeds used until 31 December 2022	Balance of IPO proceeds as of 31 December 2022
1	Investing in computer systems, software, and investment in businesses related to advanced technology	65.00	65.00	-
2	Working Capital Management	345.77	345.77	-
Total Value		410.77	410.77	-

The usage of IPO proceeds was in accordance with the objectives disclosed in the filing document and the resolution approved by the Board of Directors Meeting with regard to the additional planned usage to invest in computer systems, software, and business investments related to advanced technology.

1.1.4 Obligations made by the Company in its registration statement for the issuance of securities and/or the Office's license conditions

There are no obligations on the part of the Company in this matter.

1.1.5 Company name, address of head office, type of business, company registration number, telephone number, fax number, company website, the total number, and type of the Company's outstanding shares

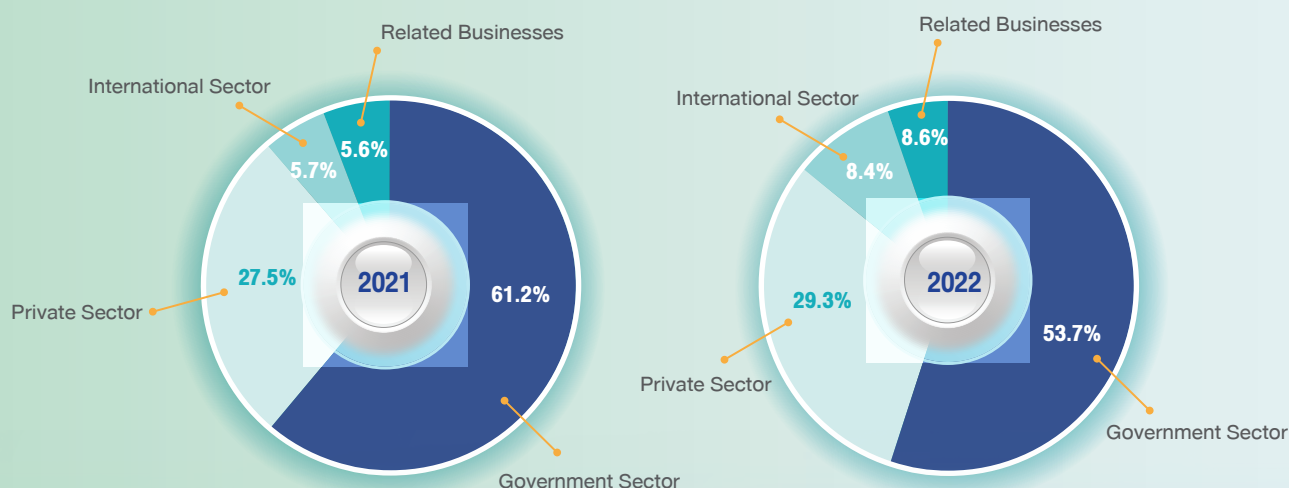
Company name	TEAM Consulting Engineering and Management PCL.
Stock symbol	TEAMG
Company registration number	0107561000030
Type of business	The integrated engineering, environment, management consultancy services
Industry	Property & Construction
Sector	Construction Services
Authorized Capital	Baht 340,000,000.00 (680,000,000 listed Common Stock shares at Baht 0.50 per share)
Issued and Paid-up Capital	Baht 340,000,000.00 (680,000,000 listed Common Stock shares at Baht 0.50 per share)
Address	151 Nuan Chan Road, Nuan Chan, Bueng Kum, Bangkok 10230
Website	www.teamgroup.co.th
Telephone	+66 2 509 9000
Fax	+66 2 509 9090

1.2 Nature of Business

1.2.1 Revenue Structure

The Company and its subsidiaries have acquired clients from various segments which are from the government, private and international sectors as well as related businesses. In 2021-2022, the segment portions are administrated as follows:

Revenue Portion by Business Sectors



1.2.2 Product/Service Information

1) Nature of Product and Service

The Company and its subsidiaries provide integrated consulting services for planning, construction, development and improvement of various engineering projects under the concept “One-stop Services” that can serve the clients completely and in a timely manner. The scope of works range from the initiation of the project ideas, project master planning, feasibility studies, surveys, detailed design and environmental studies. The Company also provides consultation services in construction supervision and project management including operation and maintenance of equipment and measuring system after the delivering of projects, as well as engineering

services in related businesses which include installation of instrumentation equipment, aerial photography service and mapping, Building Information Modeling (BIM) process for architecture, engineering and construction and also engineering education and training services. Our engineering consulting services cover transportation and logistics, water resources, building and infrastructure, environment, energy, and non-engineering consulting services such as strategic organization management, finance, investment, and marketing. The clients of the Company and subsidiaries are government and private sectors in Thailand and overseas, in particular, developers in the CLMV countries (Cambodia, Lao PDR, Myanmar and Vietnam).

In addition, the Company also aims to be a regional solution provider and innovative business developer by expanding the business to invest in related businesses in areas where the Company have expertise such as

renewable energy and water resources as well as adopting new innovations that enhance work efficiency and are environmentally friendly to generate continuous recurring income.

Building Information Modeling (BIM) is a process of project modeling showing the image in the form of digital representations of physical and functional characteristics of places. The Company applies BIM for design tasks and construction project management, leading to higher efficiency and reduction of risks from human errors.

The Digital Twin is a model that reflects the real-time state of physical objects into the computer system (digital) similarly to a twin that one person is in the physical world and the other is in the digital world. The twin model can display details and properties equivalent to real objects. It provides real time information and is used to develop, improve the working system, reduce costs, and help the decision-making process to be more effective.

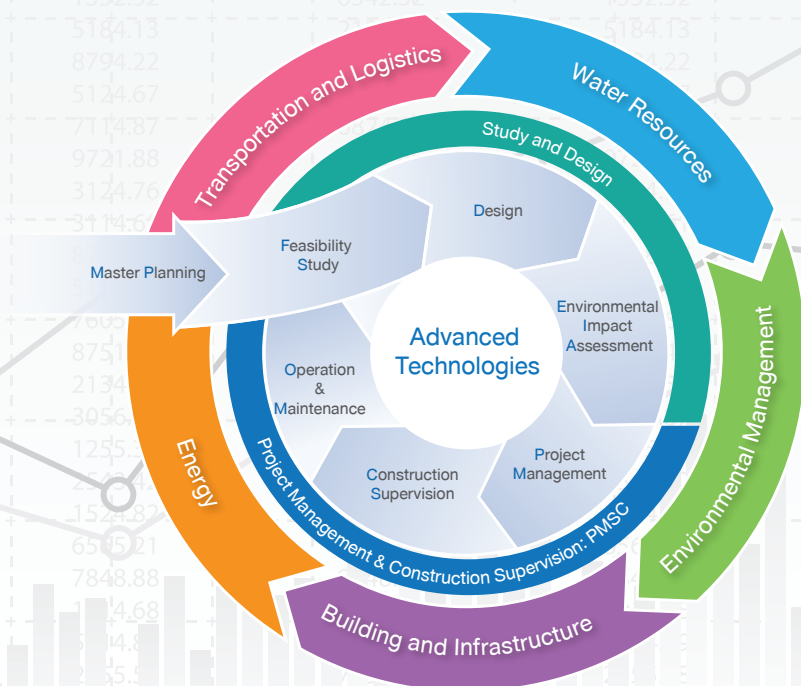
The Company's services can be classified as follows;

(1) Types of service according to the nature of the business

The Company and its subsidiaries conduct integrated engineering and environmental consultancy services with the concept of One-stop Services that cover the

entire project development cycle in various aspects from preparation of a master plan, project feasibility studies, detailed design, environmental impact studies, project management, construction supervision and operation, to maintenance.

The Company's integrated services



Our services are divided by types of services into three categories as follows:

- **Study, Design and Report Preparation (Study & Design)**

The Company and its subsidiaries provide services on the study, design and preparation of reports related to various project developments, including engineering, architecture, and environmental studies. The significant procedures of the study, design, and preparation services are as follows:

- o **Master Planning**

Master planning is the determination of direction and types of operation and/or holistic project development, in other word, a master plan. The procedure includes determining precise strategies as a framework to determine the course of a long-term process which are consistent and responsive to the change of internal and external environment.

- o **Feasibility Study**

The Company provides consultancy services on the feasibility study in various fields such as engineering, marketing, finance and economics, business and management, society and environment. This study aims to ensure that the prospective project is feasible, the benefits worth the investment, and the resources required will be effectively utilized. It also ensures that the environmental and social impacts will be managed after the project development and the target will be achieved within budget and a time limit.

- o **Survey and Detailed Design**

The Company and its subsidiaries provide services on survey and detailed design required by the clients. The scope of work covers survey format, project location map, general information, engineering system work within the project area and nearby, related infrastructure design, building plan, properties and facilities and construction plan in order to prepare the tender document and/or to implement construction.

- o **Survey, Study, and Conduct Environmental Impact Assessment (EIA)**

Environmental impact assessment is the study to anticipate both positive and negative effects from the development of significant projects or businesses that will affect the environment including natural resource, economic, social and health aspects. This is to determine the most effective preventive measures to be used in making the decision to develop such projects or businesses.

- **Project Management and Construction Supervision (PMSC)**

The project management and construction supervision services are for entrepreneurs or project owners who lack the specialists in this particular area. Hence, they need to hire an engineering consulting company that has experience and expertise on project management and supervision to manage and control all working processes of construction from the pre-construction period until project completion such as work plan, specification preparation, contractor recruitment, personnel training, project commissioning and systematically inspecting and accepting the project during guarantee period.

- **Related Businesses**

In addition to the consultancy services mentioned above, the Company also provides services in the related businesses to fulfill client's broader demand. These services cover the installation of equipment and supporting devices (instrumentation), aerial photograph and mapping (drone-based survey), Building Information Modeling (BIM) for architecture, engineering and construction, and asset management using the digital twin technology.

Apart from that, the Company has expanded its investments in related businesses as follows:

- o **The Water Treatment and Water Recycling Project for the Suan Luang-Sam Yan Area of Chulalongkorn University.** The Company invested in this project in 2019. The capacity of wastewater treatment system is 240 cu.m. per day. The wastewater discharged from CU-Terrace and CU iHouse will be treated and used to water the plants in the CU Centenary Park and nearby area. The project period is 10 years.

- o **The District Cooling System for Chulalongkorn University.** In 2020, the Company established a joint venture company namely, Prathumwan Smart District Cooling Company Limited that has the initial registered capital of 50,000,000 Baht. This Company is a joint venture among 3 investors: the Company, BCPG Public Company Limited, and Keppel DHCS Pte. Ltd., which aims to operate the business of installing and managing the district cooling system for the distribution of chilled water to buildings within "The Chula Smart City Project", located in the heart of Bangkok city, Suanluang-Samyan, Chulalongkorn University.

- o **The Solar Power Purchase Agreement (Solar Rooftop).** At present, ATT Consultants Company Limited (ATT), a subsidiary of the Company, has two Solar Rooftop projects that are in progress as shown below.

- **The Solar Power Purchase Agreement (Solar Rooftop) with Siam Quality Steel Company Limited.** In 2020, ATT invested in the installation of solar panels and other related structures on the roof of Siam Quality Steel Company Limited's factory. The project has capacity of approximately 0.6 MW and will distribute electricity to Siam Quality Steel Company Limited for a period of 10 years.

- **The Solar Power Purchase Agreement (Solar Rooftop) with Linh Gas Cylinder Company Limited.** In 2021, ATT invested in the installation of solar panels and other related structures on the roof of Linh Gas Cylinder Company Limited's factory. The project has capacity of approximately 1.0 MW and will distribute electricity to Linh Gas Cylinder Company Limited for a period of 10 years.

o **The Water Treatment and Water Supply System for Sawanpracharak Hospital (New Branch) Project.**

In 2021 the Company invested in the water treatment and water supply system for the Sawanpracharak Hospital (new branch) which will be fully opened in 2022. The hospital is expected to have a maximum water demand of 2,400 cubic meters per day. The Company invested in the construction, installation, management, production, and maintenance of the water treatment and water supply system which included the raw water system, raw water pipeline system, water treatment plant and water distribution system in the hospital area. Clean water will be sold through the distribution system for domestic and medical usage in the hospital for a period of 25 years and the Company will receive water fee based on actual usage.

o Facility / Asset Management. In 2021 the Company and partners established a joint venture namely, Asset Activator Company Limited (ASATV), which aims to implement BIM technology in facility management of the building to reduce costs and optimize efficiency of building and energy management. Asset Activator, as the first company in Thailand, developed platforms to integrate, display, and link data to ERP systems in one place and started to experiment with real estate development companies and government agencies. Later in 2022, ASATV became under the operation of DTX Company Limited in which the Company holds a 50% stake in order to expand the asset management business using the digital twin technology, which is a modeling, that reflects the real-time state of a physical object into the computer system (digital) similarly to a twin that one person is in the physical world and the other is in the digital world. The twin model can show details and properties equivalent to real objects. It provides real-time information and is used to develop, improve the working system, reduce costs, and help the decision-making process to be more effective. Since the program is developed by Thai support team of the Company, it is flexible and can be adjusted according to customer requirements in order to ensure that customers can use it in a reasonable budget.



In-place Inclinometer



Survey for Reference Benchmark



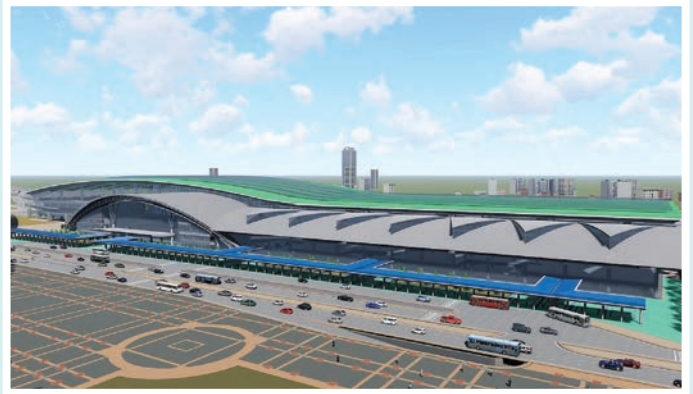
Total Pressure Cell Monitoring in Tunnel



Survey for Settlement and Deformation Monitoring



Application of Drone



Application of BIM in Design Work



Application of BIM in Design Work



Water Recycling for Chulalongkorn University



District Cooling



Solar Rooftop



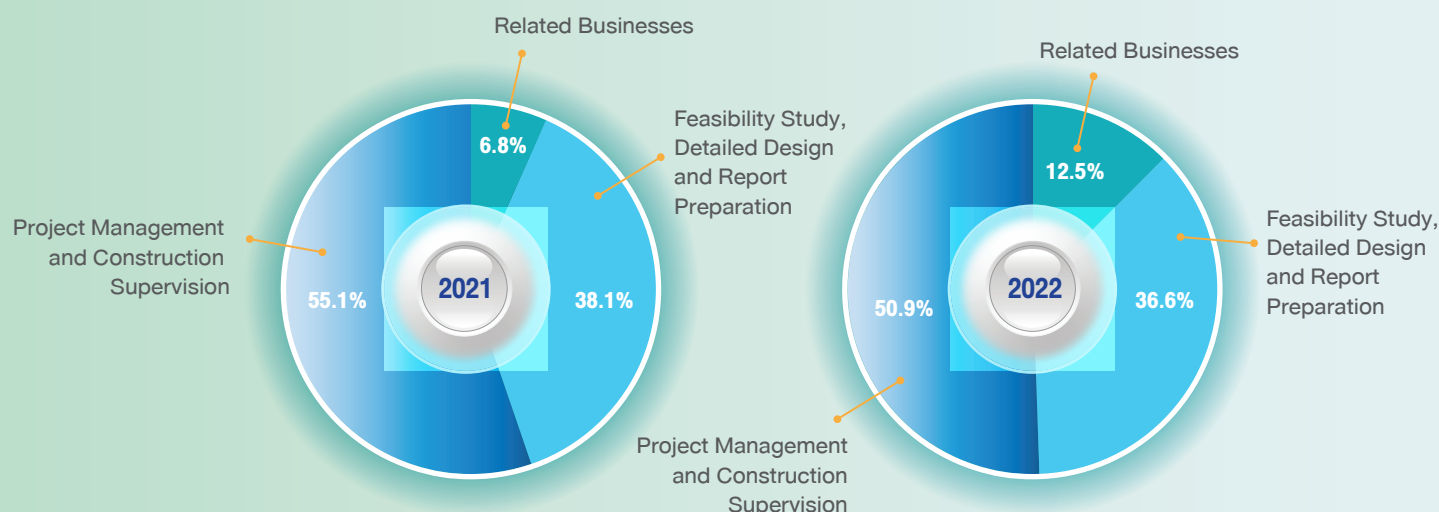
Water Treatment and Water Supply System for Sawanpracharak Hospital (New Branch)



Digital Twin

In 2021-2022, the Company and its subsidiaries could generate revenue from Study and Design Services, Project Management and Construction Supervision (PMSC), and Related Businesses as follows:

Revenue Portion by Type of Services



(2) Types of Services Based on Specialization

The Company and its subsidiaries provide integrated engineering consulting services divided into five categories as below:

- **Transportation and Logistics (TR):** roads, bridges, motorways, mass transit systems, double-track railways and high-speed railways, airports, ports, traffic engineering, traffic management and logistics management.

- **Water Resources (WE):** water resource management and development for consumption and irrigation, hydroelectric power, flood prevention and drainage, coastal engineering and forecasting water situation.

- **Urban, Buildings and Infrastructure (UBI):** all types of buildings and infrastructure, various real estate development projects such as condominiums, hotels, shopping centers and mixed-use complexes, industrial estates, industrial factories, green buildings, city planning and regional planning, land, buildings and industrial estates development planning, as well as Transit Oriented Development (TOD).

- **Environmental Management (ENV):** strategic environmental assessment, preliminary environmental impact study and analysis, environmental impact assessment, social impact assessment, health impact assessment, environmental management planning, migration plan and social development plan.

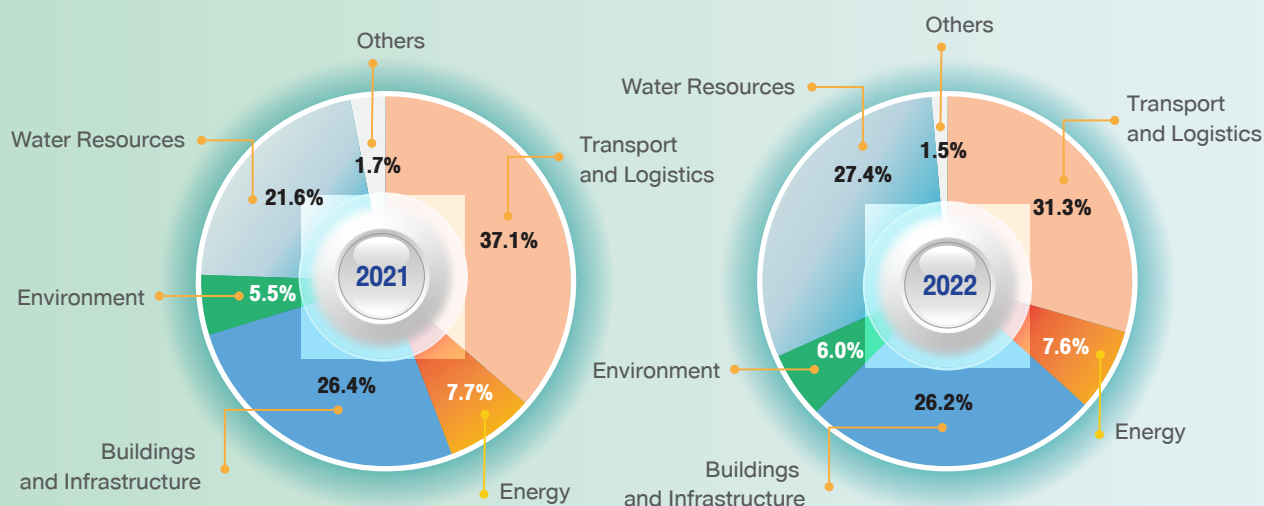
- **Energy (POW):** power plants generating from fossil fuels and all types of renewable energy sources which include natural gas, hydroelectric power, wind, solar, biomass, biogas, nuclear, waste, overhead to underground cable conversion, energy infrastructure development, energy conservation, energy management including independent engineer services and due diligence for the energy cost reduction.

2) Industry Outlook and Competition

(1) Marketing Policy

The Company and its subsidiaries provide integrated engineering and environmental consulting services with engineering team, technical staffs and senior experts. The team consists of personnel with specialized knowledge and experience, as well as a portfolio of more than 3,100 projects at national and regional levels.

Revenue Portion by Expertise



- **Competition Strategies**

- o **Cost Proposal**

As for the bidding process and project acquisition, the Company and its subsidiaries prepare proposals by considering the complexity of work, risks, technical aspects and project size as well as potential personnel with relevant experience and expertise in all related fields. The Company and its subsidiaries have policies for preparation of the remuneration budget and direct cost for each project, and utilize the Cost Plus Method in accordance with the principles of professional service pricing at the competitive rates.

- o **Advanced Technology Application**

The Company aims to be a regional solution provider and innovative business developer by adopting new innovations that enhance work efficiency and are environmentally friendly. The Building Information Modeling (BIM) for architectural and engineering design as well as construction of buildings and infrastructure is employed to generate display of 3D images which contribute to the structure analysis, cost estimation, inspection of design conflicts during construction in order to reduce waste. Moreover, the asset management by the digital twin technology is also used to bring the physical data

of the objects, such as large buildings, industrial estates, construction information, water supply system, electricity system, including the city data that was generally recorded in a blueprint or stored in a general computer files, into a digital platform that can be viewed on real-time basis, 24 hours a day. Apart from that, the Unmanned Aerial Vehicle (UAV) or drone and Real Time (Kinematic) are applied for topographic survey and aerial photography to deliver high-density photographs and high-accuracy 3D models which can significantly reduce costs and time of the study and survey.

- o **Human Resource Development**

The Company gives high importance to human resource development in order to enhance their advanced knowledge and skills in respond to the changing situation. The mentoring system is continuously applied to increase and develop working skills. Moreover, the Company also arranges training courses for large-scale construction project management and supervision for new engineers. Apart from that, the Company also provides BIM training courses. The purpose is to enhance all engineers, architects and draftsmen the ability to use BIM, one of the most significant services of the Company, in order to provide quality services in line with engineering standards.

- **Sales Channel**

The Company and its subsidiaries acquire and provide services through three channels which are: 1) Introduction from the former clients or our existing alliance network; 2) Proactive marketing with the existing and new clients to understand the needs for business and project development from the clients who enable us to learn details or receive project specification documents and present the preliminary solutions; and 3) Invitations from project owners to participate in the bidding process to propose the technical and cost proposals. The Company and its subsidiaries assign business development personnel to supervise and monitor news to find information and details of the bidding for the upcoming projects from government and private sectors both domestically and internationally. Besides, the previous work of the Company and its subsidiaries which have been positively recognized by impressed clients are one of the channels that all target clients give the Company the trust and opportunities to be their consulting engineers of their projects continuously.

- **Target Groups**

The target clients are both from the government and private sectors from medium- to large-scale projects both domestically and internationally. The Company aims to expand the business to the ASEAN countries. In 2022, the Company revenue came from the government sector for 54%, the private sector for 29%, the international sector for 8%, and related businesses for 9%.

(2) Competition Outlook of Consulting Business in the Past Year

In 2022, the Thai economy recovered in line with the global economy after the COVID-19 pandemic outbreak subsided. Thus, the overall Thai economy in 2022 grew by 2.6%, accelerating from 1.5% in 2021. The growth was driven mainly by the tourism recovery and continual improvement of domestic demand in both private consumption and investment. On the expenditure side, private consumption and investments expanded by 6.3% and 5.1%, respectively. Export of services returned to a strong growth of 65.7%. The headline inflation was at 6.1% and the current account registered a deficit of 3.4% of GDP (Source: Thai Economic Performance in Q4 of 2022 and the Outlook for 2023, NESDC). The improved economic situation

from 2021 together with the acceleration of construction projects of the government and state enterprises especially in the fourth quarter of 2022 to stimulate the economy and build investor confidence, resulted in the expedition of various government's mega projects.

The Thai economy in 2023 is projected to expand in the range of 2.7% – 3.7%, mainly supported by: (1) the recovery of tourism sector, (2) the expansion in both private and public investments, (3) the continual expansion of private consumption, and (4) the favorable growth of the agricultural sector. Private consumption expenditure is expected to increase by 3.2%. Private and public investments are projected to increase by 2.1% and 2.7%, respectively. Meanwhile, export value of goods in US dollar terms is anticipated to decline by 1.6%. Headline inflation is estimated to be in the range of 2.5% – 3.5% and the current account is projected to record a surplus of 1.5% of GDP.

The economic management for the year 2023 needs to prioritize following issues: (1) Closely monitoring and resolving retail debts, (2) Sustaining agricultural production and farmers' income, (3) Maintaining growth momentum from export sector, (4) Catalyzing the recovery in tourism and related service sector, (5) Stimulating private investment, (6) Driving growth in public expenditure and investment, along with increasing fiscal space in order to sufficiently cushion possible risks and uncertainties over the medium terms as well as to lift up economic potential growth, (7) Monitoring, scrutinizing, and preparing for the volatilities from global economy and financial market condition, and (8) Maintaining the domestic economic and political climate (Source: Thai Economic Performance in Q4 of 2022 and the Outlook for 2023, NESDC).

The government investment in 2023 is still a critical factor to stimulate the economy and improve the country's competitiveness. The large-scale projects will continuously progress, such as high-speed railway system development linking the regions: Bangkok - Nong Khai (Phase 1, Bangkok - Nakhon Ratchasima), The MRT Purple Line: Tao Pun-Rat Burana, Transmission and Distribution System Development Project (Phase 2) of the Provincial Electricity Authority, Expressway Rama 3 - Dao Kanong - West Outer Ring Road, and Ban Phai - Maha Sarakham - Roi Et - Mukdahan - Nakhon Phanom Railway Construction Project. The progress of EEC projects as of January 2023 is as follows:

Progress of EEC projects as of January 2023

Project	Progress
1. The U-Tapao Airport and the Eastern Airport City	<ul style="list-style-type: none"> The Investor: in the process of detailed design contractor procurement. The 2nd Runway <ul style="list-style-type: none"> Phase 1: Preparing for construction Phase 2: The Royal Thai Navy is expected to issue a procurement announcement for Runway 2 contractor within January-February 2023.
2. High-Speed Railway Linking Three Airports	Preparing for construction.
3. Laem Chabang Port Phase 3	<ul style="list-style-type: none"> Preparing for construction. The Public-Private Partnership (PPP) contract on Terminal F Project was signed in November 2021.
4. Map Ta Phut Industrial Port Phase 3	<ul style="list-style-type: none"> Phase 1: Preparing for construction Phase 2: The IEAT is expected to sign the Public-Private Partnership (PPP) contract around the beginning of 2024.

As for the development of transportation projects in 2023, the government continues to expedite projects such as the development of the double-track railway system to increase the efficiency of rail transport, the development of regional airports, and the planning of the motorway development to be in line with the expansion of the double-track railway and high-speed rail network nationwide. This includes the development of the mass transit system to alleviate traffic problems. The progress of significant infrastructure projects under Ministry of Transport are shown below.

Completed Projects

Motorway – Expressway

- Motorway: Pattaya – Map Ta Phut

Logistics Center

- Intermodal Facility at Chiang Khong, Chiang Rai
- Cross-border Transportation Center, Nakhon Phanom

MRT

- Commuter Rail Red Line: Bang Sue – Rangsit/ Bang Sue – Taling Chan

Dual Track Rail

- Chira – Khon Kaen

Under Construction

MRT

- MRT Orange Line: Thailand Cultural Center – Minburi
- MRT Pink Line: Khae Rai – Minburi
- MRT Yellow Line: Lat Phrao – Samrong
- MRT Purple Line: Tao Pun – Rat Burana

Motorway – Expressway

- Motorway: Bang Pa In – Nakhon Ratchasima
- Motorway: Bang Yai – Kanchanaburi
- Expressway Rama 3 – Dao Kanong – West Outer Ring Road
- Bang Khun Thian – Ban Phaeo

High-Speed Train

- Bangkok – Nakhon Ratchasima
- High-Speed Railway Linking Three Airports

Dual Track Rail

- Lop Buri – Pak Nam Pho
- Map Kabao – Chira
- Nakhon Pathom – Chumphon
- Den Chai – Chiang Rai – Chiang Khong
- Ban Phai – Mukdahan – Nakhon Phanom

Airport

- 3rd Runway Suvarnabhumi Airport

Port

- Laem Chabang Port Phase 3
- Map Ta Phut Port Phase 3

Approved by the Cabinet + In the Preparation Stage

MRT

- Commuter Rail Red Line: Rangsit – Thammasat University/ Taling Chan – Salaya/ Taling Chan – Siriraj
- MRT Orange Line: Bang Khun Non – Minburi

Motorway – Expressway

- Kathu – Pa Thong

PPP Committee Approved + Preparing for the Cabinet Consideration

Motorway – Expressway

- Western Bangkok Outer Ring Road Expressway (M9): Bang Khun Thian – Bang Bua Thong Section
- Ekkachai – Ban Phaeo

Preparing for the Cabinet Consideration in the next step

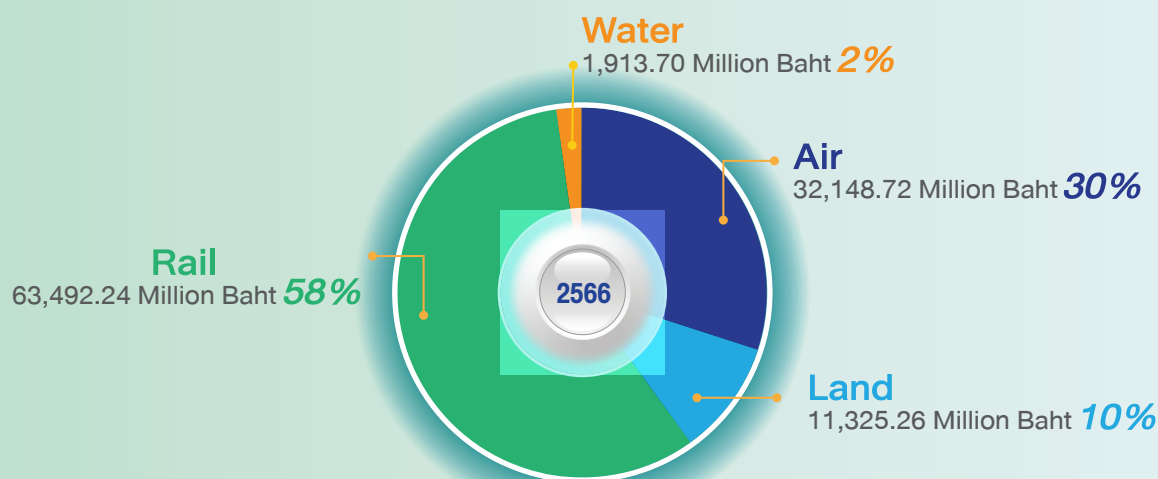


Airport

- Don Mueang Airport Phase 3
- Chiang Mai Airport Phase 1
- The Aeronautical and Aerospace Training Center at U-Tapao International Airport

Dual Track Rail

- Phase 2, Khon Kaen, Nong Khai route



Source: Cabinet resolution of 20 September 2022 regarding the framework and investment budget of state enterprises for the fiscal year 2023

The investment in infrastructure of both public and state-owned enterprises mentioned above will stimulate the economy through the distribution of funds in the economy, as well as increasing competitiveness. Moreover, it will be the critical factor to drive the economy and also the engineering and environmental consulting businesses.

• Competition of Engineering and Environmental Consultancy Business

Consultants juristic persons and individuals who can submit proposal to work with government agencies must register with the Consultant Database Center of Public Debt Management Office (PDMO), Ministry of Finance or have a certificate from the Consultant Database Center as defined

in Government Procurement and Supplies Management Act, B.E. 2560 (2017). According to the Consultant Database of the PDMO, consultants could be categorized into six groups, namely independent consultant, company or partnership consultant, educational institution consultant, foundation consultant, association consultant, and governmental agency consultant. At present, there are 2,835 registered consultants, divided into 504 independent consultants and 2,331 juristic person consultants (as of 16 January 2023). As for the registration in specific fields of expertise and services, it depends on qualifications and conditions of the individual consultant and/or the objectives of the company whether they are consistent with the field as well as the experience of completed projects in the same area.

		Authorized Capital	Assets	Revenue
1	Stonehenge Inter PCL.	301.50	1,946.37	1,741.88
2	Project Planning Service PCL.	279.45	646.77	396.56
3	Index International Group Co., Ltd.	175.00	725.08	473.74
4	MAA Consultants Co., Ltd.	72.00	592.79	569.45
5	Consultants of Technology Co., Ltd. (COT)	40.00	350.27	270.46
6	Panya Consultants Co., Ltd.	20.00	339.59	359.63
7	Chotichinda Consultants Co., Ltd.	20.00	495.20	487.13
8	Epsilon Co., Ltd.	10.00	317.89	363.02

Source: Financial Data from www.set.or.th and datawarehouse.dbd.go.th

Unit : Million Baht

However, with regard to the marketing competition, consulting firms can be categorized into three categories as follows:

o Specialized Consultants

These consultants are specialized in some fields of tasks such as water resources, transportation and construction supervision. Thus, the market share will be only in the fields they are specialized in.

o Integrated Consultants

These consultants are specialized in various fields such as water resources, transportation, energy, environment, and infrastructure. These firms can acquire several types of projects and act as one-stop services providers. Their services can cover large-scale projects with high construction costs of both government and private sectors as well as can be expanded in foreign countries.

o Multinational Consultants

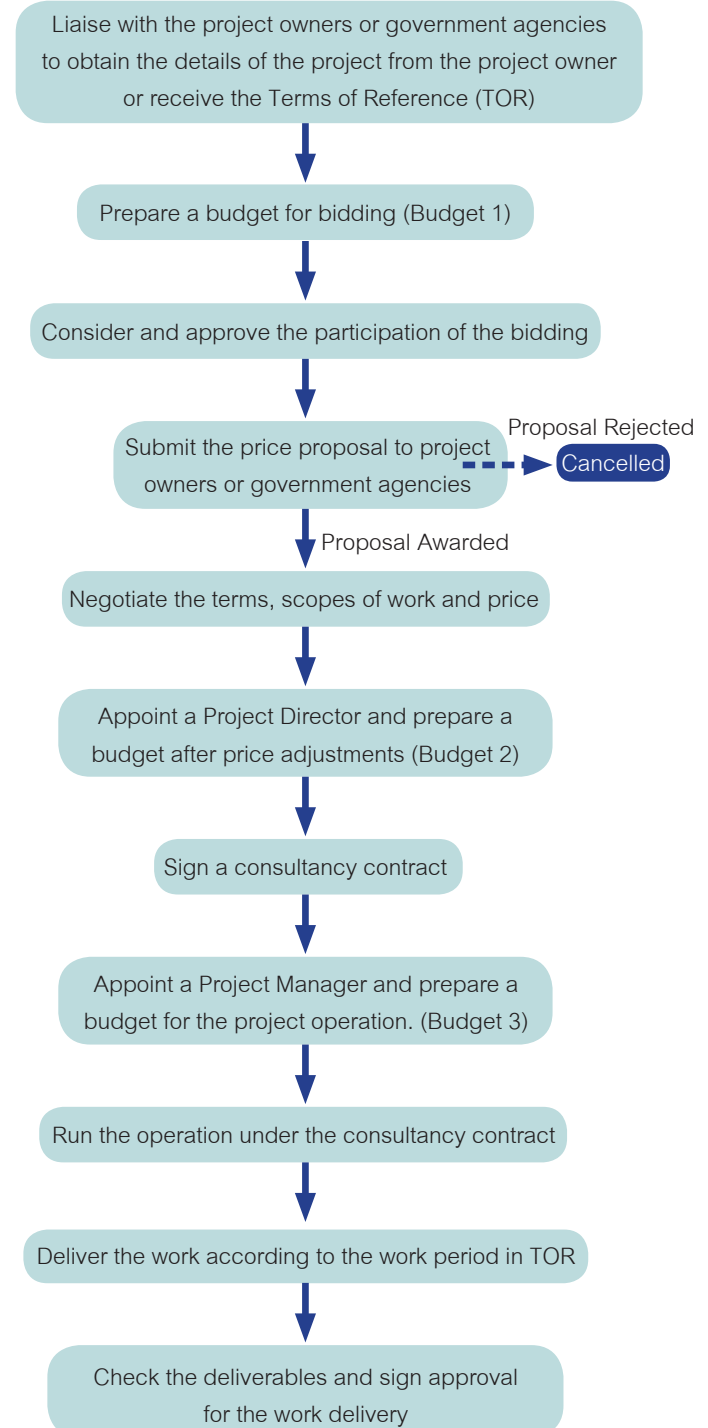
These consultants are firms from USA, Europe, Japan and China with high capability, expertise, and advanced technologies. Some firms have their branch offices in Thailand and are capable of submitting bids by themselves, while other firms have to associate with local consultants project by project such as AECOM, Tractebel, Surbana Jurong, Nippon Koei, AFRY, Nikken Sekkei, PCKK, and Oriental Consultants.

In this regard, the competition for bidding in the consulting business will be different from that of the construction business. In general, the focus is on knowledge, ability, and experience of the company and personnel with technical proposal as a primary factor and price proposal as a secondary factor. As a result, the company equipped with professionals with knowledge, ability, and experience in mega projects as well as efficient corporate knowledge management system has more competitiveness compared to general competitors with less experience and inferior personnel in terms of number and quality.

3) Procurement of Products or Services

(1) Project Acquisition Process and Project Management

Summary of the project acquisition process and project management



Description

1. The project owners express their intention to invite the Company and/or its subsidiaries join in offering services by submitting technical and cost proposals. Another way is the Company's key account executives (Account Group) responsible for each specific customer approach the project owners or government agencies to listen to the details of the project or receive the the terms of reference (TOR) of the project.

2. The Account Group considers project information, the readiness for project implementation including conducting a risk analysis and formulating project risk management strategies in various fields.

3. The Account Group conducts plan and project proposals including the budget for bidding (Budget 1), taken into account the project activities that must be performed and selection of suitable personnel for project.

4. For general projects Managing Director of Business Unit (MD BU) considers project proposals and related documents and gives an initial approval for the participation of bidding, then, the Chief Executive Officer (CEO) considers and gives final approval for the participation. For special projects, which consist of these following characteristics: 1) Project duration of more than 4 years, 2) Project budget of more than 200 million THB but not more than 1,000 million THB, 3) Complicated work or work that the Company has never done before, or 4) Project that is highly vulnerable to public opposition, the Executive Committee's approval is required.

5. Managing Director of a Business Unit (MD BU) appoints a person or a group of people to participate in the preparation of detailed plans and operations together with the service pricing and project management plans, to present to the project owners or government agencies according to the proposal prepared.

6. In case that the person in charge of the project receives a confirmation letter from the project owner or government agency, the person in charge of the project will negotiate the project terms and conditions, scope of work, and negotiate the price under the price adjustment framework and the scope of operations approved by MD BU and CEO before the negotiation.

7. Managing Director of Business Unit (MD BU) appoints a project director to direct the project and prepare a budget framework (Budget 2) for project management in accordance with the contract, and present it to the Chief Executive Officer for approval.

8. The Company and/or its subsidiaries sign the consultancy contract.

9. The project director appoints a project manager (PM) to prepare a cost budget for operations (Budget 3) in accordance with Budget 2, as well as prepare the Project Quality Plan, which covers project management, quality control, cost control, guidelines and methods of operation.

10. The Company and/or its subsidiaries begin to operate and allocate personnel according to the plan as well as delivers the work in accordance with the work period stipulated in the consultancy contract.

(2) External Outsource

• External Consultants or Experts

The Company and its subsidiaries employ some external personnel, especially external consultants and/or experts, both domestic and abroad to join as a team for project proposal. For some projects, the project owner may require specific expertise in the project requirements such as specific kinds of project achievements and/or specific educational qualifications, etc. However, even if there is no requirement from the employer to have a specialist, the Company and its subsidiaries may also consider the appropriateness of recruiting and hiring specialists to be part of the project, especially hiring foreign experts because for some certain types of projects, foreign experts will have more experience and expertise than domestic personnel such as land development specialist, Transit-Oriented Development (TOD) expert, marketing specialist, high speed rail specialist, railway signaling system specialist, hydropower expert, etc. Examples of projects that employs external experts are high-speed rail projects and hydroelectric power projects.

In this regard, the Company assigns the Human Resources Department or Procurement Department together with the project director and/or the project manager to recruit external consultants and/or experts. The recruitment includes verifying the qualifications and background of the external consultants and/or experts, negotiating conditions and service rates under the budget framework for hiring until a preliminary conclusion. Then, proceed the employment process according to the personnel management policy and the procurement policy that the Company has set.

• Contractors / Sub-consultants

The Company and its subsidiaries procure and hire contractors for some small-scale work, which is a work part of the project such as survey work, ground drilling, rock to analyze the strength of the foundation (Ground

Survey), as well as drilling for the installation of various tools. In addition, for the study of statistical data on certain types of project work, the Company and its subsidiaries have procured and outsourced external workers for data collection, such as collecting animal behavior data and producing observation reports, collecting questionnaires in community areas, collecting data on road traffic volumes, etc. In the procurement and hiring of such contractors and/or external labor, the Procurement Department is responsible for implementing the procurement in accordance with the Company's procurement policy.

• External Lecturers

In addition to the internal training lecturers, the company also employs external qualified lecturers who have knowledge, expertise and practical experience as well as having the ability to transmit knowledge through the training courses for the employees of the Company and its subsidiaries, to increase their skills, knowledge, and understanding in the project implementation and effective management. For example, the training on "Port Master Plan and Design" by the Transportation Institute, "Team Leading for TEAM Leadership" by speakers and consultants in human resource management and development, "Applying Financial Report Data for Decisions Making for Executives" by the Department of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University.

4) Assets for Business Undertaking

The Company has presented information on the important characteristics of the main fixed assets used in business operations as well as investment policies in its subsidiaries and associated companies as described in Attachment 4.

5) Backlog

The Company and its subsidiaries have a backlog of ongoing work as of 31 December 2022, divided into 2 parts by the business structure as follows:

1. The Backlog of Consulting Services, which is the main business of the Company and its subsidiaries, is recorded in the total value of 4,110.07 million Baht by the end of 2022, increased by 9.6% compared to backlog value as the end of 2021 in amount of 3,749.88 million Baht. The main projects that the Company and its subsidiaries acquired in 2022 are as follows:

- Detailed Design of The MRT Purple Line Project: Tao Pun - Rat Burana (Kanchanaphisek Road) Section
- Construction Supervision of Double-Track Railway Construction Project (Den Chai - Chiang Rai - Chiang Khong Routes)
- Installation of Dam Monitoring Instrument for Luang Prabang HPP, Lao PDR
- Procurement and Installation of Inspection Equipment for the MRT Purple Line Project (Contract 1)

Backlog		As of 31 December 2022	
		Million Baht	%
1	Classified by sectors	4,110.07	100.00
	Government sector	2,375.08	57.79
	Private sector	1,031.75	25.10
	International sector	392.38	9.55
	Related services sector	310.86	7.56
2	Classified by type of services	4,110.07	100.00
	Project Management and Construction Supervision	2,577.41	73.64
	Study, Design, and Report Preparation	1,212.79	24.65
	Related Services	319.87	1.71
3	Classified by specialization	4,110.07	100.00
	Transport and Logistics	1,746.31	42.49
	Building and Infrastructure	1,002.91	24.40
	Water Resources	1,049.45	25.53
	Environmental Management	110.17	2.68
	Power & Energy	158.98	3.87
	Others	42.25	1.03

2. The Backlog of Non-Consulting Business which is the long-term investment projects (concession period from 10-25 years) has a revenue recognition t of 821.48 million Baht. Details are as follows:

Backlog	As of 31 December 2022	
	Million Baht	%
Project Investment	821.48	100.00
1. Water Supply	184.56	22.47
2. Wastewater Treatment	2.51	0.30
3. Renewable Energy	43.61	5.31
4. Energy Efficiency	590.80	71.92

1.3 Group of Companies Shareholding Structure

1.3.1 Group of Companies Shareholding Structure

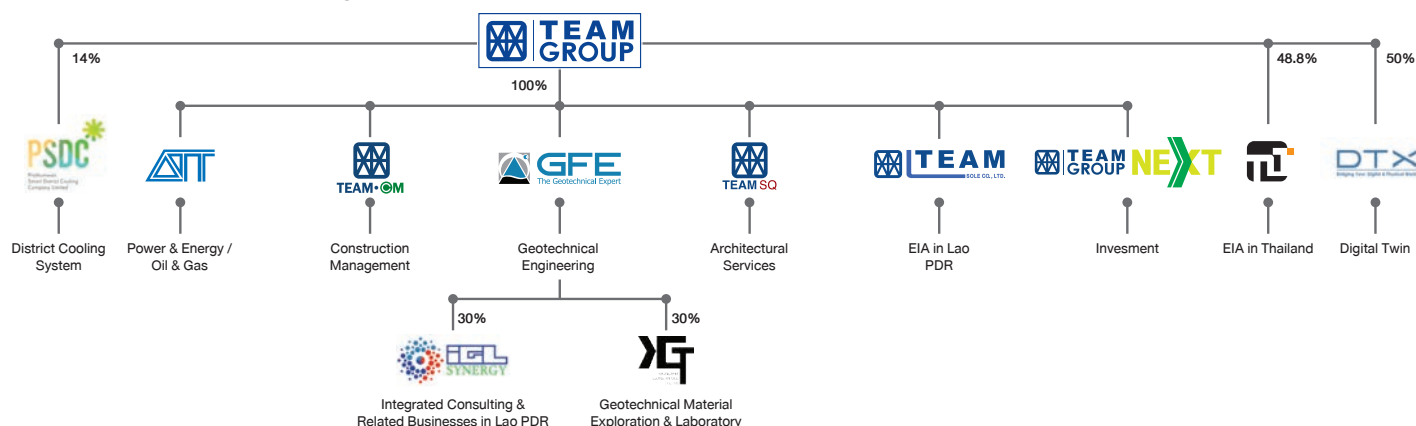
1) Policy to divide the operations of companies in the group

At present, the Company group consists of 13 entities (Eleven of which are its subsidiaries and two of which are currently liquidated). Each entity has different business operation as shown below.



2) Shareholding Diagram of the Group of Companies

At present, the Company group consists of 11 subsidiaries and associated companies which are currently under operation, shareholding structure is as below.



3) Legal entities in which the Company holds at least 10% of the shares

Details of the subsidiaries

Company Name	Company Details	
ATT Consultants Co., Ltd. (ATT)	Nature of business	Consulting services in the fields of energy, power, oil & gas, petrochemical and other related industries including port and utilities.
	Capital	25 Million Baht
	Proportion held by the Company	100 percent
Geotechnical & Foundation Engineering Co., Ltd. (GFE)	Nature of business	Consulting services in the fields of geotechnical engineering, foundation and underground structures.
	Capital	10 Million Baht
	Proportion held by the Company	100 percent
TEAM Construction Management Co., Ltd. (TEAM-CM)	Nature of business	Consulting services in the fields of construction project management and construction supervision of all types of buildings.
	Capital	10 Million Baht
	Proportion held by the Company	100 percent
TEAM SQ Co., Ltd. (TEAM-SQ)	Nature of business	Consulting services in architectural planning and design, interior and landscape design including urban development.
	Capital	10 Million Baht
	Proportion held by the Company	100 percent
TLT Consultants Co., Ltd. (TLT)	Nature of business	Consulting services in the Environmental Impact Assessment (EIA) study.
	Capital	5 Million Baht
	Proportion held by the Company	48.77 percent
LTEAM Sole Co., Ltd.	Nature of business	All areas of engineering consulting services including environment and other related businesses in Lao PDR.
	Capital	1,000 Million (Lao) Kip (approximately 4 Million Baht)*
	Proportion held by the Company	100 percent
TEAM Next Co., Ltd. (TEAM NEXT)	Nature of business	Invest in a range of public and private projects, such as construction and concession projects.
	Capital	10 Million Baht
	Proportion held by the Company	99.99 percent

* Remarks: The currency exchange rate between "Baht" and "Kip" used above is 250 Kip per 1 Baht.

Subsidiary companies under the process of business closure / liquidation

Company Name	Company Details	
TWI Consultants Co., Ltd. (TWI)	Nature of business	Consulting engineering services in the fields of water resources and utilities.
	Capital	15 Million Baht
	Proportion held by the Company	93.73 percent
TEAM Quality Management Co., Ltd. (TQM)	Nature of business	Power and engineering consulting services in the fields of power conservation, power consumption, energy management system, energy measurement, energy consumption monitoring and analysis for both the public and private sectors.
	Capital	10 Million Baht
	Proportion held by the Company	83.75 percent

Associated companies

Company Name	Company Details	
Krungthep Geotechnique Co., Ltd. (KGT)	Nature of business	Geotechnical investigations and material testing.
	Capital	5 Million Baht
	Proportion held by the Company	30 percent
iGL Synergy Co., Ltd. (iGL)	Nature of business	<ul style="list-style-type: none"> Consulting services in design and construction in the scope of power and energy. Survey, design and feasibility study in the scope of power and energy.
	Capital	1,000 Million (Lao) Kip
	Proportion held by the Company	30 percent
Prathumwan Smart District Cooling Co., Ltd. (PSDC)	Nature of business	Install and manage the District Cooling System (DCS) for chilled water distribution.
	Capital	50 Million Baht
	Proportion held by the Company	14 percent
DTX CO., LTD. (DTX)	Nature of business	Develop, design, implement, set up, and maintain systems for innovation and technological development.
	Capital	5 Million Baht
	Proportion held by the Company	50 percent

1.3.2 Persons with conflicts of interest, holding more than 10 percent of the Company's voting shares in subsidiaries or associated companies

- None -

1.3.3 Relationship with major shareholders' businesses

- None -

1.3.4 Major Shareholders

Top 10 major shareholders as of 30 December 2022

No	Major Shareholders	No. of Shares	Percentage of Shares
1	Mr. Teerachai Rattanakamolporn	107,492,800	15.81%
2	Mr. Sataporn Ngamruengphong	48,796,600	7.18%
3	Mr. Amnat Prommasutra	25,284,000	3.72%
4	Mr. Takorn Rattanakamolporn	21,480,100	3.16%
5	Thai NVDR Company Limited	17,754,023	2.61%
6	Mr. Supachoke Tantivit	17,169,100	2.52%
7	Mrs. Wantanee Phetlohakul	17,049,000	2.51%
8	Ms. Yupadee Premchuen	16,734,600	2.46%
9	Mrs. Penpilai Phonchaipanich	16,730,500	2.46%
10	Mrs. Maneerat Ngamruengphong	16,270,400	2.39%

Source: Thailand Securities Depository Company Limited

1.4 Amount of Registered and Paid-up Capital

As of December 31, 2022, the Company has a registered capital of 340 million Baht, paid-up capital of 340 million Baht, divided into 680 million ordinary shares with a par value of 0.50 Baht

1.5 Issuance of Other Securities

Other than ordinary shares, the Company does not have any other types of shares with different rights or conditions. Furthermore, the Company has no plans to issue and sell shares or convertible securities to a foreign mutual fund (Thai Trust Fund), and it does not offer an option for returns on underlying securities (NVDR).

1.6 Dividend Payment Policy

The Company has a policy to pay dividends annually at a rate of not less than 40% of the net profit as per the Company's separate financial statement, after deduction of corporate income tax and all legal reserves

as stipulated by law. However, the dividend payment may change depending on the operating results, financial status, liquidity, investment plan, legal conditions and other reasons in the future. Besides, the dividend payment will not significantly impact on the usual operations of the Company. In this regard, the Board of Directors' resolution approving the dividend payment must be presented to the Shareholder Meeting for approval. However, the Board has the authority to consider and approve the interim dividend payment if it is deemed appropriate without impact on the Company's operations. This must be reported to the next Shareholder Meeting.

The dividend payment of subsidiaries will be considered based on the performance of the subsidiaries, financial status, and other important factors of that subsidiaries.

The details of dividend payments of the Company since its listing on the Stock Exchange of Thailand are as follows:

Description	2021	2020	2019	2018
Dividend Payment (Baht/Share)	0.15	0.16	0.11	0.15
- Interim Dividend		0.11	0.05	0.075
- Annual Dividend	0.15	0.05	0.06	0.075
Net Profit (MB)	111.85	119.35	115.45	113.55
Dividend Payment Ratio to the Net Profit - Consolidated Financial Statements (%)	91.19	91.16	64.79	89.82

RISK MANAGEMENT

2. Risk Management

2.1 Risk Management Policy and Plan

TEAM Consulting Engineering and Management Public Company Limited emphasizes on the importance of the efficient risk management to build confidence in the operation to achieve the goals of the organization and prevent damage as well as reduce the uncertainty that may occur. In addition, we are seeking opportunities to add business value for sustainable growth under a changing environment and uncertainty in the business operations. Therefore, the organization's risk management policy is set as follows:

2.1.1 The revised risk management guidelines of the Stock Exchange of Thailand and COSO-ERM 2017

(The Committee of Sponsoring Organization of Treadway Commission; Enterprise Risk Management - Integrated Framework 2017) is applied for managing the risk of the Company. The 6 components of major risk management activities are as follows:

- 1) Objective Setting
- 2) Risk Identification
- 3) Risk Assessment
- 4) Risk Response
- 5) Control Activities
- 6) Monitoring and Reporting

2.1.2 The Risk Management Committee is responsible for preparing a risk management manual by defining the components of risk management in accordance with business operations and management processes.

2.1.3 The risk management manual must be used as a guideline in practicing risk management and all business units are responsible in utilizing it in the operation.

2.2 Risk Factors for the Company's Business Operations

The Company continuously reviews the risks considering both internal and external factors including current risks and new emerging risks and identifies risk factors as well as formulating risk management measures as follows:

2.2.1 Risks of Management and Quality Control

Actively committing on delivering the quality services that meet professional standards, the Company has adopted the ISO 9001:2015 system in managing and controlling the quality of its consulting engineering and environmental businesses, including study, planning, design, cost estimation, tender document preparation, environmental impact assessment, project management and construction supervision, aerial photography and mapping, and Building Information Modelling (BIM).

Risk Management

The Company has set the overall work quality control as follows:

- Establish the Quality Management Committee (QMC) to set the quality policy, company's annual quality indicators and targets as well as monitor and review the implementation of the quality management system and formulate guidelines for continuous improvement.

- Appoint Project Quality Assurance Experts (PQA) to supervise the project implementation in accordance with technical quality policy and specified standards. Closely monitor and supervise the implementation of significant projects which may have quality-related risk and strictly inspect the quality of work before delivering to clients.

- In order to comply with the quality management system ISO 9001:2015, the Company has appointed a Quality Management Representative (QMR) to supervise the implementation of the quality management system. Maintain a quality management system in accordance with ISO requirements, monitor and evaluate the performance in accordance with the quality management system of the overall organization.

- Set up a system to monitor customer satisfaction (Customer Satisfaction Survey) with regard to the Company's performance and services, as well as teamwork in every project

2.2.2 Risks of Human Resource Management

The Company and its subsidiaries provide services with regard to integrated engineering and environmental consulting, which emphasizes knowledge and expertise

in various fields. The competitiveness of the Company and its subsidiaries depends on the selection of qualified and suitable employees in a sufficient number to meet the project requirements.

Risk Management

The Company realizes the importance of such human resource management and implements as follows:

- Determine a specific department to recruit qualified employees to work on the project.
- Emphasize knowledge management in the organization (Knowledge Management: KM) by developing a database system to store and search for personnel information in order to continuously improve employees' knowledge and capability.
- Organize training courses to develop employees' knowledge and expertise regularly.
- Build a network of partners from leading universities such as Chulalongkorn University, Asian Institute of Technology (AIT) and King Mongkut's Institute of Technology Ladkrabang to request support from expert professors to participate in projects.

2.2.3 Risks from investment in development projects and investments in subsidiaries and associated companies

The Company has invested in various development projects by the company itself and joint venture with partners as well as investing in subsidiaries and associated companies to create long-term growth. Therefore, there may be risks from such investment. However, the risk from investment in subsidiaries and associated companies is limited to the investment in each company.

Risk Management

- The Company carefully analyzes and studies the feasibility of the investment of the development projects prior to making decision.
- Trustworthy joint venture partners with similar core values are considered before proposing to the Executive Committee and the Board of Directors for careful consideration.
- The performance and operating results, as well as the project return will be monitored and assessed regularly.

2.2.4 Risks of corruption

The Company is committed to good corporate governance. Therefore, a strong internal control system and the anti-corruption policy have been set.

Risk Management

The Company and its subsidiaries are aware of such risk events. Therefore, risk management guidelines

have been set as follows:

- Set a clear and strict anti-corruption policy.
- Strictly comply with procurement regulation and set measures to control and monitor important work processes that may cause corruption.
- Provide channels for stakeholders to report clues, suggestions, or complaints about corruption (Whistleblower) via website and email.
- Appoint a committee to review and investigate in case of complaints with transparency and accountability.

2.2.5 Financial Risks

The main revenue of the Company and its subsidiaries come from consulting fees in accordance with the consulting contract. At the same time, the Company has operating costs in terms of personnel expenses and other recurring expenses. The Company's revenue could be collected according to the completed work as an installment. There may be risks that the payment will be delayed from the plan or delay from the contract extension which could affect the liquidity of the Company.

Risk Management

Financial risk management measures have been set as follows:

- Manage the risk of unbilled revenue by following up on the work delivery in accordance with plan. Closely coordinate with clients as well as establishing the cash collection working group to regularly follow up unbilled revenue and account receivables.
- Emphasize the working capital management in order to manage liquidity efficiently. The Company has strictly maintained the current ratio and debt to equity ratio at an appropriate level. Cash flow management is forecasted in advance. In addition, the Company has set the policy to propose the projects that provide advance payment in order to have sufficient working capital.

2.2.6 Risks from increased competition of consulting company both in Thailand and abroad

At present, there are many various kinds of project development. The development of large-scale infrastructure is increasing and becoming more complex both domestically and internationally. Therefore, there are many engineering consulting companies, either Thai companies or multinational companies including more mergers and acquisitions of consultants to respond to the increasing demand. The Company and its subsidiaries consequently have a higher risk of competition in the number of consulting companies which may affect the



operating results of the company and its subsidiaries.

However, the Company's main clients are those who develop medium to large projects that focus on the quality of work and the work experience of the engineering team and the Company is regarded as one of the leading engineering consulting companies with management and consulting engineer team with more than 45 years of service experience.

Risk Management

- Build competitive advantage from having a wide range of expertise in providing integrated consulting services. The Company is able to provide services covering all types of work (one-stop services).
- Maintain work credibility and establish good relationship with clients.
- Build and maintain more than 900 employees with expertise in engineering, architecture, environment, and academic disciplines under an efficient human resource management plan.
- Create extensive network with competent consulting companies both domestically and internationally, enhancing the ability and chances to acquire more projects and, in the meantime, reduce competition among consulting companies.

2.2.7 Risks from changes in external factors during the project implementation

The Company and its subsidiaries provide consulting services for various types of engineering projects. The duration of the operation depends on the nature of the project and the scope of assigned work. There may be unexpected factors or events that would directly or indirectly affect the implementation of the project during the operation, for example, the protest against the project by the public, financial liquidity of the project owner/contractor, delays in project process or changes in construction designs / scope of work or government policies, etc.

Risk Management

The Company and its subsidiaries are aware of such risk events. Therefore, risk management guidelines have been set as follows:

- For accepting the job, the responsible department must review and understand the details about the nature of

the project and the scope of work in each project, including study the project information, analyze the initial feasibility of the project, analyze business reputation and financial status of the project owner or client.

- Closely monitor the problems in each project and coordinate with project owner throughout the project implementation period and adjust the operational plan in time.
- Increase the proportion of revenue from private sector both domestically and internationally to reduce risks from changes in government policies.
- Set goals to invest in related businesses in the fields of expertise of the Company to generate stable income such as the investment in the District Cooling System project, and the Water Treatment and Water Supply System.

2.3 Impact analysis and preparation of action plans for emerging risks

The Company has analyzed emerging risks that may affect the business in the short, medium and long term in the aspects of politics, economy, society, technology, environment, and laws. Proactive measures have been set to prevent such risks in advance and create opportunities for the business growth. The emerging risks could be identified as follows:

2.3.1 Risks from rapid changes in technology

New technologies could change business operations significantly. Therefore, the Company needs to continuously study and invest in modern technology in order to increase operational efficiency, such as drone, BIM, and digital twin, etc. In addition, the Company also needs to adjust with new technologies and prepare its personnel to cope with new challenges, including working methods as well as knowledge to create long-term opportunities and competitiveness.

Risk Management

- Learn to adopt new technologies in the working process, for example, the use of drones in aerial topographic surveys, the use of BIM in 3D design, including digital twin technology that helps increase work efficiency, reduce errors in work and use less resources, etc.

- Collaborate with innovation companies both domestically and internationally to create cooperation in the application of technology especially environmentally-friendly innovation.

- Collaborate with partners who have expertise in education, research, and development of new innovations to be applied in work processes.

- Organize training courses with regard to the state-of-the-art engineering technical knowledge for employees regularly.

2.3.2 Risks from cyber threats

Nowadays, business operations require more information technology systems to increase operational efficiency, such as project data storage and internal and external communication. At the same time, it may cause exposure from cyber threats, including data theft, data loss or disruption of system.

Risk Management

The Company has a cyber threat prevention system to keep the information system working continuously and safe from data theft, data loss and the disruption of the system as follows:

- Authentication for accessing the network
- Multifactor Authentication
- Network communication control system with Firewall
- Data backup system
- Stability testing and recovery procedure testing on a periodic basis

2.3.3 Risks of pandemics and force majeure events

Since 2020, the world has been facing with the COVID-19 pandemic, causing a large number of people to suffer from the disease and lose their lives. Moreover, newly emerging diseases seems to increase in the near future.

Risk Management

The Company has established guidelines for risk management in this regard as follows:

- Implement the Business Continuity Plan (BCP) and improve the plan to respond to the current situation.
- Provide vaccines to prevent disease outbreaks for employees. In addition, the Company has provided assistance to employees in case of force majeure events according to the situation.
- Coordinate with relevant departments to help solve problems that affect the operations.
- Follow the news, assess the situation, and prepare plans to respond to the incident.

2.3.4 Risks of climate change

Climate change is a result of greenhouse gases affecting business operations around the world. The business entities need to set measures to reduce greenhouse gas emissions, such as utilizing environmentally friendly technology and applying construction technique that minimizes waste. Therefore, the Company has considered participating in the Circular Economy in Construction Industry (CECI) to support innovative construction technologies that are environmentally friendly, resulting in the effective use of resources, more work efficiency, decrease in material waste, and less working time. In addition, in 2023, the Company has set a concrete plan to reduce greenhouse gas emissions within the workplace as well.

3. Driving Business towards Sustainability

3.1 Policy and Goals in Terms of Sustainability

To achieve the vision of being “A regional solution provider and innovative business developer”, the Company has based its consulting business in the government sector, the private sector, the international market and related businesses. In addition, the Company has strived to invest and expand into non-consulting businesses to generate as much return as that of the consulting business to secure corporate sustainability.

Aware that sustainable development and social and environmental responsibility are important factors for continuous and sustainable corporate growth and to generate benefits for stakeholders, society, and the environment, the Company has set a policy on business

sustainability and social and environmental responsibility to ensure that the directors, executives, and employees operate in line with sustainable development guidelines.

Operational Approach

1. To strive to be the regional total solution provider focusing on excellent services, quality, and teamwork (SQT) as its core values; develop innovative businesses to ensure sustainable growth; and adopt technology and innovations through collaboration with partners in order to create value added, and optimally meet client satisfaction.

2. To underscore business transparency and continuous development by operating with transparency and fairness, respecting client confidentiality, and complying with the Corporate Governance Code.

The policy on business sustainability and social and environmental responsibility is available at www.teamgroup.co.th



Material Issues Regarding Business Sustainability

The Company is rigidly committed to delivering services of superior quality by professional team to live up to its SQT values. The details are shown below.



1) **Service.** The Company delivers services according to the tenets of:

Customer-centered – delivering excellent services with awareness of the current needs of clients and the means to forecast their needs in the future.

Accountability – delivering services with responsibility, willingness, enthusiasm, and care to provide flawless services.

Ethical practices – following professional ethics and operating with integrity to generate benefits for both clients and the public.

2) **Quality.** The quality of work is ensured via:

Knowledge-based operation – employing corporate knowledge backstopped by academic credentials and rational considerations.

Professional standards – operating in congruence with professional standards set by a vocational organization or as stipulated by laws, and under the Company's quality control system and monitoring system.

On-time delivery – operating strictly in line with established plans and adopting the Plan, Do, Check, Act (PDCA) model which requires joint planning with clients before action, monitoring and evaluation of the performance, and revising the plan if deemed necessary.

3) **Teamwork.** Operating as a team, staff members embrace the ideals of:

Synchronization – performing accordingly and forming team synergy.

Unity – using combined efforts towards accomplishing the same goal.

Borderless cooperation – cooperating unanimously regardless of difference in sections.

The Company has embraced these values for 45 years, which have substantially contributed to its sustainable growth. In this context, the Company has identified material issues concerning corporate sustainability in accordance with SQT values. The evaluation process consists of the following steps.

Materiality Identification: Holding a meeting with the Corporate Governance and Sustainability Committee to consider the expectations of the stakeholders and the issues that they value based on the opinion survey that has been conducted, along with the Company's values, vision,

and business strategies.

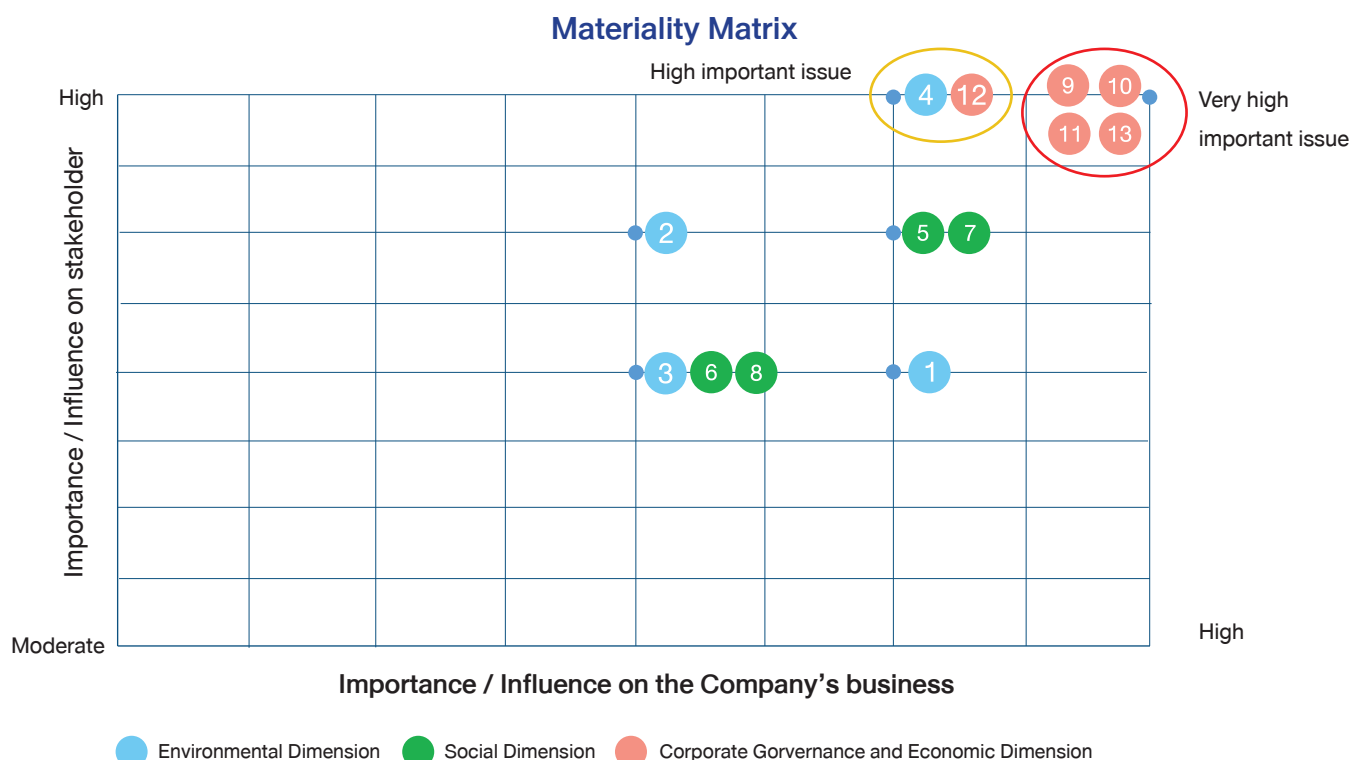
Materiality Prioritization: Holding a meeting with executives to consider the result of the opinion survey and the issues that the stakeholders focus on, along with the Company's values, vision, and strategies, to analyze the impacts on business both in terms of society, environment, and the economy as well as the impacts on stakeholders.

Materiality Reviews: Presenting material issues concerning corporate sustainability to the Corporate Governance and Sustainability Committee and the executives of the Company for their consideration and approval as well as for review in the purview of the Company's business strategies and goals.

Material issues in the environmental, social, and corporate and economic dimensions

Environmental Dimension (E)	Social Dimension (S)	Corporate Governance and Economic Dimension (G)
1. Energy management	5. Fair treatment of employees	9. Response to clients' needs
2. Water resource management	6. Respect for human rights	10. Revenue growth
3. Greenhouse gas (GHG) management	7. Development of employees	11. Work and service quality in line with professional ethics
4. Considering environmental impacts at each and every step of operation	8. Social responsibility (providing social assistance, educating the public, and community development)	12. Development of technology and innovations
		13. Good corporate governance

Note: Dimension numbering in each table cell equates with integers in the matrix below.



3.2 Management of Impacts on Stakeholders in the Value Chain

Type of Business Industry: Property and construction

Type of Service: Construction

The Company runs an integrated engineering and environmental consulting business under the vision of being “A regional solution provider and innovative business developer” and provides one-stop services that cover:

- Master Planning
- Feasibility Study
- Survey and Detailed Design
- Environmental Impact Assessment (EIA)
- Project Management and Construction Supervision (PMSC)
- Operation and Maintenance
- Public Private Partnership (PPP)
- Investment in Infrastructure Projects

The Company offers multidisciplinary expertise ranging from transportation and logistics, water resource management, building and infrastructure services, environmental management, power and energy, to other non-engineering consulting services such as organizational strategic management, financing, investment and marketing, for public and private clients both in Thailand and overseas. Currently, the Company also provides services in related businesses including instrumentation, drone-based survey, Building Information Modeling (BIM), and has invested in infrastructure development projects, to secure its revenue in the long term.

3.2.1 Value Chain

The value chain of the Company consists of:

1) Main activities

Project Acquisition and Management Process



Activities in the value chain	Related activities
Management of input	<ul style="list-style-type: none"> • Studying the details of the project and scope of assignments for delivering efficient services. • Providing qualified staff as required in the TOR. • Selecting a consortium/subcontractor with appropriate qualifications.
Operation	<ul style="list-style-type: none"> • Providing consulting services which include a study, planning, design, construction supervision and management with professional standards at efficient cost and time. • Overseeing the operation of the consortium/subcontractor to ensure performance that meets professional standards. • Coordinating with the client continuously and responding immediately to any problems that may arise. • Adopting innovations to enhance operational efficiency including time and cost reduction.
Distribution of goods and services	Assigning a quality assurance expert to supervise project implementation to ensure that quality work, congruent with professional principles, is delivered to the client completely and punctually.
Marketing and sales	<ul style="list-style-type: none"> • Preparing brochures, the Company's website, and online social media. • Account Managers meet the client to introduce the company's services and to follow up on delivery of work for acceptance inspection. • Setting reasonable and fair charges for services. • Providing advice and communication with the client throughout the project's duration. • Assessing the client's satisfaction every six months after project implementation has been launched. In case the result does not meet the set criteria, the project manager must formulate and propose a plan for problem solving to the executives and the client.
After-sale services	<ul style="list-style-type: none"> • Service guarantee, solving problems that arise after service delivery in an honest and sincere manner, and monitoring opportunities for future projects.

2) Supporting activities

The following supporting activities help drive the main activities for achieving the set goals.

(1) **Human resource management.** As a consulting company, personnel are valuable assets and a primary resource. The human resource management unit is responsible for recruiting qualified staff for a particular project and provides human resource development programs to enhance staff knowledge and expertise.

(2) **Financing, accounting and procurement.** This unit is responsible for accounting and financial management for the Company's operations as well as overseeing procurement processes to ensure transparency in every step.

(3) **Legal affairs.** This unit provides legal support to ensure compliance with the project contract and to help solve problems arising in project implementation.

(4) **Information technology management.** This unit helps enhance operational efficiency and enables faster operations through the application of cutting-edge technology.

3.2.2 Analysis of the Stakeholders in the Value Chain

Stakeholders	Channels for Stakeholder Participation	Stakeholders' Expectations	Responses to Stakeholders' Expectations
Shareholders, investors and analysts	<ul style="list-style-type: none"> • Annual general meeting of shareholders • Analysts' meeting • Conferences and company visits • Participation in SET's Opportunity Day • Annual report • Sharing of opinions and complaints, both directly and indirectly, through various company communication channels such as by telephone, video conferencing, standard letters, email, etc • Newspaper and other media 	<ul style="list-style-type: none"> • Reasonable returns on investment • Good performance with stable and sustainable growth, and achievement of set goals • Transparency in company operations • Equitable treatment of shareholders 	<ul style="list-style-type: none"> • Provision of complete and accurate information on an equitable basis • Compliance with the laws, rules, regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in accordance with Corporate Governance Code
Employees	<ul style="list-style-type: none"> • Executive and staff meetings • Training activities and seminars • Email • Morning screen on the Intranet system • Facebook • Notification board • Circular letters • Clarification by supervisors • Standard letters • Complaint box 	<ul style="list-style-type: none"> • Reasonable remuneration and welfare • Advancement in career path • Employee capacity development • Occupational safety • Participation in providing opinions • Equitable and fair treatment • Respect for human rights 	<ul style="list-style-type: none"> • Complying with labor laws • Offering reasonable and fair remuneration and benefits. • Establishing individual development plan to develop staff's potential. • Organizing training sessions and seminars to promote and develop employees' capacity • Imposing appropriate occupational health and safety measures • Adopting a mentoring system to pass on corporate culture and working knowledge from the senior to the younger generation • Remaining open to opinions and complaints through the company's communication channels such as email, letters and complaint box • Complying with laws, regulations and Corporate Governance Code

Stakeholders	Channels for Stakeholder Participation	Stakeholders' Expectations	Responses to Stakeholders' Expectations
Clients/project owners • Public sector • Private sector	• Project meetings with clients • Reports and other documentation as required by the TOR • Satisfaction surveys • Telephone calls • Email • Standard letters • Whistleblowing and complaint channels • Company website	• Quality services in congruence with international and professional standards and punctual delivery • Reasonable and fair prices • Clients' optimal satisfaction with services provided • Transparent work processes • Protection of client confidentiality • Operation with minimum environmental impacts • Development of technology and innovations for greater operational efficiency	• Providing qualified staffs for a particular project • Assessing client satisfaction twice for each project to improve service quality • Establishing a process quality assurance (PQA) system for inspecting service quality before delivery • Maintaining client confidentiality
Business partners • Subcontractor • Supplier	• Reports on procurement documentation • Related reports as required • Meetings with subcontractors and suppliers • Other channels provided for communication and complaints such as telephone, standard letters, email and the company website	• Cooperation and co-creation of value added • Punctual payment for goods and remuneration in full on time • Transparent and fair operations	• Treating all partners on an equitable basis • Carrying out transparent procurement processes
Business competitors	• Meetings with associations of engineering consultants or other professional cooperation networks	• Treatment based on the principles of ethical procedures and pursuant to laws • Not to discredit reputation of competitors	• Operating business in compliance with law and Corporate Governance Code
The media	• Press releases, articles and online news • Interviews with executives and investors • Telephone calls • Email • Video conferencing	• Provision of precise, updated and complete information about the company's performance and revenue as well as useful beneficial academic information • Information being provided to members of the media on an equitable basis	• Providing precise, updated and complete information on an equitable basis • Treating members of the media in the same manner as other stakeholders

Stakeholders	Channels for Stakeholder Participation	Stakeholders' Expectations	Responses to Stakeholders' Expectations
Communities	<ul style="list-style-type: none"> • Community development activities • Telephone calls • Standard letters • Email • Company website • Facebook 	<ul style="list-style-type: none"> • Assistance, support and promotion of the interests of local communities • Opportunities for taking part in community development and empowerment • Minimum environmental impacts in nearby communities 	<ul style="list-style-type: none"> • Surveying the needs of communities neighboring the company compound and around project areas • Hosting activities to promote the participation of local communities • Participating in improving the quality of life of people in the community • Providing advice and assistance in engineering and environmental contexts
Society	<ul style="list-style-type: none"> • Seminars and lectures held for different associations and institutes • News reports, articles and online news • Telephone calls • Standard letters • Email • Company website • Facebook 	<ul style="list-style-type: none"> • Provision of engineering information, such as that pertaining to hydrological resources and BIM, which is useful for the public and the country 	<ul style="list-style-type: none"> • Providing precise, updated and complete engineering information in general • Hosting seminars/lectures to disseminate engineering knowledge and information

3.3 Environmental Sustainability Management

3.3.1 Policy and Operational Guidelines

Environmental Management Policy

1. The Company operates in strict compliance with the laws, regulations, and other requirements related to the environmental responsibilities of business entities.
2. The Company promotes and supports energy conservation with a focus on the use of renewable energy and efficient use of natural resources.
3. The Company strives to reduce GHG emissions to mitigate the effects of global warming.
4. The Company cooperates with nearby communities in treating wastewater to meet specified effluent disposal standards to reduce environmental impacts.
5. The Company strives to reduce the amount of waste generated by the office, inculcates environmental responsibility in its personnel at all levels, and encourages them to participate in formulating such practices.

Operational Guidelines

1. Strictly complying with laws, rules, and regulations on environmental protection.
2. Developing and improving the building's environmental management system, encompassing use of water and energy, wastewater treatment and waste reduction to ensure efficient environmental conservation.
3. Encouraging employees to follow the guidelines for the effective use of resources, especially water and energy, to reduce the use of resources and waste generation.
4. Promoting necessary activities for instilling environmental responsibility in employees.
5. Aware of the effects of global warming, the Company is committed to operating and/or cooperating with relevant agencies to reduce GHG emissions.

3.3.2 Environmental Protection Performance

1) Energy Management Practices

Aware of its roles as a leading total solution provider in the domain of smart energy as well as the importance of energy conservation, energy efficiency, and reduction of carbon dioxide emissions, the Company has established

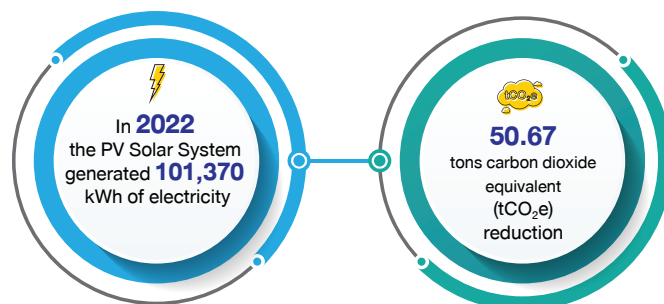
the Energy Conservation Committee to supervise energy management of the TEAM Building as well as encourage all employees to participate in reducing energy consumption. Video clips have been produced and presented on the Company's Intranet system in a campaign to encourage energy-saving practices such as turning lights off during lunch breaks and using energy-saving appliances such as LED bulbs in the office building. In addition, the Company has studied and developed technology for enhancing energy efficiency, especially the building's cooling system which accounts for a considerable portion of the annual electricity bill. In 2021, the Company installed the smart chiller system at TEAM Building to help reduce electricity consumption. With respect to generation and use of renewable energy, in 2020 the company invested 2.5 million Baht in the installation of a 90.09 kWp solar power generation system on TEAM Building's rooftop to convert solar energy, which is clean energy, into electricity for indoor use. This helps to reduce the amount of electricity purchased from the Metropolitan Electricity Authority (MEA) and the power generation system causes no environmental pollution. It is also a measure to reduce the company's carbon footprint in terms of global warming.



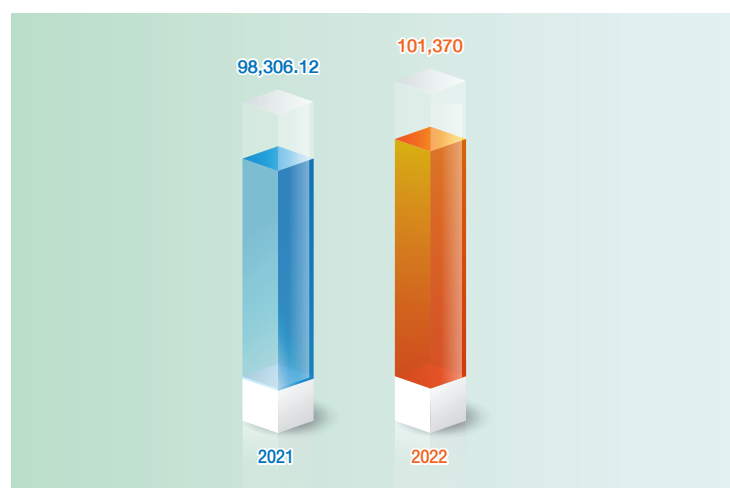
The smart chiller system installed at TEAM Building

Performance

In 2022, the amount of PV-generated electricity used by the Company could be converted to the reduction of Scope 2 GHG emissions as shown below.

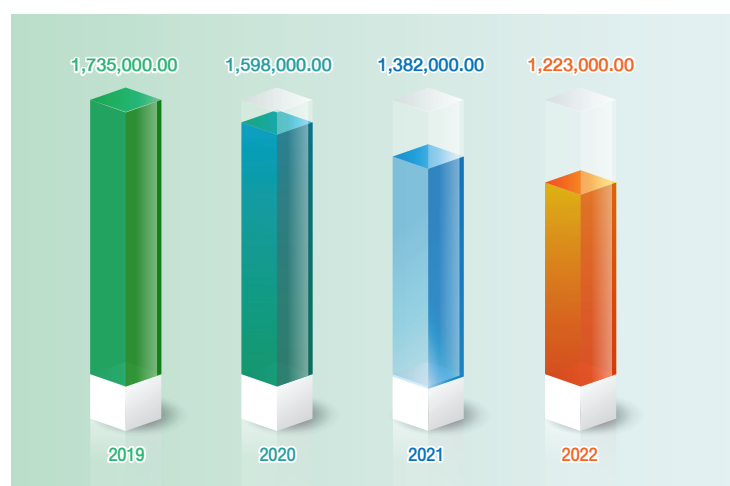


The amount of PV-generated electricity used by the Company in 2021 and 2022



From 2019 to 2022, the Company's electricity consumption declined continuously, partly due to the installation of the PV solar system and the smart chiller system which enabled the Company to economize on electricity consumption.

The amount of electricity used by the Company from 2019 to 2022



2) Water Resource Management Practices

The Company realizes the importance of water resources. Therefore, effective use of these resources has been promoted among employees continuously to encourage water conservation practices; examples are turning off taps after use, using water-saving appliances (e.g. taps that stop automatically), and regular inspection and maintenance of the piped water system to prevent leakage.

From 2019 to 2022, the Company, as a consultant specializing in water resource management, was entrusted with studies on the following water resource rehabilitation and conservation projects implemented by government agencies.



- **Formulation of the Water Resource Management Master Plan for the Chao Phraya River Basin Project (employed by the Office of the National Water Resources).**

The Company conducted a study on water source development and water resource management approaches to seek sustainable solutions to the drought, flood, and water quality issues in the area.



- **Feasibility Study for Improvement of the Irrigation System on the Left Side of the Mae Klong River in Kanchanaburi, Suphan Buri, Ratchaburi, and Nakhon Pathom Provinces (employed by the Royal Irrigation Department).** The objective was to increase water distribution efficiency to suit the current social condition, land use, cultivation activities, water use, the quantity of capital water and connection of the irrigation networks.



- **Feasibility Study, Survey, and Design of Khuan Khreng Peat Swamp in Nakhon Si Thammarat and Phatthalung Provinces (employed by the Department of Water Resources).** The objective was to conserve and rehabilitate the ecosystem and natural resources in the Khuan Khreng Peat Swamp area, using participation from the public and related agencies to maintain the environmental balance on a sustainable basis.



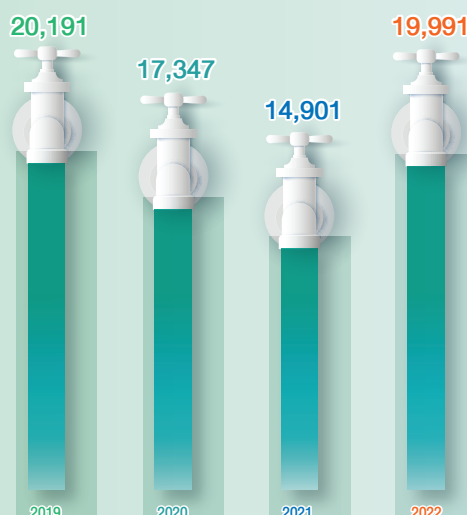
- The Water Chart of the Ping, Wang, Yom, and Nan River Basins and the Water Chart of the Sakae Krang, Pa Sak, Chao Phraya, and Tha Chin River Basins (employed by the Office of the National Water Resources). The study aimed to formulate plans for the improvement and rehabilitation of natural waterways and water sources that connect to the main rivers as well as to provide guidelines for water resource management in these river basins both in the dry and rainy seasons.



- **Provision of water situation information.** Each year, the Company's executives update water situation information via radio and television programs, the Internet and newspapers so that the public can prepare for impending water situation threats – be they droughts or floods. In particular, this enables farmers to better plan their farming activities and production management.

Performance

The volumes of water used at TEAM Building from 2019 to 2022 are shown below.

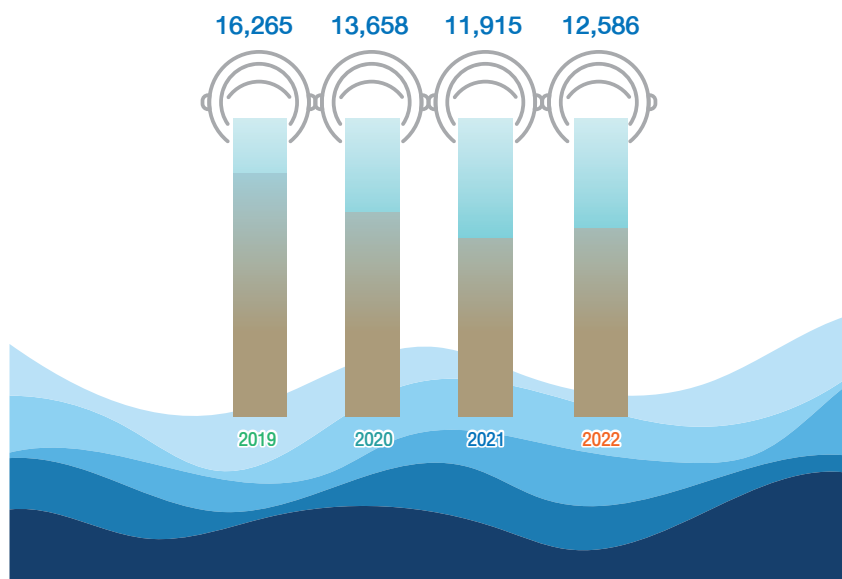


In 2022, the volume of water used by the Company increased because employees who had worked from home during the COVID-19 pandemic returned to work at the office when the situation improved.

3) Wastewater Management

The Company has adopted a fixed film aeration system with capacity of 100 cubic meters per day for treating wastewater generated by different activities within TEAM Building. The effluent that is discharged into public drains meets the effluent disposal standards established by the Ministry of Natural Resources and Environment.

On a regular basis, the Company has inspected wastewater quality, recorded data, produced reports, and maintained the equipment in the wastewater treatment system. In case the effluent quality does not meet the required standard, the Company shall immediately take action to improve the quality before releasing the effluent into the public drainage system. The volumes of wastewater treated from 2019 to 2022 are shown below.



4) Solid Waste and Pollution Management

Practices

The Company is committed to reducing and making use of solid waste in line with the 3Rs (Reduce, Reuse and Recycle) approach, especially with respect to wastepaper generated by report preparation. An active measure is to ensure that both sides of paper are used for printing. When such paper is no longer needed, it is sold for recycling. Staff members are also encouraged to use cloth bags instead of plastic bags, sort out used plastic bottles for recycling, and use eco-friendly office equipment.

To reduce the use of paper and promote a paperless working environment, documents such as meeting agendas and employee performance evaluation forms are stored in

digital format and sent by email. In addition, a document management system is adopted in all projects related to construction management and supervision which results in the reduction of hard copies such as circular letters, accounting, financial, and procurement documents.

These measures have been imposed as the Company's main target for executives and employees to carry out in line with the guidelines on conservation of natural resources and environmental protection. Through careful practice, environmental impacts on surrounding communities are minimized.



Performance

• The “Plastic Bottles for Medical Support” Project

Out of deep concern for the environment and social well-being and with strong commitment to optimizing plastic product use based on the 3Rs principle, the Company joined in the “Plastic Bottles for Medical Support” Project organized by PTT Public Company Limited. The aim was to sort out and convert PET plastic bottles into personal protective equipment (PPE) gowns for medical staff. This not only alleviated solid waste issues but also addressed the shortage of PPE gowns during the COVID-19 pandemic.



Recycling of solid waste

• Collecting Garbage on Bang Saen Beach

Each year, substantial volumes of plastic waste are dumped in the sea and this endangers marine life and marine ecosystems. Therefore, the Company has continuously encouraged its staff to reduce the use of plastic and taught them how to properly sort and discard solid waste. Garbage collection activities were held at Bang Saen Beach in Saen Suk Subdistrict, Mueang Chon Buri District, Chon Buri Province in 2019 and 2020. These activities, in which staff members and their families participated, helped to enhance their sense of environmental responsibility and strengthen mutual relations as well as consolidate corporate unity.



5) Reduction of GHG Emissions

Practices

The Company is aware of the impacts of global warming and severe climate change caused by GHGs directly and indirectly generated by business activities. In 2022, data were collected and the amount of GHGs emitted by the Company's activities was calculated in accordance with the carbon footprint assessment program provided by the Thailand Greenhouse Gas Management Organization (Public Organization). Details are shown below.

- Scope 1 Emission: Direct emission that is caused by the combustion of various fuels used by the Company such as diesel, gasoline, refrigerant leakage, as well as methane (CH₄) gas buildup in wastewater treatment systems.
- Scope 2 Emission: Indirect emission that is caused by the consumption of electricity as detailed in the section on “Energy Management”.
- Scope 3 Emission: Other types of indirect emissions that are caused by the use of fuels by traveling employees as well as the use of paper and tap water.

To address the GHG emission issue, the company focuses on reducing the use of electricity as detailed in the section on “Energy Management” as well as the use of resources and consumables such as paper, plastic bottles, and plastic bags. The measures imposed include reuse of different items and paperless operations.

Performance

GHG emissions by the Company's activities in 2022 were shown in the table below.

Source of GHGs	Amount	Unit
Scope 1	245	Ton CO ₂ e
Scope 2	612	Ton CO ₂ e
Scope 3	371	Ton CO ₂ e
Total	1,228	Ton CO ₂ e

*The information on GHG emissions by the Company in 2022 was verified by Bureau Veritas (Thailand) Limited. And the Company is thereby certified with a carbon footprint label approved by Carbon Footprint for Organizations on 28 February 2023.

In 2023, the Company aims to reduce GHG emissions by 5% of those emitted in 2022. The following measures have been devised:

Scope	Scope
Scope 1	
Use of diesel vehicles	Replace some of the Company's diesel cars with hybrid cars
Use of air-conditioner refrigerants	Plan to replace old air-conditioners with new ones
Biological oxygen demand (BOD) value of wastewater in septic tank	Set criteria for work-from-home/online meeting schedules
Scope 2	
Electricity consumption in the building	Reduce electricity consumption by 5%
Scope 3	
Use of paper	Promote paperless operations and reuse of paper
Air travel by employees	Encourage employees to choose low-emission airlines
Use of tap water	Promote the reduction of water use

6) Disputes on environmental issues and violation of environmental laws and regulations

There were no such disputes caused by the Company's operations in 2022.

3.4 Social Sustainability Management

3.4.1 Policies and Operational Guidelines on Social Issues and Human Rights

The Company is committed to operating with honesty, transparency, and fairness, respecting clients and human rights, nurturing and developing personnel, caring for society and communities, and minimizing impacts while benefiting communities in order to grow together. Therefore, the following guidelines on social responsibility, human rights, and treatment of employees have been established.

1. Focusing on the importance of doing business with honesty, transparency, and fairness. Establishing policies, rules, and regulations for taking care of all groups of stakeholders in accordance with the Good Corporate Governance Code and business ethics.

2. Being committed to fulfilling client satisfaction through punctual delivery of services that are congruent with professional standards and with quality management in line with ISO standards and quality assurance (QA) requirements.

3. Operating with high respect for human rights. Supporting and treating all stakeholders, especially the company's personnel – the primary asset for human resource management and development, on an equitable basis and without discrimination against persons with disabilities or people of different races, religious, genders, languages, ages, color, social status, cultures, and traditions.

4. Treating employees with fairness and equality. Valuing their quality of life; assigning appropriate tasks to each of them; offering reasonable benefits and welfare including a healthcare system and an appropriate remuneration structure, encouraging individual development through different training programs hosted by both the company and other organizations; providing encouragement; and promoting a good working attitude among staff at all levels.

5. Establishing guidelines for executives and employees to participate in activities that benefit society and the community in general.

3.4.2 Performance

1) Treatment of employees and workers

The Company follows the principles of human rights and labor protection starting from personnel recruitment to the treatment of employees and workers. The following personnel management endeavors were executed in 2022:

(1) Fair employment

The Company has recruited and retained personnel on an equitable basis and without discrimination against persons with disabilities or people of different origins, races, nationalities, religions, genders, ages, colors, and social status. Each staff member is recruited based on suitable qualifications pertaining to each position. In 2022, a total of 41 positions were recruited (3.39% of the labor force) and the Company had no issues with regard to violation of human rights or use of child labor. These positions can be disaggregated by age and gender as follows:

Employment by gender	Number (Persons)	Proportion
Female employees	8	20%
Male employees	33	33%

Employment by age	Number (Persons)	Proportion
22 - 30 years old	21	51%
31 - 40 years old	16	39%
41 - 50 years old	4	10%

The following social welfare benefits are provided to employees:

1. Social security fund
2. Compensation fund
3. Health insurance, life insurance and group personal accident insurance
4. Annual health check
5. Funeral assistance and financial assistance to the family in the event of an employee's death
6. Provident fund
7. Long service award
8. Maternity visit fee

- Retirement benefits: The Company complies with Thai labor law and the Company's employment policy. Employees who have worked for 120 days are entitled to severance pay due to termination of employment. And those who reach retirement age are entitled to severance pay at the rate specified by law, i.e. 400 days of the last salary.

- Long-term benefits: Company policy provides rewards in gold to employees whose years of work reach 10, 15, 20 and 25 milestones.

In 2022, the average rate of employees who took leave was 45%; 97% returned to duty after taking leave, while 3% abandoned their duty.

(2) Indiscrimination

The Company has recognized and supported all aspects of employee equality. Every action conducted by the Company is performed without discrimination. For example, employees assigned the same tasks are paid the same wages, regardless of gender, based upon education, knowledge, ability, experience, and expertise.

(3) Child labor

The Company has strictly complied with policy and business ethics regarding the use of child labor, such as the age assessment of employees before employment according to the Labor Protection Act B.E. 2541 (1998), Chapter 4: Employment of Young Workers (Sections 44-52). For the year 2022, employee ages ranged between 22 and 64 years old.

In 2022, the Company had no dispute regarding violation of human rights or use of child labor.



(4) Employee Training (Employee Development and Training Plan)

The Company has formulated an employee development and training plan based on corporate strategies, values, workplans, job titles, legal or regulatory requirements and problems that occurred in the previous year. The objectives are to enhance staff knowledge and capacity, instill organizational culture and ethics among employees at all levels, support and develop their capacity, respond to business needs, and prepare for business expansion both domestically and internationally. The company continuously develops skills, knowledge, and capacities among employees at all levels, along with implementation of the management system that is congruent with the framework for corporate strategies and business

practices. Different activities have been held to serve these purposes, for example, in-house training, external training, on-the-job training, site visits, self-learning programs, and establishment of the Community of Practices (CoPs).

Owing to the spread of COVID-19, most training activities were conducted via online applications, namely Microsoft Teams and Zoom. However, practical training activities remained in the classroom training format as conducted previously. In 2022, the following training activities were organized to provide professional knowledge, enhance operational performance and create awareness of the importance of the environment and energy to employees:

Types of training activity	Examples	Targets
Potential growth and development	<ul style="list-style-type: none"> • TEAM Service and Professional Consultants • Effective Business Presentation Skills 	Employees at each level
Legal or regulatory requirements	Fire Prevention and Fire Evacuation Drills	Executives and employees
Knowledge	<ul style="list-style-type: none"> • Financial Data Usage for Decision-Making for Executives • Management Coaching Program 	Executives at junior, middle, and senior levels
Self-development, happiness enhancement and motivational boosting	<ul style="list-style-type: none"> • TEAMG CoPs' live on "Climate Change and Us" theme • TEAMG CoPs' live on "How Is PDPA Involved in Our Daily Lives?" theme 	Executives and employees

In 2022, the Company continued to encourage executives and employees to participate in training sessions hosted by the Company and other organizations. In the meantime, due to restrictions from the COVID-19 pandemic, there were, on average, 21.19 training hours for employees and executives, slightly lower than the target of 25 hours per person for the year. In 2023, the Company will promote more training hours for employees and establish more e-Learning courses.

(5) Occupational Health and Safety and Working Environment

The Company has always accorded importance to occupational health and safety. To encourage executives and employees to operate with greater concern about their own safety as well as that of co-workers, clients, business partners, and all related parties, the Board of Directors approved the policy on safety, occupational health, and

a suitable working environment to function as a guideline. The policy was promulgated on the company's intranet and website. The following activities were held to promote occupational safety:

The 5S System

The Company encouraged employees to value the 5S system which involves the practice of sorting, setting in order, shining, standardizing and sustaining hygienic habits to create a well-organized workplace environment. Practice guidelines were established for the improvement and maintenance of a clean orderly workplace to enhance operational convenience, safety, and efficiency. In 2022, the Company arranged a competition regarding the 5S system in each working department in order to generate incentives and raise awareness among employees.

Reducing the Risk of COVID-19 Infection

To reduce the risk of COVID-19 infection, the Company has urged employees to follow social distancing and wear face masks during working hours. In this respect, the Company has allocated alcohol hand sanitizers and disinfection equipment at appropriate spots; it has also contacted healthcare facilities to provide vaccination services for employees.

In addition, employees on duty at construction sites are instructed to prioritize operational safety and always use protective equipment such as safety vests and hard hats while working.

As such, in 2022, no severe accidents were reported at construction sites that resulted in employee's absence or injury.

3.4.3 Goals for the Year 2023

The Company has strictly followed the fundamental principles regarding the universal human rights law. Thus, the Company has placed importance on human rights, equality, and personal freedom without discrimination towards differences of origin, race, nationality, color, gender, age, language, religion, culture, class, disability, marital status, physical and health status, personal status, social and economic status, social beliefs, political opinion, and so forth.

For 2023, the Company's goals in terms of employee treatment have been determined as follows:

1. Fair Employment without Discrimination

The Company will treat employees equally and fairly with no exception in terms of origin, race, religion, gender, marital status, language, and job title. The Company's goal is zero cases for these issues and case indicators will be defined by the complaints received from employees.

2. Child Labor

The Company does not use or support child labor and human trafficking under any circumstances.

3. Employee Training

The Company has set the participation hours of employees and executives for training and development sessions at 25 hours per person for the year 2023.

4. Occupational Health and Safety and Working Environment

The Company has always prioritized occupational health and safety. Therefore, the Company has encouraged employees and executives to adhere to the Company's policies on occupational health and safety. The goal is to have zero accidents from operations.

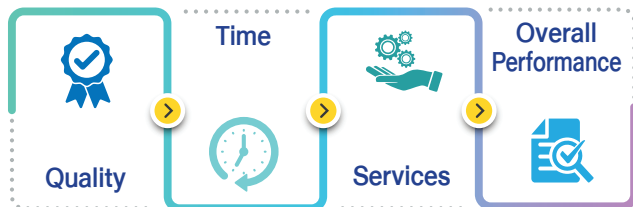
5. Employee Retention

The Company has underscored the retention of skillful employees. The plan for the year 2023 is given hereunder:

1. Preparing an individual development plan for employees according to their career paths to help them attain higher job positions.
2. Adopting technology for human resource management to reduce workloads and paperwork.
3. Determining remuneration concerning job positions, duties and responsibilities under the rates established in the labor market.
4. Organizing activities to extend cordial relationships between executives and employees, such as New Year's Eve parties and Company establishment anniversary parties.
5. Being open to opinions and complaints from employees at all levels.

In addition, the Company is committed to delivering products and services with responsibility for clients. For active and continuous enhancement of the quality management system, the Company has established a policy on quality management to optimize client satisfaction and produce quality work congruent with professional standards and punctual delivery. The ISO 9001:2015 quality management and control system has been adopted and is driven by the Quality Management Committee (QMC) which determines policy on the Company's quality management system, quality indicators, and annual quality targets. The Committee also monitors the implementation of the quality management system and establishes guidelines for continuous improvement to enhance operational efficiency. Regarding the projects the Company has been entrusted with, the Company has quality assurance experts to supervise project implementation in line with technical quality policy and established standards. Projects with substantial impacts and high risk related to quality are closely monitored and overseen. The quality of work is strictly inspected before delivery to clients.

The Company has carried out customer satisfaction assessment on a regular basis through customer satisfaction surveys which have involved interviews and the use of questionnaires. The assessments have concluded and reported on four categories with a total of 10 topics.



The ratings in the client satisfaction survey:

- 4** -----> Very satisfied / Exceeds expectations
- 3** -----> Satisfied / As expected
- 2** -----> Dissatisfied / Lower than expected
- 1** -----> Very dissatisfied / Much lower than expected

A project that is considered to have passed the assessment criteria must achieve 3 points or more in all 10 topics. If the number in an assessment issue is lower than 3, the overall performance in that project is determined as not passing the criteria and the project manager must prepare an improvement plan for the managing director and the clients.

In 2022, the company assessed client satisfaction in 187 projects. The assessment results showed 174 projects that passed the criteria, accounting for 93% of the projects assessed. The average points for each category were as follows:

Category	Average score achieved (from the total of 4)
Quality	3.6
Time	3.6
Service	3.7
Overall performance	3.6

3) Participation in Social and Community Development

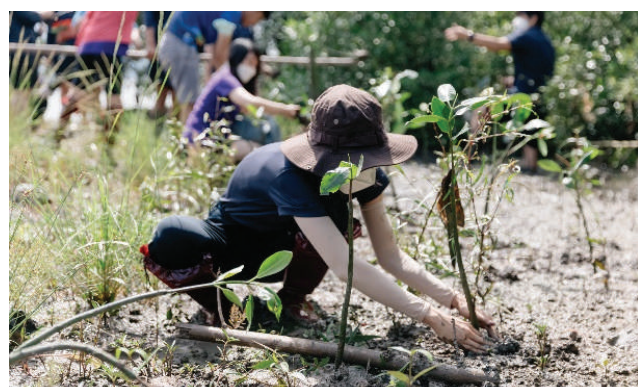
Practice

The Company is aware of its role of serving as a good social citizen and contributes to communities adjacent to TEAM Building and those in areas where projects are being implemented. The Company, together with communities in the vicinity of the Khun Dan Prakan Chon Dam Project,

Nakhon Nayok, thus jointly conducted a participatory rapid appraisal (PRA) for response to their needs. Consequently, the Company formulated an educational support plan for 4 schools in need, namely Wat Tha Dan School, Wat Wang Yai Chim School, Wat Hup Moei School, and Wat Tha Chai School in Nakhon Nayok. Also, the Company presented scholarships to schools near TEAM Building, i.e. Wat Nuan Chan School, Wat Nuan Chan Pre-school Children Care Center, Wat Bun Si Munikon Pre-school Children Development Center, and Ban Dek Ramindra School (Home for the Multiple Handicapped Blind Children).

Mangrove Forest Restoration

The Company, the TEAM GROUP Foundation, Sahaviriya Plate Mill PCL., and Bangpakong Port Co., Ltd., jointly planted 150 mangrove saplings, together with communities at Moo 14, Bang Pakong Subdistrict, Bang Pakong District, Changchoengsao, located in the environs of the Bang Pakong Port Environmental Impact Assessment Project and Sahaviriya Plate Mill Wharf Construction Project. The activity was conducted to conserve natural resources and the environment, sustain ecosystem balance, and protect the breeding grounds and habitats of aquatic life. Moreover, the sustainability of the community's land was enhanced.



Pantry of Sharing Project

In another endeavor, the Company realized the effect of the COVID-19 pandemic on communities surrounding the TEAMG's building and in the area of the Lop Buri–Pak Nam Pho Double-track Railway Project. Therefore, the Pantry of Sharing was provided to alleviate the burdens of residents and stakeholders. The project has continued into its third year.



Performance

Projects for Educational Support

For 15 consecutive years since 2007, the Company and TEAM GROUP Foundation have continuously presented scholarships to students at the schools under the Company's patronage to provide educational opportunities for the youth in need. In 2022, the 29th scholarship presentation was organized for students at five schools in Nakhon Sawan Province (namely Nakhon Sawan School, Wichawadi School, Wat Khao Mano School, Wat Makluea School, and Wat Si Sawan Sangkhram School), four schools in Nakhon Nayok Province (namely Wat Ban Tha Dan School, Wat Tha Chai School, Wat Wang Yai Chim School and Wat Hup Moei School), and four schools in Bangkok (namely Wat Nuan Chan School, Wat Nuan Chan Pre-school Children Care Center, Wat Bun Si Munikon Pre-school Children Development Center, and Ban Dek Ramindra School (Home for the Multiple Handicapped Blind Children)).

Nakhon Sawan Province



Wat Si Sawan Sangkharam School



Wat Ban Makluea School



Wat Khao Mano School



Wichawadi School



Wat Tha Dan School



Wat Wang Yai Chim School



Wat Hup Moei School



Wat Tha Chai School

- Presentation of scholarships to Nakhon Sawan School, Wichawadi School, Wat Khao Mano School, Wat Ban Maklua School, and Wat Si Sawan Sangkharam School in Nakhon Sawan Province

- Presentation of scholarships to Wat Tha Dan School, Wat Tha Chai School, Wat Wang Yai Chim School, and Wat Hup Moei School in Nakhon Nayok Province

- Presentation of scholarships to Wat Nuan Chan School in Bangkok



- Presentation of scholarships to Wat Nuan Chan Pre-school Children Care Center in Bangkok
- Presentation of funds and necessities to Ban Dek Ramindra School (Home for the Multiple Handicapped Blind Children)
- Presentation of four computers to Khwaorai Suksa School in Kosum Phisai District, Maha Sarakham Province
- Presentation of two computers and accessories to Wat Ban Makluea School in Nakhon Sawan Province
- Donation of clothes and other items to Baan Nokkamin Foundation in accordance with the Leave All You Left Moral Project. The foundation is responsible for screening donated items and providing them to children under its program and other poor children across the

country, as well as selling donated items and awarding earnings as scholarships to children.

- Presentation of funds to support the purchase of medical equipment for Siriraj Hospital and Sawanpracharak Hospital
- Presentation of funds to support lunch expenses for students at Moonmungluangpoochobthanasamo School in Loei Province
- Donation of money to Wat Tham Krabok
- Donation of money to Wat Phra Bat Nam Phu
- Donation of money to the Universal Foundation for Persons with Disabilities



Wat Nuan Chan School, Wat Nuan Chan Pre-school Children Care Center, and Wat Bun Si Munikon Pre-school Children Development Center



Ban Dek Ramindra School (Home for the Multiple Handicapped Blind Children)



Baan Nokkamin Foundation



Presentation of computers to Khwaorai Suksa School in Maha Sarakham Province



Presentation of computers to Wat Ban Makluea School in Nakhon Sawan Province

Blood Donation

For 30 consecutive years, the Company has encouraged personnel to donate blood as a merit-making activity.

Moreover, the Company has established a policy on its responsibility to society and the environment to act as a guideline for committees, executives, and employees to participate in business operations in accordance with the sustainable development approach. In this regard, the Company has focused on conducting business using the ESG (Environmental, Social and Governance) concept, and its three pillars of responsibility, i.e. the environment, society, and good corporate governance. The concept accords with the company's business targets vis-à-vis the circular economy and the objective of being "A regional solution provider and innovative business developer".



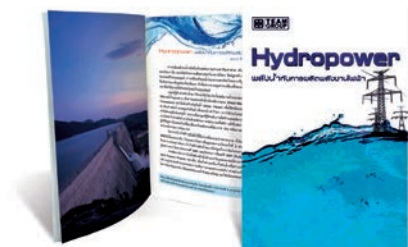
Knowledge Sharing

As an expert on water resource management, the Company has organized online public seminars to provide academic information, encourage knowledge sharing and mutually seek solutions from experts and the public alike. In addition, the Company's experts have been invited to give lectures by different organizations to provide the public with knowledge and useful information. Examples are an online seminar on how to deal with floods organized by Krungsri Securities PCL. to disseminate information to investors; an interview on the article "Heavy rainfall hits Bangkok: floods at many locations occurred as well as critical traffic issues" in the Question Time program on Thai PBS; and interviews for various media channels such as MCOT HD, TNN16, PPTV HD, Nation TV and FM 96.5, and The Standard social media channel.



Book Publication

The Company has shared knowledge and experience through different public media and established the Knowledge Management Unit to systematically manage bodies of knowledge by compiling information on different projects and also publishing books on topics of public interest which have become reliable reference sources. Examples of these publications are "TEAM GROUP's Secret Revealed" which provides working tips, "Be Aware and Prepared for Flooding", "Hydropower" and so forth.



4. Management Discussion and Analysis

1. Overview and Important Changes

In 2022, the Company and its subsidiaries have implemented its core business plan and 5-year vision, with focus on joining hands with new partners to seek business opportunities for expanding non-consulting business. The shareholding restructuring was carried out and additional investments were made in the existing joint venture company regarding district cooling system operations, i.e. Prathumwan Smart District Cooling Company Limited (PSDC), and a new joint venture company in technological innovations and big data management with information technology, i.e. DTX Company Limited (DTX). The consulting business operations of the Company and its subsidiaries have returned to normal after the abatement of COVID-19 pandemic and reclassification of COVID-19 as an endemic disease.

2. Analysis of Operating Results

The 2022 revenue of the Company and its subsidiaries totaled 1,639.49 million Baht, comprising 1,623.67 million Baht from sales and service revenue, representing 99.03% of the total revenue, and 15.83 million Baht from other revenue or 0.97% of the total.

Sales and Service Revenue

The 2022 sales and service revenue of the Company and its subsidiaries amounted to 1,623.67 million Baht, decreasing by 135.64 million Baht from the year 2021 or a decline of 7.71%. The revenue under this category is divided into 2 main portions as follows:

1. Revenue from consulting business was 1,569.78 million Baht, comprising:

The 2022 sales and service revenue of the Company and its subsidiaries amounted to 1,623.67 million Baht, decreasing by 135.64 million

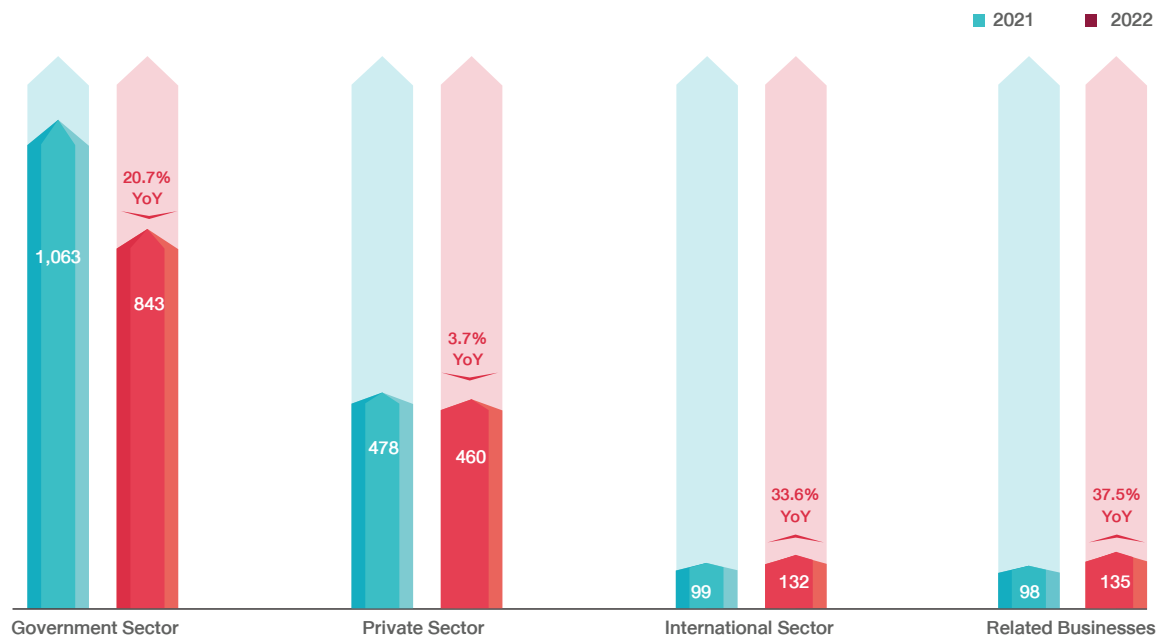
1.1) [Revenue from the government sector](#) amounted to 842.72 million Baht, representing 53.68% of the total service revenue, declining from the 2021 revenue which was 1,062.51 million Baht or a decrease by 20.69%. The main reason was the delay in the issuance of Notice to Proceed for one large public-private partnership project, resulting in the deferral of revenue recognition from the beginning of the year 2022 onwards. Moreover, other large projects of the Company and its subsidiaries entered the final phase. Therefore, the revenue recognition from those projects was lower while works on new projects were still in process.

1.2) [Revenue from the private sector](#) was 459.90 million Baht or 29.30% of the total service revenue, comparatively lower than the year 2021 which was 477.74 million Baht or down by 3.73%. The Company and its subsidiaries had executed the normal project plans.

1.3) [Revenue from the international sector](#) was 132.05 million Baht or 8.41% of the total service revenue, up by 33.57% compared to 98.86 million Baht in 2021. As the Company and its subsidiaries were awarded a large design project in Lao PDR by the end of 2021, works were carried out and delivered throughout the year 2022, after the decrease in international projects in the last 2 years as a result of COVID-19 pandemic.

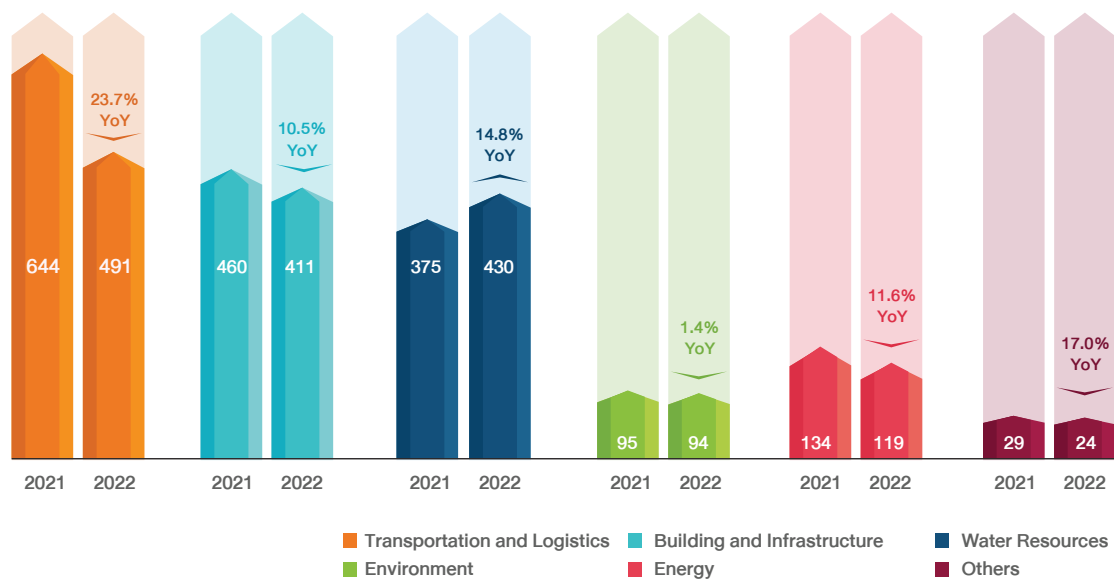
1.4) [Revenue from related businesses](#) was 135.10 million Baht, representing 8.61% of the total service revenue, soaring by 37.53% compared to 98.24 million Baht in 2021. This was due to the quadrupled increase in the dam instrumentation works of the Company and its subsidiaries in comparison to the previous year, with 36.26% completion of the works awarded in 2022.

Revenue by Sector



In view of the service revenue by the 5 main specializations of the Company and its subsidiaries, the 2022 service revenue proportion by value is as follows: (1) 491.38 million Baht or 31.30% from transportation and logistics segment; (2) 429.83 million Baht or 27.38% from water resources; (3) 411.41 million Baht or 26.21% from building and infrastructure; (4) 118.82 million Baht or 7.57% from energy; (5) 93.97 million Baht or 5.99% from environmental segment; and 6) 24.38 million Baht or 1.55% from other services.

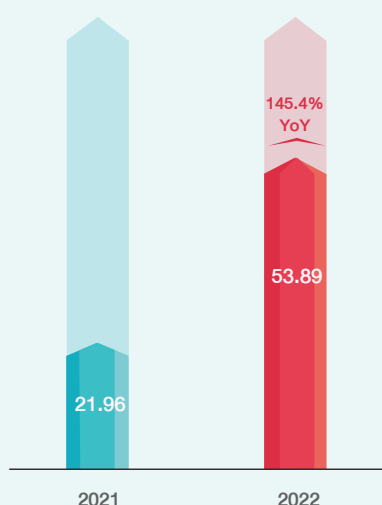
Revenue by Specialization



2. Revenue from non-consulting businesses amounted to 53.89 million Baht or 3.32% of the total sales and service revenue, a growth of 145.39%, compared to 21.96 million Baht in the year 2021. The revenue from non-consulting businesses came from long-term projects with a project period of about 10-25 years as follows:

- 2.1) Wastewater projects
- 2.2) Renewable energy projects
- 2.3) Water supply projects

Sales Revenue



Other Revenue

In 2022, the Company and its subsidiaries had other revenue, such as revenue from software sales, report preparation, and others, amounting to 15.83 million Baht or 0.97% of the total revenue of the Company and its subsidiaries.

Cost of Services, Gross Profit and Gross Profit Margin

Cost of Consulting Services

The total cost of services of the Company and its subsidiaries was 1,155.41 million Baht, which fell from 1,297.69 million Baht in the preceding year or a 10.96% decline in line with the decreased service revenue of the year. Nonetheless, the cost to income ratio for the 2022 service revenue declined from 74.69% in 2021 to 73.60% in 2022. This resulted from the clients' approval of some parts of additional expenses of the Company and its subsidiaries for the extension of project period of large projects

which had been under negotiation in the previous year. Furthermore, the Company and its subsidiaries managed their personnel to carry out the project implementation with maximum efficiency, resulting in a substantial reduction in the subcontract expenses, up to 40.50% of the cost in this category in the previous year.

The cost of services structure of the Company and its subsidiaries in 2022 comprised (1) employee-related expenses, mostly professional personnel, amounting to 842.80 million Baht or 72.94% of the service cost; (2) subcontract expenses, e.g. site surveys and other surveys, including payment to data analysis experts, amounting to 144.25 million Baht or 12.49% of the service cost; and (3) other direct expenses, e.g. field work expenses, report preparation, equipment expenses, etc., in the amount of 168.36 million Baht or 14.57% of the service cost. The higher equipment expenses in 2022 were due to the growing number of dam instrumentation projects in the year.

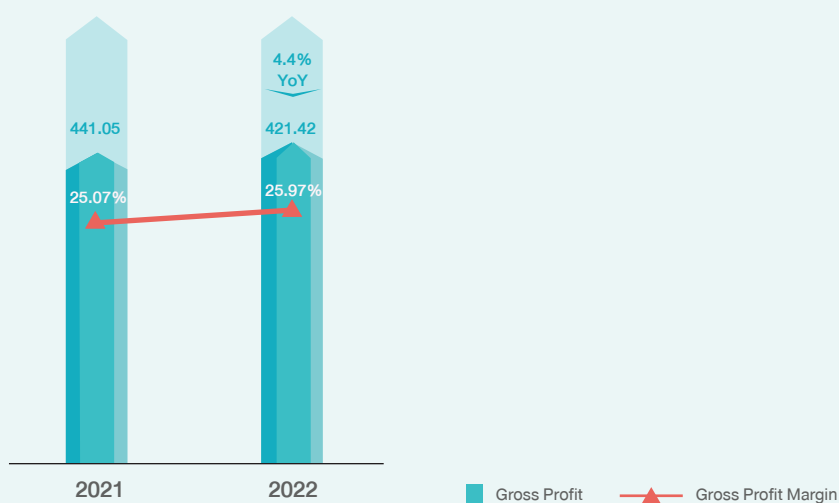
Cost of Services Structure	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Cost of Services	1,155.41	100.00	1,297.69	100.00	(142.28)	(10.96)
Employee-related expenses	842.80	72.94	921.71	71.03	(78.91)	(8.56)
Subcontract expenses	144.25	12.49	242.45	18.68	(98.20)	(40.50)
Other direct expenses	168.36	14.57	133.53	10.29	34.83	26.09

Sales and Operating Costs

The sales and operating costs of the Company and its subsidiaries were totally 46.54 million Baht. The ratio of sales and operating costs to sales and operating revenue was 86.37%. The main cost item was subcontract expenses for the construction of water treatment and water supply project which was completed and the water sales started in the 4th quarter of 2022.

Gross Profit and Gross Profit Margin

The Company and its subsidiaries had a gross profit of 421.72 million Baht, a decrease by 19.33 million Baht or 4.38% from the previous year. The gross profit rose slightly to 25.97% of the sales and service revenue, compared to the 2021 gross profit which was 25.07% of the sales and service revenue.



Administrative Expenses and Operating Profit

Administrative Expenses

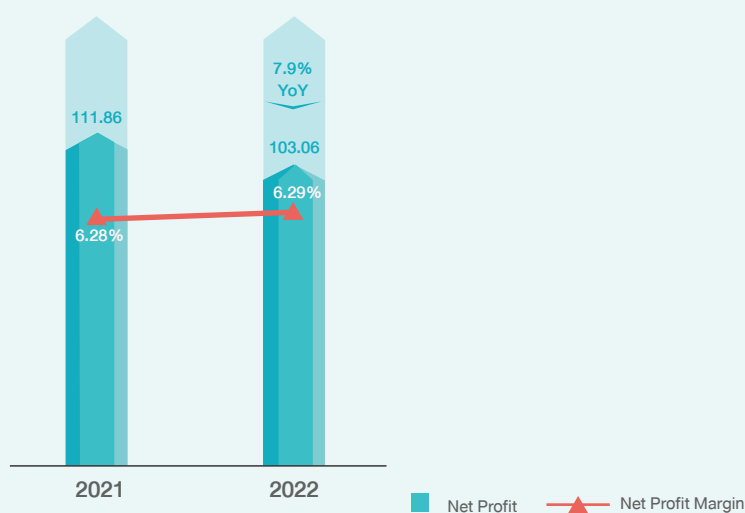
The 2022 administrative expenses of the Company and its subsidiaries totaled 316.12 million Baht. The ratio of administrative expenses to total revenue was 19.28%, compared to the 2021 ratio of 18.12%, as a result of the lower revenue of the year 2022. The structure of administrative expenses is presented herein.

Structure of Administrative Expenses	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Total Administrative Expenses	316.12	100.00	322.59	100.00	(6.47)	(2.00)
Employee-related expenses	197.74	62.55	207.70	64.39	(9.96)	(4.79)
Depreciation and amortization	28.04	8.87	34.30	10.63	(6.26)	(18.25)
Office expenses	20.07	6.35	20.37	6.31	(0.30)	(1.47)
Lease and service costs	31.85	10.08	27.39	8.49	4.46	16.28
Other administrative expenses*	38.42	12.15	32.83	10.18	5.59	17.04

Remarks:* Other administrative expenses, such as fees, entertainment expenses, professional indemnity insurance, etc.

Net Profit and Net Profit Margin

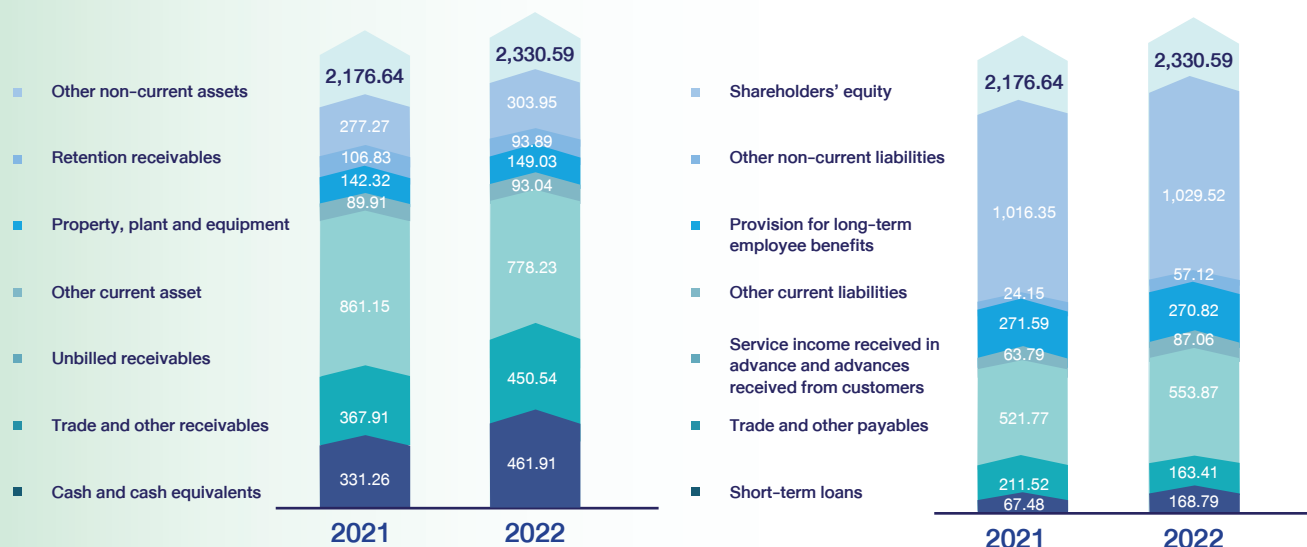
The Company and its subsidiaries had a net profit of 103.06 million Baht in 2022, decreasing by 8.79 million Baht or 7.86% compared to the previous year. The net profit to total revenue ratio was 6.29%, comparable to the 2022 net profit ratio.



3. Analysis of Financial Position

Statement of Financial Position	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets	2,330.59	100.00	2,176.64	100.00	153.95	7.07
Cash and cash equivalents	461.91	19.82	331.26	15.22	130.65	39.44
Trade and other receivables	450.54	19.33	367.91	16.90	82.63	22.46
Unbilled receivables	778.23	33.39	861.15	39.56	(82.92)	(9.63)
Other current assets	93.04	3.99	89.91	4.13	3.13	3.48
Total current assets	1,783.72	76.54	1,650.22	75.82	133.50	8.09
Property, plant and equipment	149.03	6.39	142.32	6.54	6.71	4.71
Retention receivables	93.89	4.03	106.83	4.91	(12.94)	(12.11)
Other non-current assets	303.95	13.04	277.27	12.74	26.68	9.62
Total non-current assets	546.87	23.46	526.42	24.18	20.45	3.88
Liabilities and shareholders' equity	2,330.59	100.00	2,176.64	100.00	153.95	7.07
Short-term loans	168.79	7.24	67.48	3.10	101.32	150.15
Trade and other payables	163.41	7.01	211.52	9.72	(48.11)	(22.74)
Service income received in advance and advances received from customers	553.87	23.77	521.77	23.97	32.10	6.15
Other current liabilities	87.06	3.73	63.79	2.93	23.27	36.48
Total current liabilities	973.13	33.06	864.56	39.72	(94.16)	(10.89)
Provision for long-term employee benefits	270.82	11.62	271.59	12.48	(0.77)	(0.00)
Other non-current liabilities	57.12	2.45	24.15	1.11	32.97	136.52
Total non-current liabilities	327.94	14.07	295.74	13.59	32.20	10.89
Total liabilities	1,301.07	55.83	1,160.29	53.31	140.78	12.13
Total shareholders' equity	1,029.52	44.17	1,016.35	46.69	13.17	1.30

Statement of Financial Position



Assets

As at 31 December 2022, the Company and its subsidiaries had the total assets of 2,330.59 million Baht, increasing by 153.96 million Baht over the 2021 total assets or a growth rate of 7.07%. The total assets were divided into current assets of 1,783.72 million Baht and non-current assets of 546.87 million Baht. Details of the significant changes are explained herein.

Cash and Cash Equivalents: At the end of 2022, cash and cash equivalents amounted to 461.91 million Baht, rising by 130.65 million Baht compared to those at the end of 2021 or a growth of 39.44% due to the increased billing of the unbilled receivables and the receivables of large projects including advances received for new projects by the end of the year.

Trade and Other Receivables: At the end of 2022, trade and other receivables were 450.54 million Baht, up by 22.46% over the amount of 367.91 million Baht at the end of 2021. These receivables were mainly less than 3 months old.

Unbilled Receivables: The Company and its subsidiaries had a lower amount of unbilled receivables as at 31 December 2022, falling by 82.91 million Baht from 861.15 million Baht at the end of 2021 to 778.23 million Baht or a 9.63% decrease. This was due to the efforts by the Company and its subsidiaries to improve the issuance of the long delayed invoices for government projects.

Liabilities

As at 31 December 2022, the Company and its subsidiaries had the total liabilities of 1,301.07 million Baht, compared to 1,160.29 million Baht as at 31 December 2021, with a growth rate of 12.13% or an increase of 140.78 million Baht. The liabilities were classified into current liabilities of 973.13 million Baht and non-current liabilities of 327.94 million Baht. Details of the significant changes are as follows:

Bank Overdrafts and Short-Term Loans from Banks: These liabilities rose by 101.32 million Baht to 168.79 million Baht as of December 2022, an increase of 150.16%. These borrowings were used for the project operations while the invoicing delay occurred in several large government projects, particularly public-private partnership projects.

Trade and Other Payables decreased by 48.11 million Baht, reducing the outstanding payables to 163.41 million Baht or a 22.04% decline.

Service Income Received in Advance and Advances Received from Employers were 553.87 million Baht in total at the end of December 2022, up by 32.10 million Baht or a 6.15% growth. The increase was mainly contributed by the service income received in advance while advances received from employers decreased.

Provision for Long-term Employee Benefits was slightly lower by 0.77 million Baht, reducing the total provision for long-term employee benefits at the end of 2022 to 270.82 million Baht from 271.59 million Baht at the end of 2021 or a decrease of 0.28%.

Other Non-current Liabilities rose by 32.97 million Baht to 57.12 million Baht at the end of December 2022 or a growth rate of 136.52% as a result of long-term loans from financial institutions for water treatment and water supply projects.

Shareholders' Equity

As of 31 December 2022, the shareholders' equity of the Company and its subsidiaries increased to 1,029.52 million Baht in comparison to 1,016.35 million Baht as at 31 December 2021, rising by 13.18 million Baht or a growth rate of 1.30%

Cash Flow, Liquidity and Significant Financial Ratio

The Company and its subsidiaries had a positive cash flow from the 2022 operating activities in the amount of 135.99 million Baht, as against the negative cash flow of 133.56 million Baht in 2021. This resulted from more success in the negotiations with clients for payment of the long outstanding service fees in the last quarter of the year.

As of 31 December 2022, the Company and its subsidiaries had a current ratio of 1.83 times and a quick ratio of 0.94 times. This was due to the increase in receivables and the decrease in the debt to equity ratio (D/E ratio) at the end of 2022 to 1.26 times, compared to the previous year. The gearing ratio increased to 0.24 times, resulting from the liabilities with higher interest rates.

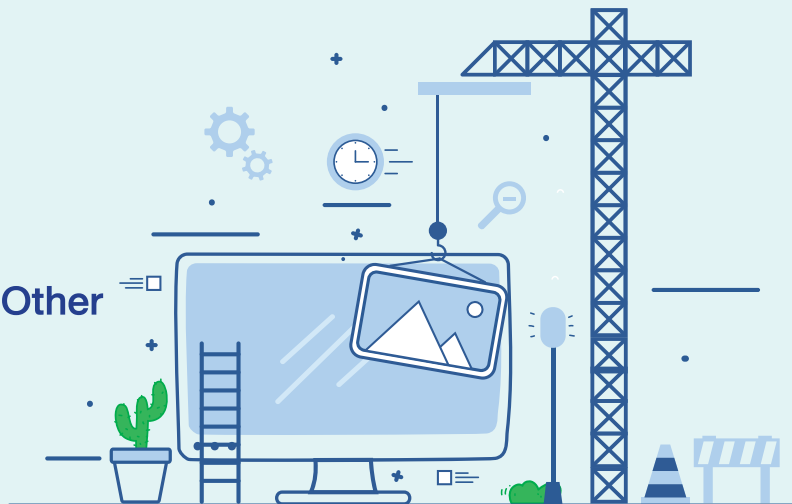
Cash flow and Significant Financial Ratios	2022	2021	Increase (Decrease)
Net Cash (Baht)			
Net Cash at the Beginning of the Year	331.26	491.86	(160.60)
Cash Flow from Operating Activities **	135.99	(133.56)	265.88
Cash Flow from Investing Activities	(25.12)	(8.15)	(13.31)
Cash Flow from Financing Activities	19.79	(18.89)	38.68
Net Cash at the End of the Year	461.91	331.26	130.65
Liquidity (Times)			
Current Ratio	1.83	1.91	(0.08)
Quick Ratio	0.94	0.81	0.13
Leverage Ratio (Times)			
Debt to Equity Ratio (D/E ratio)	1.26	1.20	0.06
Gearing Ratio	0.24	0.10	0.10
Interest Coverage Ratio (EBIT / Interest paid)	17.07	38.51	(21.44)

Remarks: ** Cash flows from operating activities included the effects from exchange rate in cash and cash equivalents.



5 General Information and Other Significant Information

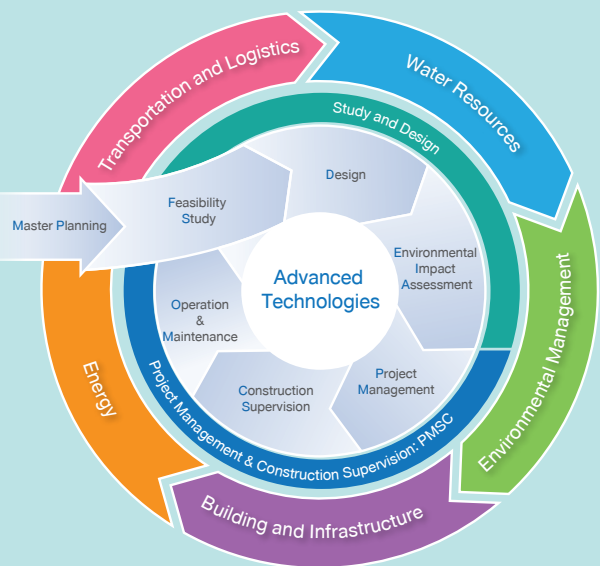
5.1 General Information



Company name	TEAM Consulting Engineering and Management PCL.
Stock symbol	TEAMG
Company registration number	0107561000030
Type of business	The integrated engineering, environment, management consultancy services
Industry	Property & Construction
Sector	Construction Services
Authorized capital	Baht 340,000,000.00 (680,000,000 listed Common Stock shares at Baht 0.50 per share)
Issued and paid-up capital	Baht 340,000,000.00 (680,000,000 listed Common Stock shares at Baht 0.50 per share)
Address	151 Nuan Chan Road, Nuan Chan, Bueng Kum Bangkok 10230
Telephone	+66 2 509 9000
Fax	+66 2 509 9000
Website	www.teamgroup.co.th
Investor relations's contact	ir@team.co.th/ +66 2 509 9000 ext. 2019/ +66 8 0271 9521
Corporate secretary 's contact	cs@team.co.th
<u>Reference</u>	
Securities registration	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Telephone: +66 2 034 0000, Fax: +66 2 034 0100
Company auditor	1. Mr. Chatchai Kasemsrithanawat 2. Miss Siraporn Ouannunkun 3. Mrs. Chonlaros Suntiasvaraporn Auditors from EY Office Limited 193/136-137 Ratchadaphisek Road, 33th Floor Lake Rajada Office Complex, Klong Tan Nuea, Klong Toei, Bangkok 10110

5 Fields of TEAMG's Excellent Services

TEAMG is ready to join forces with organizations and our affiliates to become a leader in the integrated consulting service domain, with specific focus on engineering and environmental management in the ASEAN region. Currently, our services cover the following five major areas:



Transportation and Logistics

Roads, bridges, intercity motorways, public transportation systems, rail-based systems, double-track railways, high-speed railways, airports, seaports, traffic engineering, traffic management, and logistics management



Water Engineering

Water resources management/development, irrigation, hydropower project development, flood prevention systems, drainage systems, coastal engineering, and available water status forecasting



Environmental Management

Strategic environmental assessment, initial environmental analysis, environmental impact assessment, social impact assessment, health impact assessment, environmental management planning, resettlement action plans, and social development plans



Building and Infrastructure

All types of building and infrastructure systems including condominiums, hotels, retail and mixed-use complexes, factories, industrial estates, green building, urban planning, land-use planning, and Transit Oriented Development (TOD)



Energy

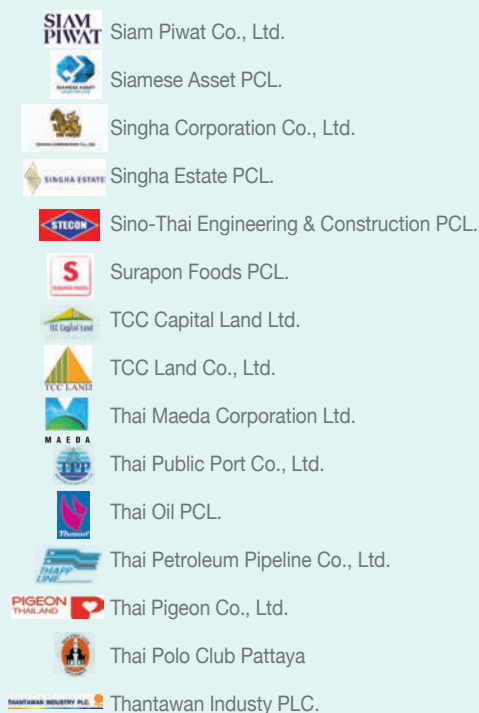
Fossil fuel power generation, all types of alternatives covering natural gas, coal, hydropower, wind, solar, biomass, biogas, waste, and nuclear energy to save cost; construction of underground cable systems to accommodate the ASEAN Community; development of energy-related infrastructures; energy conservation and management; independent engineering and due diligence services for energy saving thrusts

Strong Amalgamation to Provide Total Solutions

Over 45 years, TEAMG has won clients' trust by delivering outstanding results through professionalism. Its original mandate was and remains to respond to all clients' needs to ensure maximum satisfaction based on Service, Quality, Teamwork (SQT) principles. Today, more than 100 leading companies and organizations in government and private sectors, in Thailand and beyond, have put their faith in TEAMG's expertise.

International Organizations & Private Enterprises

	Asian Development Bank		Cargill Meats (Thailand) Ltd.		Imperial Land Group
	Japan Bank for International Cooperation		Central Department Store Co. Ltd.		Italian-Thai Development PCL.
	Mekong River Commission		Central Pattana PCL.		ITALTHAI GROUP
	Overseas Cambodian Investment Corporation		CH. Karnchang PCL.		King Power International Co., Ltd.
	Petroleum Trading Lao Public Company		Chevron Thailand Exploration and Production, Ltd.		Land and Houses PCL.
	Souvanny Home Center Public Company		CIMB-Principal Asset Management Co., Ltd.		L.P.N. Development PCL.
	Timor GAP, E.P. (TG)		Community Pharmacy PCL.		LOXLEY PCL.
	Tokyo Electric Power Company		CP All PCL.		Magnolia Quality Development Corp., Ltd.
	Torishima (Hong Kong) Ltd.		CTI Engineering International Co., Ltd.		Map Ta Phut Tank Terminal Co., Ltd.
	Advance Agro PCL.		Dhammakaya Foundation		Mason Acoustics Co., Ltd.
	All Inspire Development PCL.		District Cooling System and Power Plant Co., Ltd.		MBK Real Estate Co., Ltd.
	Amata Corp. PCL.		Druk Green Power Corp., Ltd. (DGPC)		Minor Food Group PCL.
	Ananda Development PCL.		Eastern Star Real Estate PCL.		MWH Global, Inc.
	AP (Thailand) PCL.		Eastern Water Resources Development and Management PCL.		National Power Supply Co., Ltd.
	Atlantic Pharmaceutical Co., Ltd.		EDF Group		Nava Nakorn PCL.
	B.Grimm Power PCL.		EGCO Group		Nawarat Patanakarn PCL.
	Bangchak Biofuel Co., Ltd.		Ek-Chai Distribution System Co., Ltd.		N.C.C. Management & Development Co., Ltd.
	Bangkok Glass PCL.		Esso (Thailand) PCL.		Nestlé (Thai) Ltd.
	Bangkok Life Assurance PCL.		Fraser's Property (Thailand) PCL.		Noble Development PCL.
	Bangkok Mass Transit System PCL.		Grand Home Mart Co., Ltd.		Ocean Property Co., Ltd.
	Bangkok Metal Works Co., Ltd.		Grohe Siam Ltd.		Power Line Engineering PCL.
	Bangkok Expressway and Metro PCL.		Gulf Electric PCL.		Pruksa Real Estate PCL.
	Bangpa-In Land Development Co., Ltd.		Gulf JP Co., Ltd.		PMT Property Co., Ltd.
	Better Pharma Co., Ltd.		Gunkul Engineering PCL.		PTT Exploration and Production PCL.
	BigC Supercenter PCL.		Halcrow Group		PTT Global Chemical PCL.
	Boon Rawd Brewery Co., Ltd.		Home Product Center PCL.		PTT PCL.
	Boonthavorn Ceramic Co., Ltd.		IRPC PCL.		Punj Lloyd Group JV.
	Boss Pharmacare				Ratchaphruek Hospital
	C&G Environmental Protection Holdings Ltd.				RATCH Group Public Company Limited



Government & State Enterprises



5.2 Other Significant Information

None

5.3 Legal Dispute

As of 31 December 2022, the Company and its subsidiaries have no legal disputes which have negative impact against the assets value of the Company or its subsidiaries that are higher than 5% of the shareholders' equity. However, there are 2 court cases, namely civil and labour cases that are under consideration of the Court of Appeal and Labour Court, respectively. The summaries of which are as follow:

1. On 23 February 2016, an individual, the plaintiff, filed a complaint against TEAM Construction Management Company Limited in the Civil Court as a consumer protection case. Nature of claim is breach of hire of work Agreement and tort. The plaintiff claimed damages in total amount of 30,472,758.42 Baht with interest 7.5% per annum from the date of filing the complaint.

On 17 April 2019, the Civil Court ordered TEAM Construction Management Company Limited to pay the plaintiff in the amount of 950,000 Baht with interest 7.5% per annum after the date of filing (filing on 23 February 2016) onwards until the payment is completed.

On 6 September 2019, TEAM Construction Management Company Limited filed an appeal against the judgment of the Civil Court. On 7 October 2019, the plaintiff filed an appeal to amend the judgment of the Civil Court, requesting that TEAM Construction Management Company Limited to be liable for all the plaintiff's complaint.

Currently, the case is being considered by the Court of Appeal.

However, the management of the Company and subsidiaries believe that the outcome of the cases will not have any material impact on the Company's financial statements and operations.

2. On 2 June 2021, a former employee, the plaintiff, filed a complaint against TEAM Consulting Engineering and Management Public Company Limited in the Central Labour Court, a labour case, allegation to claim unfair termination and severance pay from TEAM Consulting Engineering and Management Public Company Limited in total amount of 621,538.20 Baht and interest of 15% per annum of principal amount 607,613.85 Baht after the date of filing. The court has considered the case and issued the judgement dismissing the plaintiff's case on 2 February 2023.



5.4 The Secondary Market

None

5.5 Financial Institutions with regular contact (Only in the case of the company that issues bonds)

None





Part 2

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Guidelines of Corporate Governance

The Company recognizes the significance of operating the business in accordance with the Corporate Governance Code (CG Code) to ensure the organization's long-term viability, and adheres to it as a guideline and internal management mechanism, with the goal of strengthening the relationship between the Board of Directors, executives, employees, and shareholders, and achieving the essential objectives in providing appropriate benefits to all shareholders and stakeholders. The following essential principles must be reflected in the structure and method of the given management.

1. Accountability - being responsible for one's own decisions and actions, as well as having the ability to describe and justify such decisions.

2. Responsibility - carrying out responsibilities with sufficient capacity and efficiency.

3. Equitable Treatment - treating all stakeholders fairly and equally.

4. Transparency - the ability to trace and truly disclose information to stakeholders.

5. Vision to Create Long-term Value - having a vision to add long-term value to the organization

6. Ethics - adhering to morality and ethics when conducting business operations.

The Board of Directors, therefore, has established a written policy on corporate governance and business ethics as the framework for business operations in order to maximize the benefits for all parties involved. The Company also emphasizes the importance of fair and equal treatment to all shareholders, and provides adequate and accurate information to ensure transparency in all levels of the business operations, including the Board of Directors, executives, employees, and stakeholders for the long-term benefits of shareholders, clients, investors, and the public in general. The Company has steadily applied the Code of Business Ethics and the Code of Conduct as the guidelines for directors and executives to conform to the Code of Best Practice in alignment with the Corporate Governance Code as set forth by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Corporate Governance Code and Business Ethics Policy are available on the Company's website under the "Corporate Governance" tab. The essence of the Corporate Governance Code is divided into eight sections:

Section 1: Rights of Shareholders

Section 2: Equal Treatment of Shareholders

Section 3: Role of Stakeholders

Section 4: Information Disclosure and Transparency

Section 5: Responsibilities of the Board of Directors

Section 6: Business Ethics

Section 7: Important Policies and Compliance Monitoring

Section 8: Anti-corruption Policy



Please see "Attachment 5, the Corporate Governance and Business Ethics Policy on the Company"

Website www.teamgroup.co.th

6.1.1 Policies and Guidelines for the Board of Directors

1) Nomination of Directors and Executives

The appointed persons to serve as the Company's directors and executives must be qualified persons under Section 68 of the Public Limited Company Act, B.E. 2535 (1992) and the Capital Market Supervisory Board's Notification No. Thor Jor. 39/2559 on Application for and Approval of Issuance of New Shares. The following are the composition and nomination criteria:

(1) Criteria for Company Directors Nomination

The Nomination and Compensation Committee will consider those who have the qualifications that are beneficial and suitable for the Company's business operations and take into account the following criteria when appointing the Company's directors and subcommittees.

Director Qualifications

The Nomination and Compensation Committee shall carefully and transparently consider candidates who have the qualifications that are beneficial and suitable for the Company's business operations when selecting company directors.

(1) A record of having met the requirements of all applicable laws and regulations, including the Public Limited Companies Act B.E. 2535, the Securities and Exchange Act B.E. 2535, the Company's Articles of Association, and the Company's policy on corporate governance and business ethics.

(2) Considered according to the criteria for recruiting company directors of the Stock Exchange of Thailand and Corporate Governance Code for Listed Companies B.E. 2560 of the Securities and Exchange Commission.

(3) Give preference to individuals who, in addition to those who are essential to the nature of the Company's

business in the first place, possess the skills, experience, professions, and specific qualifications that the Board of Directors still appears to lack, without regard to gender, race, or any other distinction. This is performed to ensure that the Board of Directors is fully structured and acting in the Company's best interests.

(4) Consider the knowledge, experience, and particular skills which are beneficial for the Company and have experience in the main business or service that the company provides, such as service business, commerce, industry, construction, engineering, architecture, science, the environment, law, accounting, finance, public relations, or public administration.

(5) Take into account the Board of Directors' time commitment. Based on their performance during their term, the previous director may be considered for reappointment for another term. In order to ensure that performance is not jeopardized, the number of businesses in which each director will hold positions should be taken into account to suit the nature or business conditions of the company. This number shouldn't exceed five listed companies.

(6) Consider the nominee's independence when deciding whether to appoint him or her as an independent director in accordance with the Securities and Exchange Commission's criteria and the company's definition of an independent director, which requires that the nominee meet the independence requirements outlined in the Company's Corporate Governance Policy and Business Ethics and disclose on the website of the Company.

(7) Consider based on performance in the past year (if any)

Independent Director Qualifications

(1) Holding a maximum of one percent of the voting shares of the Company*, including those held by related parties of the independent director.

(2) Neither being nor used to be an executive director, staff member, consultant, or controlling person of the Company*, unless the aforementioned status has ended for at least two years.

(3) Neither being a person who will be nominated as a director, executive, controlling person of the company, any of its subsidiaries, nor an individual related to them by family or legal registration.

(4) Neither having nor used to have a business connection with the Company* that would have conflicted with his ability to exercise independent judgment, not having been or being a significant shareholder or controlling individual of a person with a business relationship with the

Company*, unless the relationship in question has been terminated for at least two years.

(5) Neither being, used to be the Company's auditor*, a significant shareholder, controller, nor partner of the audit firm serving as the Company's auditor*, unless the aforementioned status has ended for at least two years.

(6) Neither being nor used to be a professional service provider who offered legal or financial advisory services and received service fees from the company* in total more than 2 million Baht each year. Neither being a significant shareholder, controller, nor partner of that professional service provider, unless he has been retired from the aforementioned nature for at least two years.

(7) Neither being a director who has been designated as a representative of the Company's Directors, major shareholder, nor shareholder related to the major shareholder.

(8) Neither being an executive director, significant partner in a partnership, an employee, staff member, consultant who receives a regular salary, nor operating a business that is similar to and in significant competition with the Company's and its subsidiaries. Not holding more than 1% of the voting shares of another company that operates a business that is similar to and in significant competition with the Company's or its subsidiary.

(9) No other characteristics that make it impossible to express independent opinions on the operations of the Company.

** including a parent company, a subsidiary, an affiliated company, a significant shareholder, or a person with power over the company*

• Nomination Procedures for Directors

The Nomination and Compensation Committee should take the following into consideration and follow it when selecting company directors and subcommittees.

1) When it comes time to suggest a director to the board of directors for consideration, the nomination committee may take into account an existing director who is currently holding the position, or open the nomination from shareholders, or utilize the outside companies to assist with the recruit, or consider a person from the professional director's directory, or allow each director to recommend an appropriate person, etc.

2) Consider the list of nominees and select individuals who meet the qualification criteria set forth.

3) Verify the qualification of the person nominated according to the laws and requirements of the relevant agencies.

4) Approach the person with the qualifications stipulated in the qualification criteria to ensure that such person is willing to take the position of director or sub-committee of the Company if nominated by a shareholder or director of the Company.

5) Propose the names to the Board of Directors for consideration and include the names in the shareholders' meeting invitation letter for appointment in the shareholders' meeting or the Board of Directors' meeting, as applicable.

• Board of Directors Composition and Appointment

1) The Board of Directors of the Company is responsible for the operation of the Company's business. The Board of Directors must consist of at least five (5) members, with no less than half of the members having a residence in the Kingdom of Thailand, and that the Company's directors must have the qualifications stated by law. The directors can be either shareholders or not.

2) The Shareholder Meeting shall pass a resolution to appoint the directors in accordance with the following criteria and procedures.

2.1 A shareholder's one (1) share is one (1) vote.

2.2 Each shareholder shall exercise all available votes stated in 2.1 to elect one person or several persons as directors. In case of multiple persons, the number of votes for each director cannot be divided.

2.3 The persons with the highest number of votes in descending order shall be elected as directors, with the number equivalent to the number of directors required or elected at such time. In case the persons who are elected in the next order have equal votes, exceeding the required number or elected number of directors at that time, the Chairman of the Meeting shall cast the final vote.

3) At each Annual General Meeting of Shareholders, one-third (1/3) of the directors in office at the time must resign. If the number of directors cannot be divided into three parts, with the closest number to one-third (1/3) shall step down and may be re-elected. The directors to vacate office in the first year and the second year after registration of the company shall draw lots. In subsequent years, the directors who remained in office for the longest time shall vacate office.

4) Any director who wishes to resign from office shall tender a letter of resignation to the Company, and the resignation shall take effect on the date on which the letter of resignation reaches the Company.

5) The Shareholder Meeting may pass a resolution to remove any director prior to the expiration of his term of office with votes not less than three-fourths (3/4) of the number of shareholders attending the meeting and having

the right to vote and the total number of shares being of not less than one half of the number of shares held by shareholders attending the meeting and having the right to vote.

6) In the case of a vacancy of directorship for reason other than expiration of term of office, the Board of Directors shall elect a person who possesses the qualifications and does not possess the disqualifications as stipulated by the Public Limited Company Act or the Securities and Exchange Commission Act as the replacement director in the next Board of Directors Meeting, unless the remaining term of office of the director is less than two (2) months. The replacement director will hold only for the remainder of term of office of the director whom he replaces. The resolution of the Board of Directors under the above paragraph must be supported by votes not less than three-fourths (3/4) of the number of the remaining directors.

7) The Board of Directors shall elect one of the directors to be the Chairman of the Board. The Board of Directors, upon contemplation, may elect one or more directors as Deputy Chairman. The Deputy Chairman shall have duties to follow the Articles of Association in the business assigned by the Chairman of the Board.

• Director's Terms of Office

Term of being a director of the Company set as follows:

1) The Board of Directors follows the term outlined in the Company's Articles of Association, which state that at each annual general meeting of shareholders, one-third (1/3) of the total number of directors shall withdraw from the position, and if the number of Directors cannot be divided straight into three parts, the number closest to one-third shall be retired from the office.

2) An independent director may serve continuously for no more than 9 years from the date of his or her initial appointment as an independent director. If it is necessary to appoint such independent director to continue in the office, the Board of Directors must reasonably consider such necessity.

The Board shall consist of directors with diverse qualifications, which include skills, experience and expertise that are useful to the Company. The directors have independence in making decisions for the best interests of the Company and shareholders and play vital roles in establishing Company policy, monitoring the operations of the executives and evaluating corporate performance based on the set criteria. The Board constitutes nine directors, comprising two executives, four non-executives and three

independent directors. The number of the independent directors, which is one-third of the total directors, provides an appropriate balance. The audit committee shall comprise three independent members who each have office terms of three years. Their roles and authorities are clearly specified in the Audit Committee Charter.

Each independent director shall not take office for more than nine consecutive years from the day of appointment. In case there is a need to designate an independent director to occupy a position for a longer term, the Board is required to deliberate such necessity.

• Board of Directors Meeting

The Company arranges the Board of Directors meetings. Every year, the official meeting dates are determined in advance in accordance with Corporate Governance Code, so that the directors can arrange their schedule and designate time to attend the meeting on a regular basis. The Company will send the meeting invitation letter and relevant meeting documents to the Board of Directors at least seven (7) days prior to the meeting to allow sufficient time for the directors to study the information and request for additional information from the Company Secretary. Furthermore, the Board of Directors carefully manages the conflicts of interest of individuals concerned in the case that any director has a stake in the topic under consideration. Such directors are not permitted to participate in decision-making on the subject. Each person is free to speak out and vote at the board of directors meeting. Before requesting a resolution, the Chairman of the Meeting will allow all directors to thoroughly express their opinions. At the conclusion of the meeting, the Company prepares the meeting minutes for submission to the Board of Directors for approval at the next meeting and the Chairman endorses the certified minutes of the meeting. The meeting's certified minutes are stored in a systematic manner for easy reference.

• Meeting of Non-Executive Directors

The Company shall organize the Non-Executive Director Meeting as appropriate to provide an opportunity for discussion of problems in the Company and giving suggestions for improvement of the Company's business operations.

(2) Nomination of Chief Executive Officer

• Nomination and Appointment of Chief Executive Officer

The Chief Executive Officer is nominated by the Executive Committee by selecting from the members

of the Executive Committee at that time or the person considered appropriate by the Executive Committee. The nominated person is a person with useful qualifications and appropriate for the Company's business operations in a comprehensive and transparent manner, educational qualifications, knowledge, skills, work experience, and other necessary qualifications suitable for the mission to present to the Nomination and Compensation Committee for consideration, qualifications screen, and further forwarding to the Board of Directors to grant approval and appoint such person as the Chief Executive Officer.

2) Guidelines for Determining Remuneration for Directors and Executives

• Remuneration for Directors

The Company has clearly and transparently set the remuneration for directors. The Nomination and Compensation Committee has been entrusted to consider the criteria and suitability for determining director salary and presenting them to the Board of Directors for approval prior to proposing them to the Annual General Meeting of Shareholders for approval. The Nomination and Compensation Committee will consider the appropriateness of director remuneration based on the scope of duties and responsibilities of each director to ensure that the remuneration is attractive to retain the proficient directors, and that the provided remuneration rate is comparable to that of directors in the same or similar industry.

• Remuneration for Top Executives

The Board of Directors has entrusted the Nomination and Compensation Committee with considering and screening the Chief Executive Officer's remuneration. The Chief Executive Officer Performance Evaluation Committee sets the Chief Executive Officer's targets and performance indicators on an annual basis and evaluates the Chief Executive Officer's performance based on the aforesaid indicators. The outcome of such evaluation will be considered in determining the Chief Executive Officer's remuneration based on clear, transparent, fair, and reasonable standards.

3) The independence of Directors from the Management

The Company has a policy to separate the person holding the position of the Chairman of the Board and the Chief Executive Officer to be different persons for transparency of the management. The scope of duties and responsibilities of the Chairman of the Board and the Chief Executive Officer are distinctly specified and disclosed in

this report in section 7.2.3 Duties and Responsibilities of the Board of Directors.

4) Director and Executive Development

The Board of Directors also has a policy that encourages all directors, senior management, and the company secretary to attend continuous corporate governance training both internal training as well as external organizations such as the Thai Stock Exchange, the SEC Office, and the Thai Institute of Directors Association (IOD).

5) Self-assessment of Directors

The Company's Board of Directors shall assess the performance of the entire board and individual directors at least once a year. By this way, the Board of Directors will mutually consider the previous performance and problems for further improvement to enhance the efficiency in operation of the Board of Directors.

6) Policy on having directorship and management roles in other companies

- Directors

The Company has a policy that limits the number of companies in which each director can hold a position. Each director can hold positions in no more than five listed companies.

- Chief Executive Officer

The Company has a policy that allows the Chief Executive Officer to serve as a director/executive in other businesses, both listed and non-listed on the Thai Stock Exchange, both domestically and internationally. The Chief Executive Officer must report to the Board of Directors on his position on a regular basis and may hold positions in no more than five listed companies.

6.1.2 Policy and Guidelines for shareholders and stakeholders

The Company underscores the importance of overseeing all groups of stakeholders such as employees, clients, business partners, shareholders, investors, debtors, and the community where the Company is located. The Company will take care of stakeholders as per the rights stipulated by relevant laws. The Company will not undertake any act that infringes the right of stakeholders pursuant to the laws or existing agreement. The Company establishes a policy and guidelines for shareholders and stakeholders that address significant issues such as shareholder rights, equal treatment of shareholders, stakeholder role, and Information Disclosure and Transparency. The Company has disclosed

the treatment to shareholders and stakeholders in this Report under the section "The other practices in accordance with the principle of good governance."

6.2 Code of Conduct

The Board of Directors encourages the establishment of the Code of Conduct for directors, executives and employees to adhere to and comply with as the mutual duties and responsibilities for the utmost benefits of stakeholders, as well as to build reliability in the business operations which will lead to sustainable business growth. The Company operates its business by adhering to the following Code of Conduct as follows:

1. Conduct business with honesty, integrity, and responsibility toward society, and adhere to the laws, morality and good practice toward people, communities, society, and the environment.
2. Treat clients with fairness regarding products and services without discrimination.
3. Conduct business under the standard of business operations with adequate control. Use one's knowledge and ability to the utmost, with prudence, sufficient information and evidence. Strictly comply with relevant requirements.
4. Keep confidentiality of the client's data known or acquired in the course of business operations whereas such data should be normally kept confidential according to the law.
5. Allow clients to make a complaint about the imperfection of products and services.
6. Disclose the information on products and services completely and accurately.
7. Strictly comply with agreement and conditions made with clients. In case of inability to comply with such conditions, clients shall be notified in advance in order to mutually seek a solution.

In addition, the Company has established guidelines for executives and employees to follow with regard to the treatment with shareholders, clients, business partners, competitors, society, and the environment. This is stated in Section 6 of the Corporate Governance Policy and Business Ethics, which is available on the Company's website at www.teamgroup.co.th.



Please find more details in "Attached 5, the Corporate Governance and Business Ethics Policy (section 6) on the Company Website www.teamgroup.co.th

6.3 The Major Changes and Developments of Policy and Practice, Corporate Governance, during the Past Year

6.3.1 Major changes and developments related to the review of policies and practices, corporate governance, and Board Charters in the past year

In 2022 the Company reviewed its policy on Corporate Governance and Business Ethics, as well as related policies, to ensure that the policy are appropriate for the company's context at all times and are in line with the Corporate Governance Codes 2017. Important actions are as follow:

Policies and Practices

- Reviewed and revised the Company's policies in context of the current situation
- Formulated the safety, occupational health and working environment policies in order to comply with the sustainability policy and social and environmental responsibility.
- Formulated the Personal Data Protection policy that complies with the law.
- Consider improving the subcommittee charters to align with the Corporate Governance Code under the Corporate Governance Report of Thai Listed Companies (CGR) Project.
- The Board of Directors has appointed the Corporate Governance and Sustainability Committee at the director level on 20 January 2023 to supervise, provide advices and recommendations on the operations and corporate governance for long-term business sustainability.

Formulation of vision, mission, and strategy of the Company

The Board of Directors has reviewed the vision, mission and strategy of the Company and has provided practical advices to the management, emphasizing conducting business with environmental, social responsibility, and good governance in accordance with the principle of sustainable development of the organization.

Due to the determination to promote corporate governance practices, The Company was awarded the excellent level or 5 stars from the assessment under Corporate Governance Report of Thai Listed Companies 2022 organized by the Thai Institute of Directors Association (IOD).

6.3.2 Practice in other areas in accordance with Corporate Governance

The Company has practiced Corporate Governance Code in compliance with the Corporate Governance Report of Thai Listed Companies (CGR) Project. The following are the five topics covered: Shareholder Rights, Equal Treatment of Shareholders, Role of Stakeholders, Information Disclosure and Transparency, and Board of Directors Responsibilities. Details are as follow:

1) Shareholder Rights

The Company realizes the importance of the fundamental rights of shareholders, therefore, the Company set the principles of fair treatment of shareholders and compliance with the law, e.g. the right to acquire and dispose shares, the right to receive dividend payment, the right to receive news and information of the Company, the right to attend the Shareholder Meeting, the right to cast the vote on each agenda item, the right to appoint a proxy to attend the meeting, the right to appoint directors and auditors, the right to express opinions and raise questions to directors in the Shareholder Meeting and the right to propose meeting agenda items and to nominate names of directors in advance. The Company strictly ensures all shareholders receive such rights and does not undertake any actions that violate or infringe the rights of shareholders. In this regard, the Company has set out the Policy and Guidelines for shareholders as follows:

(1) Holding the Shareholder Meeting

The Company holds an Annual General Meeting of Shareholders as per the regulations of the Stock Exchange of Thailand and complies with the meeting procedures set forth by the Office of the Securities and Exchange Commission.

1.1 The Company discloses the policy to support or promote all groups of shareholders to attend the Shareholder Meeting.

1.2 The Company provides information on the meeting date, time, venue, and agenda together with explanations and rationales for agenda items or resolutions as specified in the letter of invitation to the general meeting and extraordinary meeting of shareholders, or in the attachment to the meeting agenda.

1.3 The Company facilitates shareholders to exercise their rights in attending the meetings and casting their votes, and refrains from any actions that limit the opportunity of shareholders to participate in the meetings. For example, the procedures for attending the meetings to cast the vote

should not be too complicated or too costly, and the place of the meeting should be a convenient location that is easy to reach.

1.4 The Company allows shareholders to send their questions prior to the meeting date by specifying clear criteria for raising questions in advance, and informs shareholders together with sending invitation letters to shareholders. The criteria for submission of questions in advance are published on the Company's website as well.

1.5 The Company supports shareholders to use the suitable proxy form by which shareholders can define a voting direction, and proposes at least one independent director as a proxy holder.

(2) Procedures on the Shareholder Meeting Date

2.1 The Company promotes the use of technologies in the Shareholder Meeting, covering the registration of shareholders, vote counting and displaying of voting results to enable the fast, accurate and precise meeting procedures.

2.2 All directors should attend the Shareholder Meeting, and shareholders can inquire the chairmen of the sub-committees regarding relevant matters.

2.3 The resolution for each agenda item in the Shareholder Meeting is reached by voting.

2.4 The Board of Directors should promote or assign an independent person to count or check the votes in the general meeting and extraordinary meeting of shareholders and disclose the results in the Shareholder Meeting, as well as record them in the meeting minutes.

2.5 The Board of Directors should support the ballot casting in important agenda items, e.g. connected transactions, acquisition or disposal of assets, etc., to assure the transparency and traceability in case of any dispute arising afterward.

2.6 The Chairman of the Meeting should allocate proper time and support shareholders in expressing their opinions and raising questions in the meeting regarding the matters concerning the Company.

(3) Preparing Minutes of the Meeting and Disclosing the Resolutions of the Shareholder Meeting

3.1 Minutes of the Shareholder Meeting should contain an explanation of voting procedures and method of presenting the voting results to the meeting before the start of the session. Shareholders are allowed to raise the topics of discussion or questions. All questions, answers and voting result of each agenda item must be recorded, e.g.

approving, disapproving, and abstained votes, including the list of directors attending the meeting and the absent directors.

3.2 The Company discloses to the public the voting result of each agenda item of the general meeting and extraordinary meeting of shareholders on the Company's website.

On 26 April 2022, the Company held its Annual General Meeting of Shareholders for the fiscal year 2022 via electronic media in compliance with the Royal Decree on Electronic Conferencing of B.E. 2563. The Company used electronic conference system provided by an independent agency who provides e-AGM conference system services that complies with the Ministry of Digital Economy and Society's 2020 announcement with regard to the security standards for meetings via electronic media B.E. 2563. The system is also accredited by the Electronic Transactions Development Agency (ETDA). All company directors and members of subcommittees including the Company's executives, company secretary, a certified public accountant, and the Company's legal department attended the meeting in order to clarify details related to the meeting agenda and answer questions from shareholders in attendance. The Company has taken the following actions to ensure that the shareholders have the following rights with regard to the shareholders' meeting in accordance with laws and Corporate Governance Code:

(1) Treatment of Shareholders Prior to the Date of Annual General Meeting of Shareholders

- The Company provided the shareholders with the opportunities to propose additional agenda items, to nominate the competent and suitably qualified candidates for directorship, or to send their questions prior to the date of the 2022 Annual General Meeting of Shareholders

- The Company assigned Thailand Securities Depository Co., Ltd. (TSD) which is the Company's registrar to distribute to the shareholders the Invitation to the 2022 Annual General Meeting of Shareholders, the QR Code Form, the meeting agenda, and the Board of Directors' opinions in summary version. The full version of the invitation letter, the meeting agenda, the Board of Directors' opinions, Proxy Forms A, B and C, Annual Report, and other documents for consideration in Thai and in English were publicized on the Company's website for the shareholders to download. The Company also notified the shareholders via the Electronic Listed Company Information Disclosure System of the Stock Exchange of Thailand that the invitation letter was publicized

on the Company's website on 25 March 2022, which was not less than 30 days prior to the meeting date, so as to provide the shareholders sufficient time to consider the agenda and supplementary documents in advance for decision-making. Moreover, the invitation letter, containing the date, time and venue of the Shareholder Meeting and meeting agenda, was publicized in a newspaper for three consecutive days prior to the meeting date to allow shareholders enough time to prepare themselves for the meeting.

- In the invitation letter, the Company provided sufficient and complete facts and rationale, as well as the Board of Directors' opinions, for the shareholders' consideration. The agenda of the Annual General Meeting of Shareholders comprised the following items.

- o Election of Directors: Profiles of the nominated candidates were provided, including name-surname, age, position in the Company, education, training courses/seminars, directorship, number of years of directorship, nominated type of director, and shareholding in the Company.

- o Consideration of the Remuneration of the Company's Directors: Details provided in this agenda item included the Company's policy, the amounts and types of remuneration categorized by position and duties & responsibilities of directors, as well as criteria and procedures for consideration of the remuneration.

- o Appointment of the Company's Auditor: Details provided in this agenda item comprised auditor name, audit office, independence of auditor, number of years as the Company's auditor, consideration of the auditing fee (without other service charges).

- o Dividend Payment: Details provided in this agenda item included dividend payment policy, proposed amount of dividends for approval, and comparison to the dividends paid in the previous year.

- The Company did not suddenly distribute documents containing significant information in the meeting, and did not add any agenda items or change any significant information without informing the shareholders in advance.

- The Company supported or promoted all groups of shareholders to attend the Shareholder Meeting by allowing the shareholders who could not attend the meeting in person to appoint proxies or delegate any independent director to attend and vote on their behalf at the meeting by using the provided three types of proxy forms as stipulated by laws. The Company's Board of Directors proposed two independent directors for shareholders to appoint as their proxies to attend and vote on their behalf at the

Shareholder Meeting. In the 2022 Annual General Meeting of Shareholders, there were totally 68 shareholders registered, consisting of 38 shareholders by self-attendance and 30 shareholders by proxy.

(2) Treatment of Shareholders on the Date of Annual General Meeting of Shareholders

- The Company held the 2022 Annual General Meeting of Shareholders on 26 April 2022 at 14.00 hrs., which was not a holiday or fell on any day of three or more consecutive holidays, at the Company's conference room. The meeting venue was a convenient location for traveling of shareholders, and the map was enclosed with the invitation letter.

- The Company completely and accurately followed the meeting procedures as stipulated by relevant laws, taking into consideration the convenience, rights, and equal treatment of shareholders. The Company provided officers to welcome and give information to shareholders, as well as to verify their documents for registration to attend the meeting. Shareholders could register to attend the meeting early two hours before the commencement of the meeting. Besides, the Company applied technologies, including barcode system, to the Shareholder Meeting, covering the registration of shareholders, counting of votes, and displaying the result to enable efficient, fast, accurate, and precise meeting procedures. The Company did not perform any action to limit the shareholders' rights to attend the meeting. Every shareholder was eligible to register to attend the meeting anytime during the course of the meeting. The duty stamps were also provided for those who wanted to appoint proxies.

- The Company allowed shareholders to attend the meeting after the commencement of the meeting and they had the rights to vote on the agenda items which were in the process of consideration and resolution was not made yet.

- At the commencement of the meeting, the Chairman of the Board who acted as the Chairman of the Meeting introduced the Company's executives and the external auditor who attended the meeting. The Chairman then informed the meeting of the total number of shareholders attending the meeting in person and by proxy, and their shareholdings. The Chairman assigned the Company Secretary to explain the criteria and procedures for voting in compliance with the related laws and the Company's Articles of Association.

- The Company's auditor, who serves as the intermediary, has been assigned to regulate the vote

counting to ensure every step was transparent and in compliance with the related laws and the Company's Articles of Association. Shareholders could volunteer to witness the vote counting. In the 2021 Annual General Meeting of Shareholders, there was a shareholder, Khun Premwanee Pridaphan, who attended the meeting in person and offered to watch the vote counting.

- The Chairman of the Meeting allocated sufficient time for the meeting and ensured the meeting proceeded in a proper and transparent manner based on the order of the meeting agenda without adding any agenda items which were not included in the invitation letter.

- The Company stipulated that the voting right in the meeting shall be based on the number of shares held by shareholders, whereby one share shall equal one vote. The Company had only one type of share, which was ordinary share.

- With respect to voting on each agenda item, ballots shall be used. For the agenda item regarding the election of directors, the separate ballots were prepared for each shareholder to vote as he/she deemed appropriate.

- During the meeting, the Chairman of the Meeting allowed all shareholders to equally inquire or express their opinions in the meeting. The Chairman of the Board, Chairman of the Audit Committee, Chairman of the Nomination and Compensation Committee, Chief Executive Officer, top management, and external auditor attended the meeting to answer the questions and give information to the shareholders until they had no doubt. All questions, explanations and recommendations were recorded in the minutes of the meeting to further inform the shareholders who did not attend the meeting.

- The Chairman of the Meeting clearly announced the voting results in the meeting, including the number of approving votes, disapproving votes, abstentions and voided ballots, which were also presented on the projector screen. The resolutions of the meeting were also evidently recorded in the minutes of the meeting.

(3) Treatment of Shareholders after the Date of Annual General Meeting of Shareholders

- The Company publicized via the Electronic Listed Company Information Disclosure System of the Stock Exchange of Thailand within the meeting date the meeting resolutions, the total number of votes, number of approving votes, disapproving votes, abstentions and voided ballots for each agenda item so that the shareholders who did not attend the meeting immediately knew the resolutions.

- The Company stressed the importance of the quality of the meeting minutes in accordance with the Corporate Governance Code and the criteria as stipulated by relevant laws. The main elements recorded in the meeting minutes comprised the following.

- o Names and positions of the directors and executives attending the meeting

- o Voting right, voting methods, and ballot casting

- o All questions raised by shareholders and explanations or answers by relevant directors or the Management

- o All resolutions and voting results of each agenda item, including number of approving votes, disapproving votes, abstentions and voided ballots

- The Company submitted the minutes of the shareholders' meeting that had been completely recorded to the Stock Exchange of Thailand in accordance with the regulations of the Stock Exchange of Thailand and published them on the Company's website within 14 days of the meeting.

From the commitment to providing shareholders with the right to shareholder meetings and voting, the Company was rewarded with full scores of 100% in the AGM Checklist 2022 program held by the Thai Investors Association.

2) Equal Treatment of Shareholders

Building confidence among shareholders that the Board of Directors and the Management will oversee the expending of shareholders' fund based on the reasonable ground is an essential factor that boosts the investment confidence in the Company. Hence, the Board of Directors established policies and regulations to ensure that all shareholders are treated and their basic rights below are protected with equality.

1. Right to Give Proxy to Another Person to Attend the Meeting and Cast a Vote

In case a shareholder cannot attend the meeting in person, he/she may exercise his/her right to assign another person or an independent director nominated by the Company to attend the meeting and to cast a vote. To appoint a proxy, the shareholder must send to the Company a proxy form completely filled together with a copy of identification card or passport or other identification documents as specified by the Company, prior to the date of the Shareholder Meeting.

2. Right to Propose Additional Agenda Items

The Company allows all shareholders to propose

the agenda items in addition to those specified in the agenda of the Annual General Meeting of Shareholders. The procedures for proposing additional agenda items are as follows:

2.1 Submit additional agenda items together with supporting reasons, facts, and necessary information in the agenda proposal form for the General Meeting of Shareholders.

2.2 The Company will check the status of shareholders who propose additional meeting agenda items with the shareholders' register as of the closing date of shareholder's register. The proposed matters to be included in the meeting agenda must relate to the business operations or may significantly affect the business operations of the Company. Upon approval of the Board of Directors, such matters will be added to the agenda of the shareholder meeting and specified as the items proposed by shareholders.

3. Right to Nominate a Person to Be a Director of the Company

Shareholders can nominate a person to be a director of the Company. The Company reserves the right to consider only a person who possesses the following qualifications:

3.1 Having due qualifications and not having prohibited characteristics as prescribed in the Public Limited Company Act, the Securities and Exchange Act, and the Corporate Governance Code of the Company.

3.2 Having educational degrees, work experience or other qualifications as specified by the Company.

3.3 Dedicating his/her time sufficiently and devoting his/her ability for the utmost benefits of the Company, regarding it as the duty and willing to regularly attend the meetings of the Company.

3.4 Not holding a directorship in more than five listed companies.

The Independent Directors will consider the qualified candidates to propose to the Shareholder Meeting to vote for a resolution. However, if the Independent Directors Meeting decides not to propose any candidate to the Shareholder Meeting, the nominated candidates will be brought forward to the Shareholder Meeting for consideration with no opinion of the Board of Directors and the Shareholder Meeting will reach the final resolution. The documents that shareholders must attach when nominating a person are: (1) nomination form for directorship; and (2) information of the nominated person, together with the share certificate or shareholding confirmation letter issued by the securities company/agent,

signed by the owner of the information for approval and confirmation. Then the documents must be sent via the registered mail to the Company within the time as specified by the Company.

The Company realizes the importance of equal and fair treatment of all shareholders in compliance with related laws and the promotion of the Corporate Governance Code regarding protection of shareholders' rights. The Company treats shareholders with fairness and equality as follows.

(1) Delegate any independent director to attend the meeting on their behalf. The Company promotes shareholders to assign any of the Company's independent directors as their proxy. All relevant explanations and profiles of independent directors proposed to be selected as proxies were enclosed with the invitation letter. Furthermore, the Company encourages shareholders who are unable to attend the meeting to use Proxy Form B, which is a form in which shareholders can vote individually in the agenda of director election.

(2) The Company distributed the invitation letters and related documents to all shareholders. As Thailand and the world are still coping with the issue of the spread of the Coronavirus Disease 2019, or COVID-19, in 2022, the Company considered hosting the meeting via electronic media to ensure that every shareholder is able to participate.

(3) In 2022, the Company allowed one or more shareholders who hold total shares of not less than 5% of the voting shares of the Company to propose additional agenda items in advance; to nominate candidates for directorship in advance; and to submit questions in advance for the 2022 Annual General Meeting of Shareholders from 1 October 2021 to 31 December 2021. The criteria and forms for the relevant matters were determined clearly for shareholders. The Company published news through the Electronic Listed Company Information Disclosure System of the Stock Exchange of Thailand and disclosed the information on its website at www.teamgroup.co.th under the tab "Investor Relations" >> "Shareholders Information" >> "Shareholder's Meeting".

(4) The Company provides channels for all shareholders, both major and minor, institutional investors, and analysts to directly suggest and express their opinions or ask for more information via email: ir@team.co.th or Tel. 0-2509-9000-40 Ext. 2019 and 080 271 9521.

In addition, to treat all shareholders with equality, the Company established the policy on the use of inside information to prevent directors, executives, and employees from misuse of information to seek benefits

for themselves and other persons and take advantages of other shareholders, for example, insider trading, disclosure of inside information to relevant persons which may cause damage to the overall shareholders, etc.

4. Protection of Inside Information

The Company has a policy to restrict the use of inside information to only the medium to high level executives within the related departments or the Company. The financial statements audited or reviewed are retained by the Chief Financial Officer, and other confidential financial information is used for discussion or consultation with the personnel at the senior managerial level upwards only. The Company has penalties for relevant persons in case of misuse of inside information which leads to damage.

The Company has established a policy to regulate the use of inside information under which directors, executives, employees, and employees of the Company are required to maintain confidentiality and/or inside information and not to disclose confidential and/or inside information to seek benefits for themselves or any other person, whether directly or indirectly, regardless of being compensated or not.

Furthermore, the Company has determined that directors, executives, employees, and employees of the Company who work in the department that receives inside information from the Company refrain from trading or accepting the transfer of the Company's securities for a period of one month prior to the public disclosure of financial statements and 24 hours after the public disclosure of financial statements or important information. The company secretary will inform the directors and executives to acknowledge the blackout period and guidelines for implementing the policy.

5. Control of Insider Trading

The Company has no policy for employees, executives and persons who are aware of inside information relating to the Company's operating results to trade the Company's securities, starting from the date of access to such information until the information is disclosed to the public. The Company also prohibits them from disclosing inside information to increase the share price, especially during one month before the disclosure of the financial statements to the public.

Furthermore, the Company requires directors and executives to report their securities holdings of themselves, their spouses, and minor children to the Securities and Exchange Commission within three business days of the date of purchase, sale, acceptance, or transfer of the

Company's securities, including quarterly reporting to the Board of Directors.

6. Policy on Information Disclosure

The Company has established measures to prevent the use of inside information to monitor and prohibit executives, employees, and others related to such persons from trading securities and seeking improper profits for themselves and others.

3) Role of Stakeholders

The Company underscores the importance of overseeing all groups of stakeholders such as employees, clients, trading partners, shareholders, investors, creditors and the community where the Company is located. The Company will take care of stakeholders as per the rights stipulated by relevant laws. The Company will not undertake any act that infringes the right of stakeholders pursuant to the laws or existing agreement. The Company sets out procedures that encourage the stakeholders' participation based on their roles and duties to support the operating results of the Company, to assure smooth business operations, to build sustainability of the organization and to create fair interest to all parties. The Company also provides a contact channel through which stakeholders can communicate, suggest or provide information to the Board of Directors via independent directors or members of the Audit Committee.

To establish corporate and financial security as well as business sustainability, the Company shall advocate collaboration with stakeholders in the following manner.

Shareholders

In addition to the Rights of Shareholders as stipulated in Section 1 of the Corporate Governance and Business Ethics Policy, the Company is determined to take responsibility and deliver the optimum satisfaction to all shareholders. To achieve this, the Company shall take into account the sustainable growth and shall conduct business with transparency using the reliable accounting system, and internal control & audit system.

Employees

The Company shall act in compliance with the employee-and-staff-related laws and standards. Employees at all levels shall be treated fairly and equitably by offering short-term and long-term remuneration that is commensurate with their knowledge and abilities based on the KPI evaluation system. A range of welfare and fringe benefits are provided to all employees together with consistent implementation of the capacity development

programs to ensure their career growth. A pleasant working environment shall be arranged with the emphasis placed on the employees' safety, sanitation and good quality of life.

Clients

The Company shall perform in compliance with the laws and standards relating to clients, and shall treat clients with attention and responsibility. Its mandate should cover product quality, standard services, protection of clients' privacy and confidentiality, and a fair and equitable pricing structure in line with its policy.

Business Partners

The Company shall have the procurement procedures which are fair, transparent, and traceable and shall treat all business partners equitably. The purchase of goods and services from business partners shall comply with existing terms of trade and the Company shall act in strict consistency with mutual agreements to establish a relationship that will benefit both parties in the long term.

Business Competitors

The Company is committed to conducting business based on fair competition by complying with rules and regulations on good practice for business competition and avoiding unethical practices to damage its competitors.

Creditors

The Company shall treat its creditors in accordance with the laws and contracts entered into, and shall stringently observe the conditions of the loan agreements or contracts. In case of a force majeure in which the conditions in the agreements/contracts cannot be observed, and/or in case of any reason that leads to default on payment, the Company shall not conceal the facts and shall immediately inform its creditors to mutually find solutions based on reasonable grounds.

Communities, Society, and the Environment

The Company shall take appropriate responsibility for neighboring communities and society in terms of environmental stewardship, support for public benefit activities, and improvement of environmental conditions of nearby communities and society to ensure better quality of life. The Company shall also continuously build awareness of social and environmental responsibilities among personnel at all levels to promote efficient use of resources and to create the ecological balance.

The Company always promotes the treatment of stakeholders to build financial security and sustainability of business operations for the best benefit for all stakeholders.

(1) The Company is committed to taking responsibility and delivering the optimum satisfaction to all shareholders under the sustainable growth concept. Hence, the shareholders regularly receive the returns at the satisfying rate.

(2) The Company always treats the employees of all levels with equality and fairness together with focus on continual development of employees' skills and knowledge to ensure their career growth. A particular emphasis is also placed on maintaining a good working environment by taking into account safety at work and life quality of employees as follows;

a. Employee performance evaluations are taken into account when determining reasonable remuneration for all levels of employees, including monthly salary and bonuses.

b. The Company develops an employee development plan on a regular basis to help employees meet their professional goals. In 2022, the Company offered an average of 21.19 hours per person per year to its employees.

c. Employees have access to a provident fund that has been in place for approximately 30 years and a variety of welfare benefits, such as life insurance, health insurance, group accident insurance, annual health checkups, annual vaccinations, and a social security fund. Additional welfare benefits including Per Diem allowance, housing allowance, travel expenditure, mobile phone allowance, are also provided.

d. The Company emphasizes the workplace safety and hygiene. In 2022, there had been no work-related accidents or illnesses,

e. The Company encouraged and organized employees to have COVID-19 vaccination by arranging healthcare professionals to give the aforementioned vaccination service at the Company.

(3) The Company is committed to developing and maintaining the good quality of work and services by being awarded ISO 9001:2015 certification. The customer satisfaction survey was also conducted to evaluate their satisfaction with the Company's operating performance in various aspects. The Company received average ratings of 93 percent in 2022. The evaluation results were used to improve and develop the Company's services in order to respond to client demand as quickly and efficiently as possible.

(4) The Company has no dispute with any business competitor and creditor.

(5) The Company takes appropriate responsibility for neighboring communities and society in terms of environmental stewardship, support for public benefit activities, and improvement of environmental conditions of nearby communities and society to ensure better quality of life. Our employees were encouraged to participate in various social and environmental activities as presented in this report under the section “Driving business towards sustainability”.

4) Information Disclosure and Transparency

Recognizing the importance of information disclosure, the Board of Directors will ensure that important information about the Company, both financial and non-financial information, is disclosed in an accurate, adequate, timely, and transparent manner, as required by law, through various channels that are easily and equally accessible and reliable. Financial reports and non-financial information that may influence the Company's share price are among the crucial information to be disclosed. The disclosure must comply with the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company will ensure the financial reports are accurate in compliance with the generally accepted accounting standard and audited by the Independent Auditor certified by the Office of the Securities and Exchange Commission. In addition, the information of directors is also disclosed to reflect the transparency of business operations, including the performance of the Board of Directors and the Audit Committee, such as the number of meetings and the number of each director/committee member's attendance in the previous year, the policy on remuneration for directors and senior executives, including types and forms of remuneration, and the report on the Corporate Governance Policy and performance according to the policy. The aforementioned information is made available through the Office of the Securities and Exchange Commission, Thailand's Stock Exchange channels, as well as the Company's website.

In 2022, the Company fully complied with the Corporate Governance Code without late submission of financial reports. Important information related to the Company was disclosed to shareholders and general investors through various channels in an accurate and complete manner. The information disclosed, via the 56-1 One Report and the Company's website, comprised the Company's annual and quarterly operating performance results, contract signing of important projects, preparation of financial reports, Report on the Board of Directors' Responsibilities for the Financial Report, the Auditor's Report, and other matters in compliance with the Corporate Governance Code.

In addition to disclosing information in compliance with the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand's regulations, the Company provides accurate and timely information, publicity, and interviews without distortion to the media through various channels, as well as presents its performance to analysts, investors, and employees on a regular basis. Investors and all stakeholders are given accurate facts in a timely and impartial manner, with an emphasis on communication that promotes a correct understanding of the Company's business operations. The Investor Relations Unit of the company is in charge of disclosing company information and news to shareholders, investors, analysts, and the general public. The following is the Investor Relations contact information.

Mailing Address: Investor Relations

TEAM Consulting Engineering and
Management Public Company Limited
151 TEAM Building, Nuan Chan Subdistrict,
Bueng Kum District, Bangkok 10230

Email: ir@team.co.th, nuanprae_p@team.co.th

Telephone: 0 2509 9000 ext. 2019 or 080 271 9521

Facsimile: 0 2509 9090

In addition, interested parties can schedule visits to the company and meet with executives for additional business information. The Company held six investor relations activities in 2022 to update analysts and investors on the Company's operating performances, as follows:

Investor Relations Activities in 2022	Number of Times
Analyst Meeting and Institutional Investor Meeting	6
Joint Activities with the SET to Meet Investors (Opportunity Day)	1

The information is provided in both Thai and English on the Company's website, www.teamgroup.co.th, for all stakeholders to review.

6.3.2 The implementation of Corporate governance code 2017 for listed companies.

The Board of Directors has reviewed the corporate governance and business ethics policy on a regular basis with reference to the Corporate Governance Code for Listed Companies 2017 (CG) of the Office of the Securities and Exchange Commission, especially the implementation of the CG Code in business operations. The Company fully complied with the CG Code in 2022. The Management and the Company Secretary shall report to the Board of Directors for consideration of improvement guidelines for the CG

criteria that have not yet been established in the Company's policy or implemented in the organization. However, in the last year, the following criteria from the the Corporate Governance Report of Thai Listed Companies (CGR)

were not implemented in the Company. The Company has attended the CGR 2023 Coaching session, and the Board of Directors has assigned the management to consider and implement in accordance with the CGR 2023 guidelines.

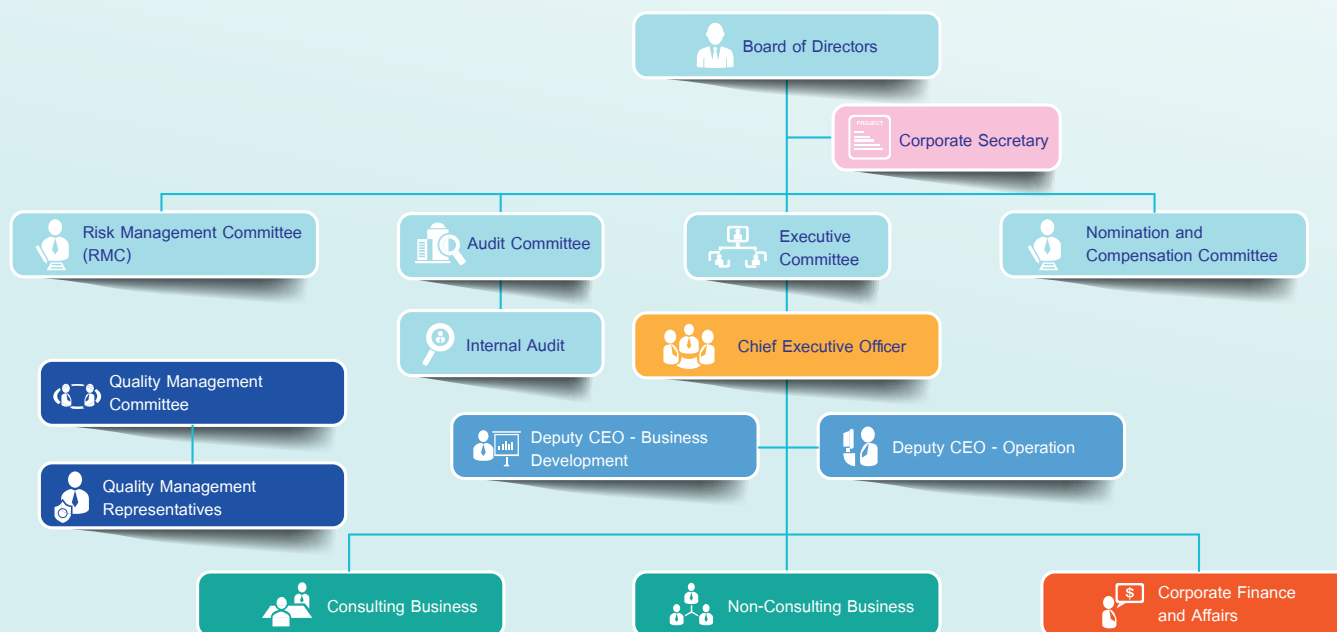
CGR Categories that Require Company's Compliance	Company's Explanations
Role of Stakeholders	
The Company should have a corruption risk assessment procedures by becoming a certified company under the Thailand's Private Sector Collective Action Against Corruption (CAC).	The Company is still working on gathering information and preparing documents in order to join the Thai Private Sector Collective Action Coalition Against Corruption after the COVID-19 pandemic has alleviated. The Company has evaluated the corruption risk in the risk management plan. In addition, the risk management manual was prepared and distributed to staffs for their acknowledgement and compliance.
The Company should establish and disclose an employee compensation policy that is consistent with the Company's short-term and long-term performance.	In the personnel management regulations, the Company has established an employee remuneration policy that is consistent with the Company's performance, both short and long terms, and has disclosed for the management and employees via the intranet system.
Board's Responsibilities	
The Board of Directors should clearly state in the Company's corporate governance policy with regard to the term of office of the independent director, which should not exceed 9 years without exception	The Company stipulated that each independent director's term of office should not exceed nine years. In the event that a term extension is required, the Board of Directors must conduct a thorough review in accordance with CG Guideline 3.2.5 of the Corporate Governance Code for Listed Companies 2017. Currently, each of the Company's Independent Directors has been in the position for four years, which has not exceeded nine years. Furthermore, the Company's independent directors are persons with good understanding of the Company's business, as well as the ability, experience, and independence. This will be a critical instrument to protect the Company's, shareholders', and other stakeholders' interests.
The Company should establish a policy requiring a minimum quorum of at least 2/3 of board members while making a resolution in the Board of Directors' meeting.	Currently, the Company's Articles of Association stipulates that "the Board of Directors' meeting shall consist of one-half of total directors present at the meeting to constitute a quorum." This is in compliance with Section 80 of the Public Limited Company Act. Besides, all directors were present at each of the Board of Directors' meetings, and every Director expressed opinions independently before a resolution was made to ensure the maximum benefits of all groups of stakeholders.

For Practices that have not been implemented or applied, the Company considered them in Board meetings. Details were recorded in the resolution.

7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-Committees, Executives, Staff, and others

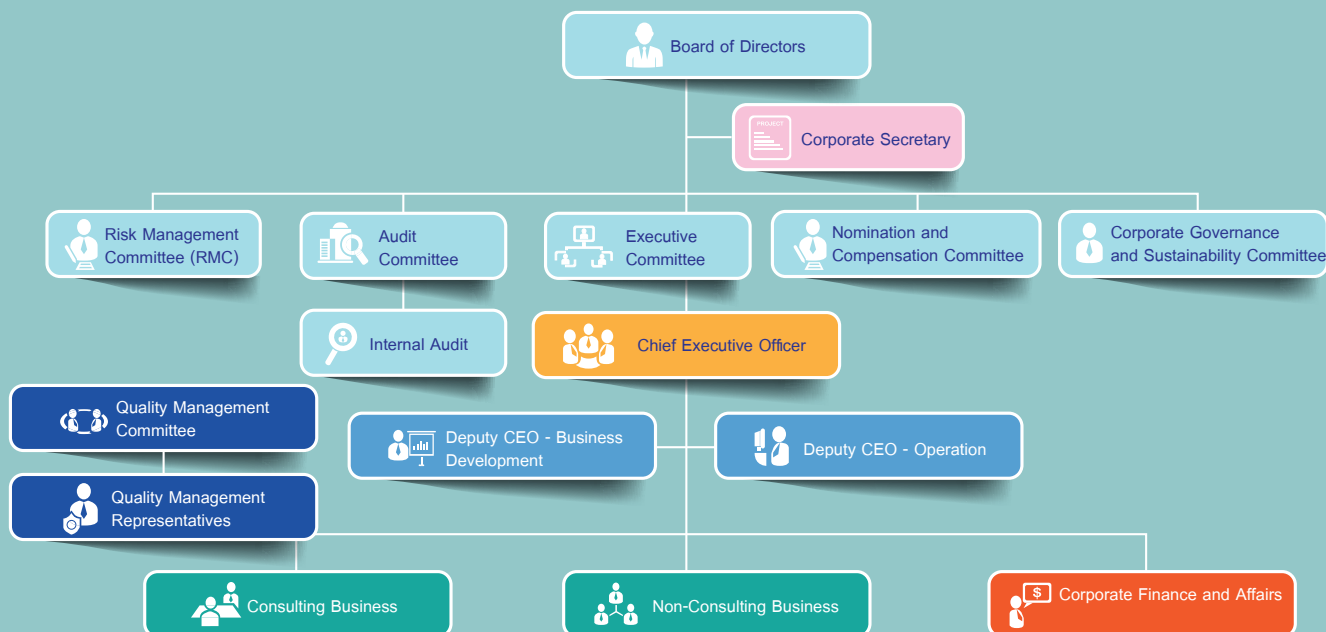
7.1 Management Structure

Organization Structure as of 31 December 2022



Note: The Company has appointed IVL Auditing Company Limited to perform the duties of the internal auditor of the Company and its subsidiaries.

Organization Structure as of 20 January 2023



Note: The Company has appointed IVL Auditing Company Limited to perform the duties of the internal auditor of the Company and its subsidiaries.

7.2 Information of the Board of Directors

As of 31 December 2022, the Company's management structure consists of the Board of Directors and four sub-committees, which are, the Audit Committee, the Nomination and Compensation Committee, the Executive Committee, the Risk Management Committee, and the Management Team (according to the definition of the SEC).

The Board of Directors established the Corporate Governance and Sustainability Committee on 20 January 2023. As a result, the Company's management structure consists of the Board of Directors, five sub-committees, namely the Audit Committee, the Nomination and Compensation Committee, the Executive Committee, the Risk Management Committee, the Corporate Governance and Sustainability Committee, and the Management Team (according to the definition of the SEC).

7.2.1 Composition of the Board of Directors

The Board of Directors comprises qualified individuals with a variety of skills, knowledge, experience, gender, and age that are beneficial to the Company's business operations. The Board of Directors of the Company consists of nine members, one of whom is a female director, and four qualified independent directors who serve as a counterbalance to the Board. The qualifications of an independent director are in accordance with the SEC Office's requirements.

Composition of the Board of Directors as of 31 December 2022		
Four Independent Directors (44.44 percent of total number of Directors)	Four Non-Executive Directors (44.44 percent of total number of Directors).	One Executive Director (11.11 percent of total number of Directors).

7.2.2 Information of the Board of Directors and the Controlling Person

1) As of 31 December 2022, the List of the Directors is as shown in the table below.

Name	Position	Type of Director
1. Mr. Rapee Phongbupakicha	<ul style="list-style-type: none"> Chairman of the Board Chairman of the Audit Committee 	Independent Director
2. Mr. Amnat Prommasutra ^{1*}	<ul style="list-style-type: none"> Deputy Chairman of the Board 	<ul style="list-style-type: none"> Non-Executive Director Authorized Director
3. Gen. Wichien Sirisoonthorn	<ul style="list-style-type: none"> Director Member of the Audit Committee Chairman of the Nomination and Compensation Committee 	Independent Director
4. Mrs. Suvimol Chrityakierne ²	<ul style="list-style-type: none"> Director Member of the Audit Committee 	Independent Director
5. Mr. Chamlong Prabkeao	<ul style="list-style-type: none"> Director 	Independent Director
6. Mr. Chawalit Chantararat ¹	<ul style="list-style-type: none"> Director Member of the Nomination and Compensation Committee 	<ul style="list-style-type: none"> Non-Executive Director Authorized Director
7. Mr. Kittipol Bunnim ¹	<ul style="list-style-type: none"> Director Member of the Nomination and Compensation Committee 	<ul style="list-style-type: none"> Non-Executive Director Authorized Director

Name	Position	Type of Director
8. Mr. Prasong Wangrattanapranee ¹	Director	<ul style="list-style-type: none"> • Non-Executive Director • Authorized Director
9. Dr. Aphichat Sramoon	<ul style="list-style-type: none"> • Director • Chairman of the Risk Management Committee • Chairman of the Executive Committee • Chief Executive Officer 	<ul style="list-style-type: none"> • Executive Director • Authorized Director

With Ms. Pommara Patthanabhumthanint as the Company Secretary

Note: Details of the Company's directors appear in the attachment.

¹ Non-Executive director with working experience related to the Company's and Group of Companies' business

² Independent directors who graduated in the field of accounting

2) Company's Authorized Directors

The authorized directors of the Company are Mr. Chawalit Chantararat, Mr. Aphichat Sramoon, Mr. Kittipol Bunnim, Mr. Prasong Wangrattanapranee and Mr. Amnat Prommasutra, whereas two out of the five Directors jointly sign with Company's seal.

7.2.3 Duties and Responsibilities of the Board of Directors

The Company's Board of Directors shall have responsibilities to shareholders in regard to business operation and supervision in compliance with the determined targets and directions to ensure the utmost benefits to the shareholders. The Board of Directors shall also follow the good business ethics, taking into consideration the interests of all stakeholders. Particularly, the Board of Directors shall satisfy their fiduciary duties, including discharge of duties to ensure compliance with laws, objectives, articles of association, and resolutions of the Company's annual general meetings of shareholders. The Board of Directors shall perform duties in good faith with due diligence and care, and shall disclose information to the shareholders in a complete, accurate and transparent manner.

Scope of Duties and Responsibilities of the Board of Directors

1. Perform its duties with honesty, integrity and prudence in accordance with the law, regulations and the Company's objectives including the resolutions of shareholders' meetings.

2. Consider and approve the appointment of persons with qualifications and not having prohibited characteristics as specified in the Securities and Exchange Act B.E. 2535 and the law on the securities and exchange including the regulations and/or regulations related to director positions in

the event that the director position is vacant due to reasons other than the termination.

3. Consider the appointment of the sub-committees selected from the Directors and/or executives of the Company and/or suitably qualified persons along with defining the scope of authorities, duties and responsibilities of the said committee. The Board of Directors may assign sub-committees to nominate qualified candidates for the Nomination and Compensation Committee to consider and recommend to the Board of Directors for further appointment.

4. Consider and appoint the Audit Committee considering the qualifications and prohibited characteristics as defined by the regulation of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) or to propose to the shareholders' meeting for further appointment as independent director and audit committee of the Company.

5. Determine and amend the names of directors who are authorized to bind the Company.

6. Appoint any other person to operate the business of the Company within the control of the Board of Directors or may authorize such person to have power and / or within the time as the Board of Directors deem appropriate, where they may cancel, revoke, change or amend such power.

7. To consider and approve the acquisition or disposition of assets of the Company with and exception in the event that such transactions require approval from the Shareholders' meeting, such approval shall be in accordance with the relevant rules, regulations and/or regulations of the Stock Exchange of Thailand (SET).

8. Consider and approve the connected transactions, with the exception in the case where such transactions are subject to approval from the shareholders' meeting, such

approval shall be in accordance with the announcements, rules, regulations and/or regulations related to the Stock Exchange of Thailand (SET).

9. To consider and approve the payment of interim dividends to shareholders when the Company has net profit and report to the shareholders 'meeting regarding such payment of dividends in the next shareholders' meeting.

10. Establish the vision, policy and provide direction for the Company's business operation, business strategy, annual budget and to oversee that the management performs their duties in line with the policy set forth efficiently and effectively to add highest economic value to shareholders and sustainable growth.

11. Conduct an evaluation of the Board of Directors' performance and determine the remuneration for the Directors and senior management.

12. Be responsible for the Company operating results and to perform duties with loyalty, diligence and dedication.

13. Ensure that the Management has an adequate and effective risk management system.

14. Oversee the Company's business operations are conducted in line with the strategies and objectives and target as well as that the business affairs are conducted in rational manner.

15. Perform their duties in the best interest of the company and all shareholders as well as accurately and transparently disclose crucial information to the shareholders.

16. Approve policies and business plans of large projects, management authority, the acquisition or disposal of significant assets and other transactions as stipulated by law.

17. Determine the authority and approval levels on transactions and procedures related to the Company's business operation to any committee or individual as proper and ensure that it is within the relevant laws following the Company's Authority Manual which is reviewed at least once a year.

18. Arrange appropriate accounting systems, including the production of financial reports and a reliable auditing system and monitor and evaluate the effectiveness and efficiency of the internal control system.

19. Consider the approval of the appointment of auditors and determine the auditing fee to be further proposed to the Shareholders meeting for approval.

20. Accountability Report for Financial Statements including the report on the Board of Directors' responsibility for financial statements along with the Auditor Report in the

Annual Report and cover the important issues in accordance with the Code of Best Practices for Directors of Listed Company of the Stock Exchange of Thailand.

21. Supervise the sub-committees in performing their duties in accordance with the Charter.

22. The Board of Directors are to conduct their own self-assessment as well as their overall performance as the Board.

However, the directors who have or may have a conflict of interest or any other conflict of interest with the Company shall have no right to vote on that matter.

The Board of Directors and with votes no less than three-fourths of the total number of votes from the shareholders who attended and are entitled to vote in the shareholders' meeting must approve the following cases.

(a) The sale or transfer of the business, in whole or a substantial part thereof.

(b) The purchase or acceptance or transfer of the business of another company.

(c) Entering into, amending or terminating a lease of the business in whole or in an essential part. Entrusting another person with the management of the Company or amalgamating the business with another company with a view of sharing profit and losses.

(d) Amendments to the Memorandum of Association or the Articles of Association.

(e) Increase or reduction of capital.

(f) The decision to dissolve the Company.

(g) The issuance of debentures.

(h) The merger with other companies.

(i) Other actions, as specified in the regulations under the Securities Law and/or the Stock Exchange of Thailand must be approved by the shareholders' meeting with aforementioned votes such as the acquisition or sale of assets, related party transactions, etc.

The delegation of authorization and/or sub-authorization of duties and responsibilities of the Board of Directors excludes the case that allows the Board of Directors or the assignee to approve transaction that he/she may have conflict of interest (according to the notification of the Capital Market Supervisory Board) or a conflict of any kinds with the Company or subsidiaries.

Roles and Duties of the Chairman of the Board

1. Supervise and monitor the operations of the Board and other committees to ensure they perform duties in an efficient manner and meet the corporate objectives and main targets.

2. Promote and support the Board to fully perform duties and partake in encouraging creation of the organizational culture which embraces corporate governance and business ethics.

3. Call and preside over the Board of Directors' meetings and the shareholders' meetings in accordance with the Company's articles of association.

4. Cast a vote in case of a tie of votes in the Board of Director's meeting.

5. Determine, together with the Chief Executive Officer, the Board of Directors' meeting agenda and ensure the important matters are included in the meeting agenda.

6. Allocate sufficient time for the management to propose matters for consideration and for the directors to carefully discuss important issues. Encourage the directors to exercise their discretion to consider the matters and express opinions independently.

7. Promote good relationships between executive directors and non-executive directors and between directors and the management.

Scope of Duties and Responsibilities of the Chief Executive Officer

1. To supervise the business operations, strategy planning and daily management of the Company.

2. To decide on important matters of the Company, determine missions, objectives, directions, and policies of the Company as well as regulate the management of various work lines.

3. To have the authority to command, contact, direct instruction and sign in the juristic act, directive document or any notifications as outlined in the authority manual.

4. To have the authority to hire, appoint, relocate a person as found appropriate, determine the reasonable scope of duties and appropriate remuneration, to have the power to dismiss, and terminate employment as considered appropriate as defined in the authority manual.

5. To have the authority set the terms of trade for the benefit of the Company.

6. To consider investment on new businesses or terminate business, and propose such matter to the Executive Committee and/or the Board of Directors.

7. To approve and appoint advisors necessary for the Company's business operation.

8. To perform any works assigned by the Executive Committee and/or the Board of Directors.

7.3 Information of Sub-Committees.

The Board of Directors approved the appointment of five sub-committees, namely the Audit Committee, the Executive Committee, the Risk Management Committee, the Nomination and Compensation Committee, and the Corporate Governance and Sustainability Committee (appointed on 20 January 2023) to closely monitor and oversee the business operations and regularly report to the Board of Directors. The members and the scope of duties and responsibilities of the five sub-committees are clearly set out as follows:

1. The Audit Committee

As of 31 December 2022, the Audit Committee consisted of three members with a three-year term of office as follows.

Name-Surname	Position
1. Mr. Rapee Phongbupakicha	Chairman of the Audit Committee
2. Gen. Wichien Sirisoonthorn	Member of the Audit Committee
3. Mrs. Suvimol Chrityakierne	Member of the Audit Committee

Note: The member of the Audit Committee who has knowledge and experience in reviewing the credibility of the financial statements is Mrs. Suvimol Chrityakierne. She graduated with the master degree from the Faculty of Commerce and Accountancy, Chulalongkorn University and a bachelor's degree from the Faculty of Commerce and Accountancy, Chulalongkorn University. She then worked as the Managing Director of DIA International Audit Company Limited, the company providing the auditing services, and as the Executive Director of DIA Audit Company Limited, the company providing the auditing services.

Ms. Pommara Patthanabhumthanint, the Company Secretary, serves as the Secretary of the Audit Committee to assist the Audit Committee concerning meeting appointment, preparation of meeting agenda, preparation of meeting minutes, and arrangement for the activities of the Audit Committee to conform to the Company's Articles of Association, and relevant laws and regulations.

Composition and Nomination of the Audit Committee

To hold the position of Company Director, the Audit Committee must be appointed by the Board of Directors and approved by the Company's shareholders, and have qualifications in accordance with the Securities and Exchange Act, including the announcement of regulations and/or regulations of the Stock Exchange of Thailand. The committee must have at least three members. At least one Audit Committee member must be knowledgeable in accounting and finance. The Audit Committee's term of office is three years, from the date of the appointment resolution or according to the Board of Directors' resolution.

At the end of the term, in case that the Board of Directors or the shareholders' meeting has not yet resolved the appointment of the new Audit Committee, the same audit committee will continue to perform their duties until the Board of Directors or the shareholders' meeting appoints the new Audit Committee to replace the former Audit Committee whose term expires and/or according to the term of being a director of the Company. The Board of Directors will appoint one member of the Audit Committee to serve as the Chairman. The nominated audit committee members must be independent directors and qualified as audit committee members in accordance with rules and announcements announced by the SEC and the Stock Exchange of Thailand.

Qualifications of the Audit Committee Members

The Audit Committee members must possess the same qualifications as the independent directors, and additional ones as follows:

(1) Not being a director assigned by the Board of Directors to decide on matters relating to the conduct of businesses of the Company, parent company, subsidiary company, joint venture company, same-level subsidiary, as well as a major shareholder or a person with a controlling power over the Company.

(2) Not being a director of the parent company, subsidiary company or same-level subsidiary company, whereby this is applicable only to listed companies.

(3) Having sufficient knowledge and experience to perform duties as the Audit Committee member. However, at least one member of the Audit Committee must have sufficient knowledge and experience to review the credibility of the financial statements.

(4) Having the same duties as prescribed in the notification of the Stock Exchange of Thailand regarding the Qualifications and Scope of Work of the Audit Committee.

Scope of Duties and Responsibilities of the Audit Committee

1. To review the financial statements to ensure their accuracy and reliability as well as their adequacy of disclosure by coordinating with external auditors and executives who are responsible for preparing quarterly and annual financial statements.

2. To review the Company's internal control system and internal audit system to ensure their appropriateness and effectiveness, as well as to consider the independency of the internal audit unit, and to provide opinions on consideration of appointment, transfer and dismissal of the head of the internal audit unit or other units which

are responsible for matters related to internal audits. It may provide suggestions for reviewing or examining any transaction which may be deemed necessary and important, and suggest major improvement of the internal control system to the Board of Directors by reviewing with the external auditors and the internal audit manager.

3. To review the compliance with the Securities and Exchange law, the Stock Exchange of Thailand's regulations, rules, regulations and other laws relating to the Company's business.

4. To consider the appointment and nomination of an independent person to serve as the Company's auditor, the remuneration of such a person, and to recommend to the Board of Directors the termination of External auditors, as well as attend a non-management meeting with the auditor at least once a year.

5. To review the Internal Audit Plan of the Company in accordance with the generally accepted procedures and standard.

6. To consider connected transactions or transactions with possible conflicts of interest to ensure their compliance with the laws and the regulations of the Stock Exchange of Thailand, as well as the accuracy and the completeness of the disclosure of the Company's information in such matter. The transactions must be reasonable and provide the utmost benefit to the Company.

7. To review the appropriateness and efficiency of the Company's risk management system.

8. To report the performance of the Audit Committee to the Board of Directors at least four times a year.

9. To prepare and disclose the Report of the Audit Committee in the Company's Annual Report, which must be signed by the Audit Committee's Chairman and the report shall consist of at least the following information:

(a) An opinion on the accuracy, completeness, and reliability of the Company's financial reports.

(b) An opinion on the adequacy of the Company's internal control system.

(c) An opinion on compliance with the Securities and Stock Exchange law, regulations of the Stock Exchange of Thailand and related agencies, or applicable law relating to the business of the Company.

(d) An opinion on the suitability of the auditor.

(e) An opinion on connected transactions or transactions that may have a conflict of interest.

(f) The number of the Audit Committee meetings and the attendance of such meetings by each member of the Audit Committee.

(g) An opinion or overall comment received by the Audit Committee from the performance of duties under the Charter.

(h) Other transactions, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.

10. To jointly give opinions on the consideration of appointment, removal, and performance evaluation of the internal audit unit's staff.

11. According to the scope of duties, the Audit Committee has the power to invite the relevant Company's management/executives/employees to provide comments, attend a meeting, or submit relevant or necessary documents.

12. The Audit Committee has authority to hire consultants or a third party in accordance with the Company's regulations to provide comments or advice if necessary.

13. The Audit Committee shall evaluate the performance by self-assessment and report the results of the evaluation, together with problems and obstacles that may prevent the operation from achieving the purpose of setting up the Audit Committee, to the Board of Directors of the Company for acknowledgement every year.

14. To review and improve the Audit Committee Charter.

15. To perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

2. The Executive Committee

As of 31 December 2022 the Executive Committee consisted of 6 members with a three-year term of office as follows:

Name - Surname	Position
1. Dr. Aphichat Sramoon	Chairman of the Executive Committee
2. Mr. Nakorn Sanyasiri	Member of the Executive Committee
3. Dr. Teerawut Juirnarongrit	Member of the Executive Committee
4. Mr. Sompat Suwapit	Member of the Executive Committee
5. Mrs. Penpilai Phonchaipanich	Member of the Executive Committee
6. Mr. Pawak Vongpichate	Member of the Executive Committee

Ms. Karnpichcha Tiawudompaisarn serves as the Secretary of the Executive Committee.

Composition and Nomination of the Executive Committee

The Executive Committee must consist of Company Directors, executives of the Company, and/or Company employees, and/or suitable persons appointed by the Board of Directors in the number considered appropriate by the Board of Directors. The Board of Directors will appoint one Executive Director as the Chairman of the Executive Committee.

Scope of Duties and Responsibilities of the Executive Committee

1. To control the management of the Company to ensure their compliance with the policy stipulated by the Board of Directors and to report the operating results to the Board of Directors. At the Executive Committee Meeting, there must be the directors attending the meeting no less than half of the members of the Executive Committee. The resolution of the Executive Committee must receive a majority of votes from the meeting and at least half of the votes from all members of the Executive Committee.

2. To determine the stipulation of authority and level of approval of each person appropriately and segregation of duties which may lead to frauds, and to specify the appropriate procedures for transactions with major shareholders, directors, executives or related persons in order to prevent any transfer of benefits. These shall be proposed to the Board of Directors for approval in principle.

The committee also controls the compliance with the approved principles and regulations.

3. To consider the annual budget and budget expenditure process to be proposed to the Board of Directors and supervise the budget expenditure approved by the Board of Directors.

4. To consider and improve the business plan of the Company to ensure its appropriateness for the benefit of the Company.

5. To consider the approval of the investment and determine investment budget as stipulated in the Operation Authority Handbook.

6. To consider execution of contracts which are binding on the Company as stipulated in the Operation Authority Handbook.

7. To be responsible for providing sufficient important information of the Company for the decision making of the Board of Directors and shareholders, as well as to provide reliable financial reports with transparency and good standards.

8. To consider the profit and loss of the Company, and propose the annual dividend payment to the Board of Directors.

9. To consider the establishment of a new business or termination of the business and propose to the Board of Directors.

10. To supervise the operation process for the operator to immediately report any unusual or abnormal activity or illegal action to the Executive Committee. Upon the occurrence of the event that has a significant impact, report to the Board of Directors for further consideration of correction within a reasonable period of time.

11. To perform any action to support the above operations or the opinions of the Board of Directors or as delegated by the Board of Directors.

12. To propose any matter resolved and/or approved by the Executive Committee Meeting and such matter shall be reported to the Board of Directors for acknowledgement at the next Board of Directors Meeting.

13. To control and supervise the operations of subsidiaries and associated companies.

14. To consider the appointment or nomination of a person to be a director or executive in a subsidiary or associated company.

15. To perform other tasks as assigned by the Board of Directors.

The aforementioned delegation of authority and responsibility of the Executive Committee does not

include authority and/or delegation of authority to approve any transaction of one or other with possible conflict of interest (as defined in the Notification of the Capital Market Supervisory Board), or any other benefits that may be in conflict with the Company. The approval of such transaction must be proposed to the Board of Directors Meeting and/or the Shareholder Meeting (as the case may be) to consider the approval of the transaction pursuant to the Company's Articles of Association or as required by other related government offices.

3. The Risk Management Committee

As of 31 December 2022, the Risk Management Committee consisted of 15 members with a three-year term of office as follows:

Name - Surname	Position
1. Dr. Aphichat Sramoon	Chairman of the Risk Management Committee
2. Mr. Nakorn Sanyasiri	Member of the Risk Management Committee
3. Mr. Worapong Preecha	Member of the Risk Management Committee
4. Dr. Teerawut Juimarongrit	Member of the Risk Management Committee
5. Mr. Sompat Suwapit	Member of the Risk Management Committee
6. Mr. Meererk Passara	Member of the Risk Management Committee
7. Ms. Datchanee Kongsiriwattana	Member of the Risk Management Committee
8. Mr. Phongton Kusoljit	Member of the Risk Management Committee
9. Mr. Talerng Ngamkajornwiwat	Member of the Risk Management Committee
10. Mrs. Netchanok Tapinta	Member of the Risk Management Committee
11. Mr. Naris Denpaiboon	Member of the Risk Management Committee
12. Mr. Salyawate Prasertwitayakarn	Member of the Risk Management Committee
13. Mrs. Penpilai Phonchaipanich	Member of the Risk Management Committee
14. Ms. Mayuree Khuayjarenpaishk	Member of the Risk Management Committee
15. Ms. Nuanprae Patramai	Member of the Risk Management Committee

Ms. Nuanprae Patramai serves as the Secretary of the Risk Management Committee.

Composition and Nomination of the Risk Management Committee

The Risk Management Committee must consist of Company Directors, executives of the Company, Company employees, and/or suitable persons appointed by the Board of Directors in the number deemed appropriate by the Board of Directors. The Board of Directors will appoint one of the Risk Management Committee as the Chairman of the Risk Management Committee.

Scope of Duties and Responsibilities of the Risk Management Committee

1. To define policies and structures for risk management in order to propose to the Board of Directors pursuant to the risk management guidelines of the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand.

2. To establish strategies following the Risk Management Policy to ensure the assessment, monitoring and control of each type of risks to be at an acceptable level with the participation of risk management.

3. To assess risks factors and risk impacts at the corporate level and identify how to manage those risks to an acceptable level, as well as regulate and ensure that risk management follows the established measures as well as determining the responsible person and the action plan timeline.

4. To review and improve the risk management policy to ensure that the policy is efficient, effective, and timely for the risk management situation.

5. To have the authority to call upon related persons for clarification or to appropriately appoint and assign roles to risk management officers at all levels who will report to the Risk Management Committee to ensure the achievement of the risk management's objectives.

6. To report the result of risk management to the Executive Committee and the Audit Committee for consideration and further proposing to the Board of Directors on a quarterly basis.

7. To prepare the risk management manual and announce to employees for acknowledgement and implementation.

8. To identify all aspects of risks and analyze and evaluate possible risks which may occur, including the trends of risks which may affect the Company.

9. To prepare a plan to prevent, reduce, transfer or avoid risk.

10. To conduct a risk assessment and prepare the Risk Management Report.

11. To organize the integrated risk management system by linking to the information technology system.

12. To perform other duties as assigned by the Board of Directors.

4. The Nomination and Compensation Committee

As of 31 December 2022, the Nomination and Compensation Committee consisted of three members with a three-year term of office as follows:

Name - Surname	Position
1. Gen. Wichien Sirisoonthorn	Chairman of the Nomination and Compensation Committee
2. Mr. Chawalit Chantararat	Member of the Nomination and Compensation Committee
3. Mr. Kittipol Bunnim	Member of the Nomination and Compensation Committee

Ms. Pommara Patthanabhumthanint, Company Secretary, performs as the Secretary of the Nomination and Compensation Committee.

Composition and Nomination of the Nomination and Compensation Committee

The Board of Directors must appoint the Nomination and Compensation Committee. The committee must have at least three directors, with the majority of them being independent and non-executive directors, and the Board of Directors will appoint one Nomination and Compensation Committee member to serve as Chairman of the Nomination and Compensation Committee. Each member of the Nomination and Compensation Committee must hold no more than five positions in the listed companies.

Scope of Duties and Responsibilities of the Nomination and Compensation Committee

Nomination

1. To determine the appropriate nomination methods for the position of director to suit the nature and business of the organization by stipulating qualifications, knowledge, and expertise of each needed aspect.

2. To nominate candidates to fill vacancies to the Board of Directors for consideration. The Board of Directors may consider renewal of the term of the existing directors, or allow nomination by the shareholders, or use the recruitment company's service, or consider candidates from the List of Chartered Directors, or qualified candidates nominated by each director, etc.

3. To consider the list of nominated candidates and select the qualified candidates whose qualifications meet the stipulated qualifications.

4. To check if the nominated person's qualifications meet the legal requirements or regulations of the related organizations.

5. To approach the individuals whose qualifications meet the requirements to ensure that they are willing to accept the position of the directors of the Company, if appointed by the shareholders.

6. To nominate the list of candidates to the Board of Directors for consideration and attach the list to the notice of the Shareholder Meeting for appointment in the Shareholder Meeting or the Board of Directors Meeting, as the case may be.

7. To nominate the candidates for the positions of sub-committee members and the Chief Executive Officer of the Company as assigned by the Board of Directors.

8. To nominate a person to serve as a consultant to provide opinions or consultation in case of necessity.

Compensation

1. To consider the criteria of the remuneration of directors, sub-committee members, and the Chief Executive Officer to ensure its appropriateness by reviewing the appropriateness of the present criteria in comparison with the remuneration information of other companies in the same industry as the Company. The criteria shall be appropriate in order to achieve the expected results, fairness and to reward the persons who are a part of the company's success.

2. To review all types of remuneration, e.g. fixed remuneration, performance-based remuneration, and meeting allowance, taking into account the practice of companies in the same industry, the Company's business performance and size, as well as responsibility, knowledge, ability, and experience of the directors and senior executives required by the Company.

3. To consider the performance evaluation criteria of the Chief Executive Officer as assigned by the Board of Directors.

4. To determine the annual remuneration of directors and the Chief Executive Officer according to the

compensation criteria set forth, and propose it to the Board of Directors for approval of remuneration of sub-committee members and the Chief Executive Officer. Meanwhile, the remuneration of directors will be proposed to the Shareholder Meeting by the Board of Directors for approval.

5. To consider the appropriateness and provide approval upon the issuance of the new shares to the directors and employees of the Company by focusing on the principles of fairness to shareholders, and providing work motivation to the directors and employees which leads to the creation of long-term value added to the shareholders as well as retention of quality personnel.

5. Corporate Governance and Sustainability Committee

As of 20 January 2023, the Corporate Governance and Sustainability Committee consisted of 9 members with a three-year term of office as follows:

Name - Surname	Position
1. Mr. Rapee Phongbupakicha	Chairman of the Corporate Governance and Sustainability Committee
2. Mr. Amnat Prommasutra	Member of the Corporate Governance and Sustainability Committee
3. Gen. Wichien Sirisoonthorn	Member of the Corporate Governance and Sustainability Committee
4. Mrs. Suvimol Chrityakierne	Member of the Corporate Governance and Sustainability Committee
5. Assoc. Prof. Dr. Chamlong Prabkeao	Member of the Corporate Governance and Sustainability Committee
6. Mr. Chawalit Chantararat	Member of the Corporate Governance and Sustainability Committee
7. Mr. Kittipol Bunnim	Member of the Corporate Governance and Sustainability Committee

Name – Surname	Position
8. Mr. Prasong Wangrattanapranee	Member of the Corporate Governance and Sustainability Committee
9. Dr. Aphichat Sramoon	Member of the Corporate Governance and Sustainability Committee

Ms. Pommara Patthanabhumthanint, as the Company Secretary, performs as the Secretary of the Corporate Governance and Sustainability Committee.

Composition and Nomination of the Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee shall consist of at least one independent director in addition to members of the Board of Directors, Company executives, employees, and/or other relevant individuals who were selected by the Board of Directors. The Chairman of the Corporate Governance and Sustainability Committee shall be chosen by the Board of Directors from among the committee's members.

Scope of Duties and Responsibilities of the Corporate Governance and Sustainability Committee

1. To determine and/or review corporate sustainability and corporate governance policies and practices, such as good corporate governance policies and business ethics, anti-corruption policies and sustainability policies, and policies for social and environmental responsibility, etc.

2. To oversee operations and make recommendations for corporate governance and operations for long-term sustainable business operations.

3. To support, supervise, and monitor activities to make sure they conform to the organization's laws, rules, and regulations as well as those of government agencies, regulatory bodies, and good corporate governance as defined by national and international standards.

4. To empower directors, executives, employees at all levels, and other parties to understand the rules and regulations relating to corporate governance and business ethics.

5. To report performance to the Board of Directors at least once per year in accordance with the good corporate governance policy, the policy for sustainability, and the

policy for social and environmental responsibility.

6. To take any additional measures deemed appropriate by the Board of Directors to ensure the sustainable development of the Group's business and the achievement of the stated goal.

7.4 Information of the Executives

7.4.1 Executive Information (according to the definition of the SEC)

List of six (6) executives of the Company as defined by the Securities and Exchange Commission (SEC) as of 31 December 2022 is as follows:

Name – Surname	Position
1. Dr. Aphichat Sramoon	Chief Executive Officer
2. Mr. Nakorn Sanyasiri	Deputy CEO – Operation
3. Mr. Pawak Vongpichate	Deputy CEO – Related Business
4. Dr. Teerawut Juinarongrit	Chief Operating Officer
5. Mr. Sompat Suwapit	Chief Investment Officer
6. Mrs. Penpilai Phonchaipanich	Chief Financial Officer

7.4.2 Policies of remuneration of Executive Directors and Executives (including the Chief Executive Officer)

1. Directors' Remuneration

The Company has set out the criteria and procedures for consideration of the Directors' remuneration in written form to motivate and maintain Directors who are with qualified knowledge, skills, and experience suitable and valuable to the success of the Company's business operations. The Nomination and Compensation Committee is responsible for determining and proposing the Directors' remuneration to the Board of Directors and Shareholders for approval. The consideration of the Directors' remuneration must be reasonable in accordance with the existing criteria and within the standard or level comparable

Criteria and Methodology for Determining Remuneration for the Directors and Sub-committees

To determine remuneration for the Directors and Sub-committees, the Nomination and Compensation Committee shall consider the following criteria and methods:

1) Guideline for Considering the Directors' and Sub-Committees' Remuneration

1.1 The remuneration of the Directors and Sub-Committees are considered based on their duties,

responsibilities, and performance.

1.2 The Nomination and Compensation Committee shall consider types of remuneration, payment methods and amount of remuneration for Directors and Sub-Committees.

1.3 The Nomination and Compensation Committee must consider the remuneration in accordance with duties, responsibilities, and endeavor of the directors, types and size of the Company's business, markets and competitors. The remuneration must be proper and adequate to motivate and maintain qualified directors with the Company.

1.4 The Nomination and Compensation Committee shall consider and determine the remuneration of the Chief Executive Officer as an executive of the Company.

2) The directors' remuneration comprises three types as follows:

2.1 Monthly remuneration - to reflect the duties and responsibilities of the Board of Director and Sub-Committees.

2.2 Meeting allowance - to reflect the performance of Directors and Sub-Committees and to motivate Directors to regularly attend the meetings.

2.3 Other remuneration – i.e. annual bonus. The director who carries out the duties as an executive of the Company is not entitled to receive the remuneration defined in 2.1 and 2.2.

3) Payment Method

3.1 The monthly remuneration of the Independent Directors and Non-Executive Directors is paid by way of a monthly payment while the Executive Directors are not entitled to receive monthly remuneration.

3.2 Meeting allowance is paid to the directors and members of the sub-committees who are present in the meeting(s) which include Independent Directors, Non-Executive Directors and members of the Sub-Committees. The Directors who carry out the duties as the Executive Officers of the Company are not entitled to receive meeting allowance.

2. Remuneration of the Executives

The Company has set out a compensation structure in order to motivate the Company's Executives to work towards the achievement of the expected business objectives and long-term benefits of the Company.

The Company has a written criteria and methods for determining the Chief Executive Officer's remuneration by

reviewing the suitability of the existing criteria compared to other companies in the same industry. Appropriate and fair criterias are also set out to motivate the achievement of expected business results in order to reward those who contributed to the Company's success.

In considering the remuneration for the Chief Executive Officer, the Nomination and Compensation Committee takes into consideration the following criteria and methods.

1. Guideline for Considering the Directors' and Sub-Committees' Remuneration

1.1 The remuneration of the Chief Executive Officer is based on his/her duties and responsibilities, knowledge, skills, and experience, as well as the Chief Executive Officer's performance and the Company's operating performance in accordance with the remuneration standards in the same industry.

1.2 The Nomination and Compensation Committee shall consider reasonable remuneration of the Chief Executive Officer by revising the suitability of existing criteria, comparing to remuneration standards of other companies in the same industry. The Committee then shall set appropriate and fair criterias to motivate the achievement of expected business results in order to reward those who contributed to the Company's success.

2. Types of Remuneration of the Chief Executive Officer

2.1 Remuneration in the form of fixed salary

2.2 Other remuneration, i.e. annual rewards

3. Payment Method for the Chief Executive Officer

3.1 The Nomination and Compensation Committee shall consider and determine remuneration for the Chief Executive Officer in accordance with the payment criteria and further submitted to the Board of Directors for approval.

3.2 Chief Executive Officer, as an Executive of the Company, is not entitled to receive monthly Directors' remuneration.

3.3 Chief Executive Officer, as an Executive of the Company, is not entitled to receive meeting allowance.

7.4.3 Remuneration of Executive Directors and Senior Executive Officers

1. Monetary Remuneration

In 2022, the Company paid the management remuneration to six executives including an executive who held a position as a Director. The remuneration payment for the executives are as follows:

Remuneration Type	No. of Person	Amount (Million Baht)
Salary	6	20.50
Other Compensation ⁽¹⁾	6	7.11
Total	6	27.61

Noted: ⁽¹⁾ Other benefits include bonuses and contributions to social security, provident fund, post-employment benefits and other benefits.

2. Other Remuneration

-None-

7.5 Information of the Employees

1) Number of Employees

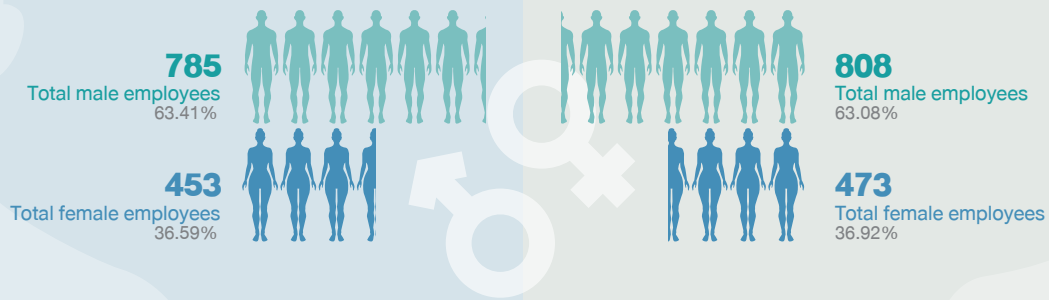
(1) Number of employees and number of employees in each main line of work

The total number of employees of the Company and its affiliates as of 31 December 2022, classified by line of work, is as follows:

Line of Work	Number of Employees in 2022 (Person)
General Administration Department, e.g. Legal Department, Company Secretary, and Executive Secretaries	15
Office of Corporate Accounting and Finance	39
Information and Communication Technology Department	7
Office of Human Resources	20
Office of Strategic Business Development	5
Office of General Affairs such as Administrative Service Department, Procurement Department, Corporate Planning & Budgeting & etc.	61
Engineers	657
Architects	45
Specialists such as Geologists, Environmental Experts, Environmental Scientists	110
Operation Supporting Unit such as draftsmen, construction supervision officers and site secretaries	279
Total	1,238



2021 Employee Proportion by Gender (Person) 2022

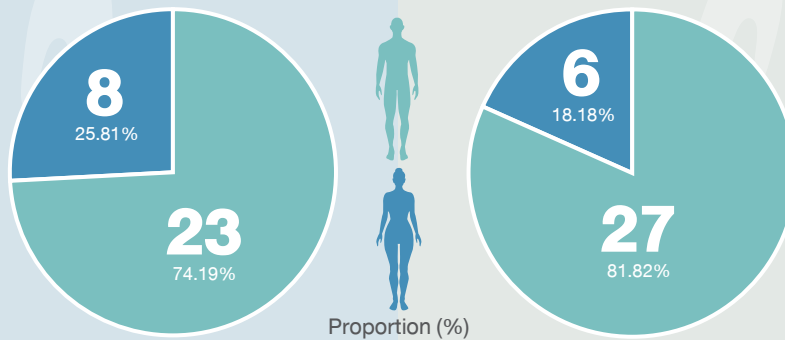


Employee Information (Person)

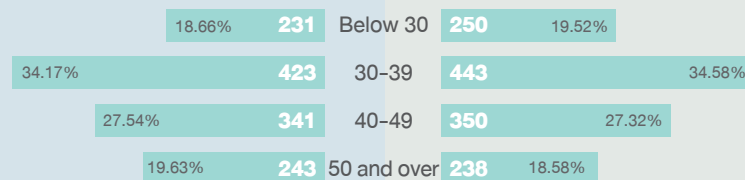


Employee Diversity

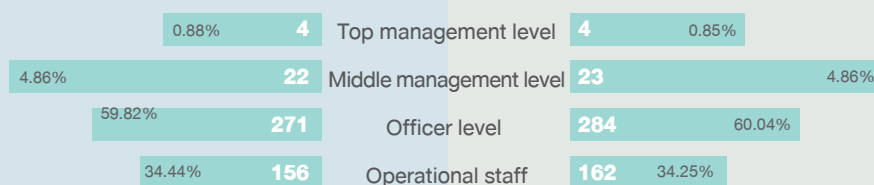
Proportion of Directors of the Company and its Subsidiaries by Gender (Person)



Employee Proportion by Age (Person)



Proportion of Female Employees in Each Job Title (Person)



2) Reasons/Policy in case of significant change in the number of employees or labor dispute (during the last 3 years)

Between 2020 and 2022, the company's workforce did not change significantly. In terms of labor disputes, the Company has disclosed in this report under the heading "5.3 Legal Disputes."

3) Employee Compensation and types of compensation given to employees.

In order for employees to receive fair compensation in accordance with their duties and responsibilities, and be able to live in adequate social conditions, the Company sets a wage management policy, salary, compensation by considering the domestic economic situation, labor market, domestic wage rate, comparison of wage rates among similar businesses in the same area, as well as the company's size and affordability. The compensation must also be in accordance with job responsibilities, experience, and competency, as well as the company's circumstances and requirements.

Apart from the salary, which is based on the value of the work in each position, basic welfare and other benefits are also provided. These welfares includes life and health

insurance, accident insurance, annual health checks, vaccinations, and social security, as well as additional benefits from work such as allowances, accommodation, travel, and telephone expenses that are fairly provided to employees. The basic welfare are provided to support employees for comfort and stability in their lives. Other benefits are compensations designed to facilitate and motivate performance. Employee welfare and benefits are crucial tools for enhancing morale and encouraging employees to work efficiently and effectively, as well as motivating knowledgeable and capable employees to work in the Company and maintaining them with the organization.

4) Provident Fund (Proportion of employees with PVD to total employees)

The Company established a provident fund under the Provident Fund Act of 1987, which demonstrates the Company's commitment to long-term employee care. Employees can choose to invest in the provident funds based on their specific needs and risk tolerance. Currently, the Company has made contribution to the Ayutthaya Master Fund. The following are the details of the proportion of provident fund members to total full-time employees:

PVD Rate	No. of full-time Employees (Persons)	No. of Employees who joined PVD (Persons)	Percentage of Total Employees (%)
3%	453	273	60.26
4%	397	335	84.38
5%	284	245	86.27
Total	1,134	853	75.22

5) Human Resource Development Policy

The Company places a high value on the employee development. The Company encourages employees to participate in professional development activities like training, seminars, academic conferences, and study tours. As a result, employees will be able to broaden their knowledge and skills which will improve their capability. Employees will be more motivated as a result of this and are competent to provide their services at a higher level, resulting in more efficient operations and growth in accordance with the company's expansion.

7.6 Other Important Information

7.6.1 Information of the Company Secretary, Account Controller, Head of the Internal Audit Office and Compliance

Company Secretary

The Board of Directors appointed Ms. Pommara Patthanubhumthanint as the Company Secretary, effective from 14 November 2019 (biography is attached as Attachment 1) The duties and responsibilities of the Company's Secretary are as follows:

1. Prepare and maintain books and records including the following:

- (1) a register of directors;

(2) a notice calling a director meeting, minutes of the meetings of the board of directors and an annual report of the Company

(3) a notice calling a shareholder meeting and minutes of the shareholders' meeting

2. Keep a report on interests in shares filed by a director or an executive and submit such report to the Chairman of the Board and the Chairman of the Audit Committee within seven (7) business days from the date of receipt of the mentioned report.

3. Establish a documentation and evidence filing system related to the presentation of the following information.

(1) Information needed to support resolution of the Shareholders' Meeting;

(2) Financial statement and reports related to financial status as well as operating result of the Company or any other reports the Company must be disclosed as per Sections 56, 57, 58 or 199 of the Securities and Exchange Act;

(3) Opinion of the Company when there is a general offer to purchase the Company's shares from shareholders;

(4) Information or any reports related to the business operation that the Company prepares for disclosure to shareholders or the public as specified by the Capital Market Supervisory Board

In addition, the Company Secretary must ensure that such documents or evidence are kept securely and can be at least five years traceable from the date of the generation of such documents or evidence. The keeping of documents and evidence as mentioned above shall include documents filing system in a computer or other systems that enable the users to view the original information without alteration.

4. Perform any other tasks as announced by the Capital Market Supervisory Board.

5. To perform the her duties, with prudence, and honesty, in compliance with the law, objectives, articles of association, resolution of the Board of Directors, resolution of shareholders, and prohibit from conducting any action that has conflict of interests with the Company.

6. In performing duty with responsibility and due care, the Company secretary shall act in the similar manner as an ordinary person undertaking the like business under the same circumstances by:

(1) The decision has been made with honest and reasonable belief that it is for the best interest of the Company.

(2) Decision has been made in reliance of information honestly believed in good faith to be sufficient.

(3) Decision has been made without any interest, whether directly or indirectly, in such matter.

Account Controller

1. The person assigned to take the highest responsibility in finance and accounting is Mrs. Penpilai Phonchaipanich. She graduated with the Master of Accountancy, Faculty of Agribusiness and Commerce, Lincoln University, New Zealand and the Bachelor of Accountancy, Faculty of Business Administration, Kasetsart University.

2. The person supervising accounting is Miss Napat Prinyanusorn. She graduated with Master of Finance, Faculty of Business Administration, National Institute of Development Administration and Bachelor of Accountancy (First Class Honor), Faculty of Commerce and Accountancy, Thammasat University.

Head of the Internal Audit Officer

The Company has hired IVL Auditing Co., Ltd. as an independent internal auditor. IVL Auditing Co., Ltd. appoints Miss Valdee Sibunruang, an audit partner, to be a main person responsible for the internal auditing of the Company.

7.6.2 Head of the Investor Relations Department

Ms.Nuanprae Patramai - Investor Relations acts as Head of the Investor Relations Department of the Company. The contact information of the head of Investor Relations is as follows:

Mailing Address: Investor Relations

TEAM Consulting Engineering and
Management Public Company Limited
151 TEAM Building, Nuan Chan
Subdistrict, Bueng Kum District, Bangkok
10230

Email: ir@team.co.th, nuanprae_p@team.co.th

Telephone: +66 2509 9000 ext. 2019
or +668 0271 9521

Facsimile: +66 2509 9090

7.6.3 Audit-Fee

The Company paid the audit fee and the review fee of the financial statements for the accounting year 2022 to EY Office Limited, the audit firm approved by the Office of the Securities and Exchange Commission. Details of the auditor's remuneration are as follows:

1. Audit Fee

Unit : Baht

Audit Fee	Year 2022
1. Annual audit fee	1,755,000
2. Review fee for quarterly financial statements	945,000
Total	2,700,000

Note: The audit fee for the year 2022 was approved by the 2022 Annual General Meeting of Shareholders on 26 April 2022.

2. Non-Audit Fee

- None -

8. Corporate Governance Committee Report

8.1 Summary of the Board of Directors Performance in the Past Year

8.1.1 Recruitment, Development, Assessment of the Performance of the Board of Directors

1. Nomination of Independent Directors

In 2022, the firm recruited and selected independent directors to fill vacant positions in accordance with the stipulated process and standards outlined in the topic of the Board of Directors' Policy and Guidelines.

As of December 31, 2022, the Company had 4 independent directors out of 9 directors (equivalent to 44%), which is in accordance with the Capital Market Supervisory Board's regulation that requires at least one-third of the total number of directors but not less than three to be independent directors, namely Mr. Rapee Phongbupakicha, General Wichien Sirisoonthorn, Mrs. Suvimol Chrityakerne, and Assoc. Prof. Dr. Chamlong Prabkeao. There is no independent director who has a business relationship with the Company, and no independent director has served in office for more than 9 years from the date of appointment.

2. Nomination of Directors and Executives

1) Nomination of Directors

The criteria for director and senior executive nomination are published in the section of the Board of Directors' Policy and Guidelines. In 2022, the company has given minor shareholders the opportunity to participate by proposing additional meeting agendas and nominating a person knowledgeable and qualified for consideration as a director or submitting questions in advance prior to the 2022 Annual General Meeting of Shareholders on the Company's website www.teamgroup.co.th, under the header "Investor Information >> Shareholder Information >> Shareholders Meeting" from October 1, 2021 until December 31, 2021. However, during such period, no meeting agenda, question, or nominated candidate for directorship was proposed.

Shareholders exercise their right to nominate candidates for appointment as directors at every Annual General Meeting. The Shareholder Meeting shall pass a resolution to appoint the directors in according to the following criteria and procedure.

1. A shareholder's one (1) share is one (1) vote.
2. Each shareholder shall exercise all available

votes stated in 1. to elect one person or several persons as directors. In case of multiple persons, the number of votes for each director cannot be divided.

3. The persons with the highest number of votes in descending order shall be elected as directors, with the number equivalent to the number of directors required or elected at such time. In case the persons who are elected in the next order have equal votes, exceeding the required number or elected number of directors at that time, the Chairman of the Meeting shall cast the final vote.

4. The resolution shall be passed by a majority vote of the shareholders attending the meeting and casting their votes for each candidate.

In addition, the Company has the policy to limit a maximum of five directorships in SET-listed companies for each director. The Company also has a policy that the Chief Executive Officer shall not be a director or executive of more than five companies, regardless of whether being listed on the SET or not and whether in the country or other countries. The Chief Executive Officer shall report to the Board each time of being a director or executive in other company. In 2022, no Company Director or Chief Executive Officer held roles in more than five public listed companies.

To comply with the Corporate Governance Code for Listed Companies 2017 of the Office of the Securities and Exchange Commission and to enable the exercise of discretion in independent decision-making, the Board of Directors appointed Mr. Rapee Phongbupakicha, Independent Director, as the Chairman of the Board.

2) Nomination of the Chief Executive Officer

The Company did not recruit a Chief Executive Officer in 2022 as the current Chief Executive Officer presents an efficient and effective performance.

3) Succession Plan

The Board of Directors established the policy and criteria for the selection of executives and prepared the Succession Plan with transparent procedures in case of emergency or retirement of executives. Candidates' knowledge, abilities, experience, and ethics are among the requirements.

In 2022, the Executive Committee was assigned by the Board of Directors to supervise the issue of succession, and the Committee is responsible for supervising and

driving the implementation of significant succession plans according to the following guidelines:

1. The Executive Director together with the Chief Executive Officer, develops significant succession plans by determining the qualifications, skills, knowledge, and abilities of the successor.

2. The Chief Executive Officer proposes the person who will be the successor as well as the individual development plan of the nominated persons to the Executive Committee, Nomination and Remuneration Committee, and the Board of Directors.

3. The Chief Executive Officer oversees the individual development of the prospective successors.

4. The Chief Executive Officer is responsible for reporting the implementation of the succession plan to the

Executive Board, Nomination and Remuneration Committee, and Board of Directors at least once a year or when there are significant changes.

4) Development of Directors and Executives

The Company encourages directors and executives to attend related training courses. Each director's biography contains further information. In 2022 Mr. Kittipol Bunnim and Mr. Prasong Wangrattanapranee attended the DCP training course, while Mr. Amnat Prommasutra and Assoc. Prof. Dr. Chamlong Prabkeao attended the DAP training course. The Company also updates all directors on information, notifications, rules and new regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand on a regular basis.

IOD Training Courses Taken by Individual Directors

Training Courses	Mr. Amnat Prommasutra	Gen. Wichien Sirisoonthorn	Mrs. Suvimol Chrityakierne	Assoc. Prof. Dr. Chamlong Prabkeao	Mr. Chawalit Chantararat	Mr. Kittipol Bunnim	Mr. Prasong Wangrattanapranee	Dr. Aphichat Srmoon
Advanced Audit Committee Program (AACP)			●					
Audit Committee Program (ACP)			●					
Board Nomination and Compensation Program (BNCP)		●			●			
Directors Accreditation Program (DAP)	●	●		●				●
Directors Certification Program (DCP)			●		●	●	●	
Ethical Leadership Program (ELP)			●					
Finance for Non-Finance Director (FND)								
Financial Institutions Governance Program (FGP)								
Financial Statements for Directors (FSD)								●
Role of the Chairman Program (RCP)								
Role of the Compensation Committee Program (RCC)								
Successful Formulation & Execution of Strategy (SFE)								

The Company Secretary passed the Company Secretary Program arranged by the IOD, including other courses necessary for the Company Secretary to perform her tasks and to support the Board of Directors that discharged their duties with great emphasis placed on Corporate Governance Code. In 2022, the company secretary received more training in courses and workshops on industry sustainability reporting by the Stock Exchange of Thailand, as well as additional courses in the Company Reporting Program (CRP) by IOD. In 2022, the Company established the guidelines for executive and employee development which were suitable and consistent with their specific capabilities as follows:

1. The Company arranged an orientation for new executives and employees on a regular basis as appropriate to create understanding of the Company's vision, values, nature of business and direction of business operations, as well as the corporate governance code and business ethics policy, anti-corruption policy, and significant policies and practices relating to the Corporate Governance Code and by developing an employee handbook that includes all of the aforementioned topics, as well as all regulations, policies, and guidelines.

2. The Company provided the executives and employees with training courses and seminars with focus on major topics and/or programs which are beneficial for performance of duties, including management, engineering, industry, information technology, and development of leadership skills and teamwork.

5) Orientation of New Directors

In 2022, the company held an orientation for all newly appointed directors, during which the Chief Executive Officer described the vision, strategy, and direction of the Company's operations, organizational structure, shareholding structure, operational characteristics, and main products and services. The legal responsibilities of directors were outlined by a senior legal advisor. Furthermore, the company secretary described policies with regard to good corporate governance and business ethics, as well as directors' duties in accordance with the charter of the Board of Directors and sub-committees, and handed over the director's handbook, which contained the aforementioned as well as important company documents such as company certificates, Articles of Association, and memorandum of association, as well as Securities and Exchange Commission and Thai Stock Exchange regulations and legislation relating to the company. In 2022, five new directors attended orientation: (1) Mr. Rapee

Phongbupakicha, (2) Mr. Amnat Prommasutra, (3) Assoc. Prof. Dr. Chamlong Prabkeao, (4) Mr. Kittipol Bunnim, and (5) Mr. Prasong Wangrattananapree.



6) Self-assessment of Directors

The Company's Board of Directors shall assess the performance of the entire board and individual directors at least once a year. By this way, the Board of Directors will mutually consider the previous performance and problems for further improvement to enhance the efficiency in operation of the Board of Directors.

In 2022, the Board of Directors conducted the assessment of the Board's performance (the entire board) for the year 2022 and assessment of individual directors (self-assessment) for the year 2022 including the assessment of the Chief Executive Officer of the Company for the year 2022. The Board applied and adjusted the guideline from the Stock Exchange of Thailand to suit the Company's nature of businesses and organizational structure for considering the Board's performance and other matters related to the Company's business operations.

Director's performance appraisal process

The Company Secretary will submit the assessment form to the Board of Directors for an annual performance evaluation of each Director, both individually and as a group as well as the sub-committees on which he or she serves. Once each director has completed the assessment, the form will be delivered back to the Company Secretary who will gather each director's evaluation ratings and summarize the outcomes of the Board of Directors' performance review.

The results of the assessment are discussed by the Board of Directors to improve the efficiency of the directors' performance and to formulate a plan for continuous improvement of the directors' performance.

1. Performance Assessment of the Board of Directors (the Entire Board) for the Year 2022

1.1 There are six main topics for assessment.

- (1) Structure and qualifications of the Board of Directors
- (2) Roles, duties, and responsibilities of the Board of Directors
- (3) The Board of Directors' Meeting
- (4) Performance of the directors
- (5) Relationship with the Management
- (6) Self-development of the directors and the development of the executives

1.2 Assessment criteria are calculated in percentage from the full score of each topic as follows:

- More than 90% equals to Excellent
- More than 80% equals to Very good
- More than 70% equals to Good
- More than 60% equals to Fair
- Less than 60% equals to Need improvement

1.3 Result of the performance assessment of the Board of Directors (the entire board) for the year 2021 was "Very good" with a score of 88.38%

2. Performance Assessment of Individual Directors (Self-assessment) for the Year 2022

2.1 There are four main topics for assessment.

- (1) Structure and qualifications of the Board of Directors
- (2) Performance of the directors
- (3) The Board of Directors' Meeting
- (4) Independence of the directors

2.2 Assessment criteria are calculated in percentage from the full score of each topic as follows:

- More than 90% equals to Excellent
- More than 80% equals to Very good
- More than 70% equals to Good
- More than 60% equals to Fair
- Less than 60% equals to need improvement

2.3 Result of the performance assessment of individual directors (self-assessment) for the year 2022 was "Excellent" with a score of 93.85%.

3. Performance Assessment of the Sub-committees, Including the Audit Committee (as a Group) and the Nomination and Compensation Committee (as a Group) for the Year 2022

3.1 There are three main topics for assessment.

- (1) Structure and qualifications of the sub-committees
- (2) Meetings of the sub-committees
- (3) Roles, duties, and responsibilities of the sub-committees

3.2 Assessment criteria are calculated in percentage from the full score of each topic as follows:

- More than 90% equals to Excellent
- More than 80% equals to Very good
- More than 70% equals to Good
- More than 60% equals to Fair
- Less than 60% equals to need improvement

3.3 Results of the Performance Assessment of the sub-committees for the Year 2022

3.3.1 Result of the performance assessment of the Audit Committee (as a group) for the year 2022 was "Excellent" with a score of 97.50%.

3.3.2 Result of the performance assessment of the Nomination and Compensation Committee (as a group) for the year 2022 was "Excellent" with a score of 93.42%.

4. Assessment of the Chief Executive Officer's Performance for the Year 2022

The Board of Directors determines to assess the Chief Executive Officer's yearly performance. The assessment criteria were created to assist the Chief Executive Officer in managing work in accordance with the Company's objectives, primary targets, and strategies for the Company's long-term benefit. The Chief Executive Officer was notified in advance of the assessment criteria consisting of the following four main parts

- Part 1 Corporate key performance indicators
- Part 2 Competency-based
- Part 3 Management skills-based
- Part 4 Summary of overall assessment results

The Board of Directors has appointed the Chief Executive Officer Performance Assessment Committee to evaluate the Chief Executive Officer's performance. The assessment's results will be presented to the Nomination and Compensation Committee for determining the compensation of the Chief Executive Officer and the results will be subsequently proposed to the Board of Directors for approval.

8.1.2 Board Members Attendance and Remuneration of Individual Director

1) Number of meetings held and the number of times each director attended in the previous year

In 2022, the Company set the dates and times for the Board of Directors meetings in advance for the entire year and gave prior notice to the directors to enable them to

allocate time for the meetings. The agenda for each meeting was clearly prepared, and extraordinary meetings may be convened as deemed.

In 2022, there were ten Board of Directors Meetings held, in which 91.18% of Board of Directors attended the meeting. Apart from that, there was one Non-Executive Directors Meeting for the year 2022.

Meeting Attendance of the Board of Directors and Sub-committees

Name	The Board of Directors	The Audit Committee	The Nomination and Compensation Committee	The Executive Committee	The Risk Management Committee
1. Mr. Rapee Phongbupakicha ^{1/}	2/2	2/2	-	-	-
2. Mr. Amnat Prommasutra ^{2/}	5/5	-	-	-	-
3. General Wichien Sirisoonthorn	10/10	5/5	6/6	-	-
4. Mrs. Suvimol Chrityakierne	9/10	4/5	-	-	-
5. Assoc. Prof. Dr. Chamlong Prabkeao ^{3/}	5/5	-	-	-	-
6. Mr. Chawalit Chantararat	9/10	-	6/6	-	-
7. Mr. Kittipol Bunnim ^{4/}	6/8	-	3/5	-	-
8. Mr. Prasong Wangrattanapranee ^{5/}	7/8	-	-	-	-
9. Dr. Aphichat Sramoon	9/10	-	-	19/19	4/4

^{1/} Mr. Rapee Phongbupakicha was appointed as an independent director to replace Mr. Sanit Rangnoi, who resigned, effective from 12 October 2022, he began attending the Board of Directors' Meeting No. 9/2022 in November 2022 onwards.

^{2/} Mr. Amnat Prommasutra was appointed as a director in place of Mr. Chana Poomee, who resigned, effective from 14 June 2022; thus, beginning in July 2022, began attending the Board of Directors' Meeting No. 6/2022 onwards.

^{3/} Assoc. Prof. Dr. Chamlong Prabkeao was appointed as a director in place of Mr. Issarin Patramai, who resigned, effective from 14 June 2022; thus, beginning in July 2022, began attending the Board of Directors' Meeting No. 6/2022 onwards.

^{4/} Mr. Kittipol Bunnim was appointed as a director to replace Dr. Prasert Patramai, who resigned, effective from 26 April 2022, and began attending the Board of Directors' Meeting No. 4/2022 in May 2022 onwards, and was appointed as a member of the Nomination and Remuneration Committee in place of Mr. Issarin Patramai, who resigned, effective from 13 June 2022 and began attending the Nomination Committee Meeting No. 4/2022 in July 2022 onwards.

^{5/} Mr. Prasong Wangrattanapranee was appointed as a director in place of Dr. Thanasarn Khuayajernpanishk who was due to retire by rotation and did not wish to renew another term, effective from 26 April 2022, so started attending the Board of Directors Meeting No. 4/2022 in May 2022 onwards.

2) Remuneration of Directors

(1) Cash Remuneration

The 2022 Annual General Meeting of Shareholders held on 26 April 2022 resolved to approve the remuneration for the Board of Directors, the Audit Committee, and the Nomination and Compensation Committee for the fiscal year 2022 within the amount not exceeding 7,000,000 Baht and the annual bonus year 2021 of 2,796,500 Baht. Details are as shown in the table below:

Position	Monthly Remuneration and Meeting Allowance in 2022
1. Board of Directors	
1.1 Monthly Remuneration (Baht/month)	
Chairman of the Board	37,500 Baht/month
Deputy Chairman	32,500 Baht/month
Director	25,000 Baht/month
1.2 Meeting Allowance	
Chairman of the Board	7,500 Baht/meeting
Deputy Chairman	6,500 Baht/meeting
Director	5,000 Baht/meeting
1.3 Rewards (Bonus)	
2. Audit Committee	
2.1 Monthly Remuneration (Baht/month)	
Chairman of the Audit Committee	30,000 Baht/month
Member of the Audit Committee	20,000 Baht/month
2.2 Meeting Allowance (Baht/Meeting)	
Chairman of the Audit Committee	7,500 Baht/meeting
Member of the Audit Committee	5,000 Baht/meeting
3. Nomination and Compensation Committee	
3.1 Monthly Remuneration	- None-
3.2 Meeting Allowance (Baht/meeting)	
Chairman of Nomination and Compensation Committee	7,500 Baht/meeting
Member of Nomination and Compensation Committee	5,000 Baht/meeting

Note: Directors who hold the position of the executive of the Company from the Chief Executive Officer level down will not receive both Director's monthly remuneration and meeting allowance.

Summary of the Remuneration for Board of Directors in 2022

unit: Baht

Name	Position	Remuneration in 2022		
		Board of Directors	Audit Committee	Nomination and Compensation Committee
1. Mr. Rapee Phongbupakicha ⁽¹⁾	Independent Director Chairman of the Board Chairman of the Audit Committee	181,549	95,000	-
2. Mr. Amnat Prommasutra ⁽²⁾	Deputy Chairman of the Board	338,355	-	-
3. General Wichien Sirisoonthorn	Independent Director Member of the Audit Committee Chairman of the Nomination and Compensation Committee	494,940	265,000	45,000
4. Mrs. Suvimol Chrityakierne	Independent Director Member of the Audit Committee	489,940	260,000	-
5. Assoc. Prof. Dr. Chamlong Prabkeao ⁽³⁾	Independent Director	271,737	-	-
6. Mr. Chawalit Chantararat	Director Member of the Nomination and Compensation Committee	489,940	-	30,000
7. Mr. Kittipol Bunnim ⁽⁴⁾	Director Member of the Nomination and Compensation Committee	331,866	-	15,000
8. Mr. Prasong Wangrattanapranee ⁽⁵⁾	Director	336,866	-	-
9. Dr. Aphichat Sramoon	Director Chairman of the Executive Committee Chairman of the Risk Management Committee Chief Executive Officer	149,940	-	-
10. Mr. Sanit Rangnoi ⁽⁶⁾	-	606,794	292,500	-
11. Dr. Prasert Patramai ⁽⁷⁾	-	208,445	-	-
12. Dr. Thanasarn Khuayjajernpanishk ⁽⁸⁾	-	153,908	-	-
13. Dr. Chana Poomee ⁽⁹⁾	-	202,030	-	-
14. Mr. Issarin Patramai ⁽¹⁰⁾	-	197,441	-	10,000

Remark: According to Accrual Basis

^{1/} Mr. Rapee Phongbupakicha was appointed as an independent director and the Chairman of the Audit Committee, effective from 12 October 2022 until present.

^{2/} Mr. Amnat Prommasutra was appointed as a company director, effective from 14 June 2022 until present.

^{3/} Assoc. Prof. Dr. Chamlong Prabkeao was appointed as an independent director, effective from 14 June 2022 until present.

^{4/} Mr. Kittipol Bunnim was appointed as a company director, effective from 26 April 2022 until present and was appointed as a Member of the Nomination and Compensation Committee, effective from 13 June 2022 until present.

^{5/} Mr. Prasong Wangrattanapranee was appointed as a company director, effective from 26 April 2022 until present.

^{6/} In 2022 Mr. Sanit Rangnoi was the Chairman of the Board and the Chairman of the Audit Committee during 1 January – 30 September 2022.

^{7/} In 2022 Dr. Prasert Patramai was the company director during 1 January – 25 April 2022.

^{8/} In 2022 Dr. Thanasarn Khuayjajernpanishk was the company director during 1 January – 25 April 2022.

(2) Other Remuneration

The Directors do not have any other benefits from the Company. However, the Company is responsible for the costs of training and seminar courses conducted by the Thai Institute of Directors Association and other organizations that will benefit the Company's directors' performance. In addition, the Company does provide Directors' and Officers' Liability Insurance with a limit of 100 million Baht for a period of 1 year.

8.1.3 Governance of Subsidiaries and Associated Companies

To oversee the business operations of the subsidiaries and associated companies, the Company shall assign its representatives to be directors in the subsidiaries and associated companies. The representatives of the Company may be the Chairman of the Board, Directors, Chief Executive Officer, Managing Directors, high-level executives or any person with appropriate qualifications and experience in such businesses and without a conflict of interest with the businesses of those subsidiaries and associated companies. In addition, the representatives of the Company who become directors in the subsidiaries must perform the management and administration for the businesses of the subsidiaries according to the rules and regulations as prescribed by the Company, including delegation of authority and related laws of the subsidiaries.

To maintain the benefits in the Company's investment and to ensure the Company's ability to control the management and operations of the subsidiaries as the integral departments of the Company, the Board of Directors Meeting approve the policy on supervision of the subsidiaries and associated companies with the essential aspects as presented below.

1. Management Control Policy for Subsidiaries and Associated Companies

The Company has determined the guidelines for exercising voting rights by the representatives of the Company in the Shareholder Meetings of the subsidiaries and the associated companies on various matters, such as election of directors and determination of remuneration, appointment of auditors, profit allocation, other matters that are not specified in advance in the agenda, and other situations that require approval of the Board of Directors Meeting or the Shareholder Meeting of the Company (as the case may be). Also included are monitoring of performance of the subsidiaries and the associated companies to conform to the work plan, disclosure of connected transactions of the subsidiaries, provision of the suitable and sufficient internal control system for the subsidiaries, disclosure and delivery of the information of the

directors and executives in the subsidiaries, including related persons, and supervision of the use of inside information.

Moreover, the Company has determined the circumstances/subjects/agenda items that require approval of the Board of Directors Meeting or the Shareholder Meeting of the Company based on their importance.

2. Financial Control Policy for Subsidiaries and Associated Companies

The Company requires that its subsidiaries and associated companies shall submit their operating results and the quarterly financial statements, as well as supporting information of such financial statements, to the Company for preparation of the consolidated financial statements or the quarterly operating result report of the Company. Furthermore, the subsidiaries and the associated companies shall report their significant financial problems to the Company upon being detected or when receiving a request from the Company for review and report.

The Company also requires the Company's directors to monitor the operating results of the subsidiaries and the associated companies to be constantly in line with the work plan and the budget; and to ensure that the subsidiaries shall disclose the information about the connected transactions, and the acquisition or disposal of assets to the Company according to the related notifications of the Capital Market Supervisory Board and the Securities and Exchange Commission.

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policy and Guidelines on Good Corporate Governance

The Company has determined that it is the duties and responsibilities of directors, executives and all employees to acknowledge, understand and strictly comply with the policy and requirements under this policy. Executives of all levels must be responsible for monitoring and consider as a serious matter that any director, executive, or employee who violates the corporate governance set forth is subject to disciplinary action. If there is action believed to be against the laws, regulations, and provisions of the state, the Company will forward the matter to the government officials for further proceedings.

In 2022, the Board of Directors Meeting No. 10/2565 which was held on 22 December 2022 reviewed the policies of good corporate governance, business ethics, and other related policies, and monitored the implementation of the policies, as well as provided useful suggestions for

continuous improvement and enhancement of good corporate governance to a higher standard.

Preventing Conflicts of Interests

The Company is committed to conducting business with integrity and honesty. In order for the Company's and its subsidiaries' directors, executives, and employees to act in a transparent and verifiable manner, the Board of Directors has established a written a policy on conflict of interest prevention and a written policy on connected transactions that apply to the Company and its subsidiaries. The policy is available on the Company's website, www.teamgroup.co.th.

Directors, executives and employees of the Company must avoid participating in any activity and transactions connected to him/herself or related persons/juristic persons that may cause conflicts of interest, and must not use the opportunity or information of the Company for the benefit of him/herself or others, including doing business that competes with the company or doing related business.

In the event that it is necessary to make a connected transaction and may cause a conflict of interest to do that transaction, it must be conducted in the way as if such transaction is conducted with a third party and must have a commercial agreement in the same way that a sensible person would do with a general contractual party with commercial bargaining power without influence as a director, executive, employee or any related person and the related person must not be involved in the consideration of approval in that transaction.

Such related person/Directors/Executives must not attend the meeting or refrain from voting on matters that may cause conflicts of interest. In consideration of any transaction that could result in a conflict of interest, the Independent Directors must attend the meeting to consider such matters. A report of interests of one's own or associated persons' must also be prepared for the Board of Directors' acknowledgement.

In 2022, connected transactions or transactions with potential conflicts of interest occurred were conducted according to business necessity. The transactions were transparent with fair processes for the maximum interests of the Company. In addition, the Company has not received any complaints with regard to conflicts of interest caused by directors and executives.

Misuse of Inside Confidential Information for Personal Gain

The Company has set the measures to prevent and oversee the use of inside information in accordance with the Good Corporate Governance Principle. The measures

cover the announcement of the the use of the Company's inside information policy, which apply to the Company and subsidiaries. Such policy is available on the website www.teamgroup.co.th. This is to prevent misuse of inside information which has not been disclosed to the public for one's benefits or others'. The said policy was announced and communicated to directors, executives, employees and staffs of the Company for acknowledgment and strict compliance. The essentials of the policy are as follows:

- Keep confidentiality and/or inside information of the Company.
- Must not disclose confidential information and/or inside information of the Company, or not use it to seek benefits for oneself or others whether directly or indirectly, and whether with or without compensation.
- Must not trade, transfer or receive the Company's securities by using the confidential information and/or inside information of the Company, and/or not enter into any legal transaction by using the confidential information and/or inside information of the Company which may cause damage to the Company directly or indirectly.

The Directors and Executives of the Company must report the changes in their holding of the Company's securities, as well as the shareholding changes of their spouses and children (not yet of legal age) to the Office of the Securities and Exchange Commission pursuant to Section 59 of the Securities and Stock Exchange Act, B.E. 2535 (1992), and acknowledge the penalties thereunder. The directors and executives must submit a copy of the said report to the Company on the same day as the report is submitted to the Office of the Securities and Exchange Commission, which is within three working days.

Furthermore, the Company set out the policy on information disclosure to prevent the insider trading of the related persons, including executives, employees, auditors and departments with privilege of inside information and those related to the said parties. The policy was announced and communicated to directors, executives, employees and staff of the Company for acknowledgment and strict compliance. The essentials of the policy are as follows:

- Do not trade the Company's securities for the period of one month prior to the disclosure of the quarterly financial statements and annual financial statements and for 24 hours after disclosure of the said financial statements (blackout period).

- After being aware of or having access to any information which has not been disclosed to the public and may affect the securities price of the Company, such persons must not purchase or sell securities of the Company for 45 days prior to disclosure of information and 24 hours after disclosure to the public. Do not disclose inside information to any third party or an irrelevant person in order to prevent insider trading.
- In case executives, auditors or relevant persons change the amount of securities holding, such changes must be reported to the Office of the Securities and Exchange Commission and the Company Secretary within three working days from the date of acquisition, disposal, transfer or receipt of the transfer thereof.
- For other person who does not hold an executive position, but has opportunity to access inside information of the Company like the executive who has duty to report the securities holding pursuant to Section 59, the said person must prepare and disclose the report of securities holdings of oneself and related persons, including the changes of their securities holdings, to the Company Secretary within three working days from the date of the acquisition, disposal, transfer or receipt of transfer thereof.

In the year 2022, The Company has complied with the Corporate Governance Code, the Company Secretary and the secretary of the Risk Management Committee notified in writing the directors and executives of the blackout period for trading of the Company's securities. The changes in their securities holding, as well as the shareholding changes of their spouses and children (not yet of legal age), were reported to the Office of the Securities and Exchange Commission and the Company Secretary within three working days from the date of acquisition, disposal, transfer or receipt of the transfer thereof.

In addition, the Board of Directors has assigned the Company Secretary to report to the Board of Directors every quarter on the Company's securities holdings by the Board of Directors, executives, both their own, their spouses, and minor children, and to disclose information on these securities holdings in this report.

In 2022, neither directors nor executives violated the Company's policy on the use of inside information and the policy on information disclosure. In addition, the Company has received no complaints with regard to the misuse of inside information by directors and executives.

The summary of Changes in Securities Holding of Directors and Executives as of 30 December 2022 are as follows:

Summary of Changes in Securities Holding of Directors

No.	Name	As of 30 December 2021 Proportion/ Number of shares	As of 30 December 2022 Proportion/ Number of shares	Changes during the Year
1.	Mr. Rapee Phongbupakicha Spouse Minor Children	- - -	0.06% / 400,000 - -	0.06% - -
2.	Mr. Ammat Prommasutra Spouse Minor Children	5.53% / 37,637,000 - -	3.72% / 25,284,000 - -	(1.81%) - -
3.	General Wichien Sirisoonthorn Spouse Minor Children	0.04% / 300,000 - -	- - -	(0.04%) - -
4.	Mrs. Suvimol Chrityakierne Spouse Minor Children	0.04% / 300,000 - -	- - -	(0.04%) - -

Summary of Changes in Securities Holding of Directors

No.	Name	As of 30 December 2021 Proportion/ Number of shares	As of 30 December 2022 Proportion/ Number of shares	Changes during the Year
5.	Assoc. Prof. Dr. Chamlong Prabkeao	-	-	-
	Spouse	-	-	-
	Minor Children	-	-	-
6.	Mr. Chawalit Chantararat	2.28% / 15,495,100	0.48% / 3,247,500	(1.80%)
	Spouse	-	-	-
	Minor Children	0.44/ 3,000,000	0.44/ 3,000,000	-
7.	Mr. Kittipol Bunnim	1.41% / 9,600,000	0.98/ 6,650,000	(0.43%)
	Spouse	-	-	-
	Minor Children	-	-	-
8.	Mr. Prasong Wangrattanapranee	2.50% / 17,007,600	1.03% / 7,007,600	(1.47%)
	Spouse	-	-	-
	Minor Children	-	-	-
9.	Dr. Aphichat Sramoon	0.07% / 500,000	0.04% / 250,000	(0.03%)
	Spouse	-	-	-
	Minor Children	-	-	-

Summary of Changes in Securities Holding of Executives

No.	Name	As of 30 December 2021 Proportion/ Number of shares	As of 30 December 2022 Proportion/ Number of shares	Changes during the Year
1.	Mr. Nakorn Sanyasiri	-	-	-
	Spouse	-	-	-
	Minor Children	-	-	-
2.	Dr. Teerawut Juirnarongrit	-	-	-
	Spouse	-	-	-
	Minor Children	-	-	-
3.	Mr. Sompat Suwapit	-	-	-
	Spouse	-	-	-
	Minor Children	-	-	-
4.	Mrs. Penpilai Phonchaipanich	2.98% / 20,275,000	2.46% / 16,730,500	(0.52%)
	Spouse	0.01% / 100,000	-	(0.01%)
	Minor Children	-	-	-
5.	Mr. Pawak Vongpichate	-	-	-
	Spouse	-	-	-
	Minor Children	-	-	-

Anti-Corruption

For the benefit of shareholders and other stakeholders, the company is committed to conducting business based on good corporate governance and business ethics. As a result, the Company has adopted an anti-corruption policy that all directors, executives, and employees must comply with. Every year, the Company requires such policy to be reviewed. In 2022, the policy was reviewed at the Board of Directors Meeting No. 10/2565 held on 22 December 2022 which could be summarized as follows.

1. Do not offer any compensation, bribes, solicit, agree to, or accept bribes from other persons or any other agencies in any form, whether directly or indirectly, in order to receive mutually benefits related to the Company's activity.

2. Do not engage in illegal transactions with government officials or any other person or entity, either directly or indirectly.

3. Do not make any donations or contributions to other persons or entities as a means of bribes.

4. Do not support any money donation or other benefits to political parties, political groups, or any person involved in politics, whether directly or indirectly, for the profit of the business or for the benefit of oneself and group.

The Anti-Corruption Policy is available on the Company's website at www.teamgroup.co.th under the tab "Sustainability"



In terms of becoming a member of the Thai Private Sector Collective Action Against Corruption (CAC) (certified companies), the Company is currently preparing and gathering information in order to participate in the project. However, as part of the Company's risk management plan, the Company has implemented a corruption risk assessment. In 2022, the Company received no allegations concerning corruption.

(1) Business Risk Assessment

On a quarterly basis, the Risk Management Director assesses the corruption risk and report to the Risk Management Committee, the Executive Committee, the Audit Committee, and the Board of Directors, respectively. The Company also establish measures to manage such risks by strictly following the procurement regulations, controlling and monitoring important work processes that may cause corruption, establishing channels for stakeholders to report clues, provide suggestions, or file complaints about

corruption (Whistleblower) via website and email, as well as appointing a committee to review and investigate complaints in a transparent and accountable manner.

(2) Guidelines

The Company prepares an Enterprise Risk Management Manual and distributes it through its internal website (Intranet). The components of risk management were formulated in accordance with the company strategies and business objectives. All departments are required to utilize the Enterprise Risk Management Manual as a guideline for risk management practices to minimize the risk of corruption.

(3) Communication and employee training

The Company's Anti-Corruption Policy is communicated to its directors, executives, employees, and all stakeholders via the Company's website at www.teamgroup.co.th under the topic "Sustainable Development" and via the Company's Intranet. It is also included in the orientation of new employees.

(4) Follow-up assessment

The Company's risk management has been monitored and assessed by the Risk Management Committee every quarter and the results of the risk assessment were reported to the Executive Committee, the Audit Committee, and the Board of Directors, respectively.

(5) Review of completeness and adequacy of all anti-corruption processes

The Audit Committee reviews the effectiveness of the corruption risk management from the internal auditor report by the internal auditor every two quarters together with and the external auditor report every quarter.

4) Whistleblowing and complaint-making

The Company is unquestionably committed to conducting businesses in compliance with the Corporate Governance Code and has the clear and precise policy on anti-corruption. Consequently, the Company determined the policy on whistleblowing and complaint-making by both employees and all groups of stakeholders, as well as mechanism to protect whistleblowers and keeping of complaints as confidentiality to create confidence among whistleblowers. The Company assigned the Chief Executive Officer to appoint the investigation committee to collect evidences; to take actions to find factual information about the lodged complaints; and to suggest the approaches to manage such complaints. The investigation procedures must be fair and transparent.

The Company clearly provides the channels for whistleblowing which are under the supervision of the

Company Secretary who will receive and collect all complaints on fraudulent activities for further proceedings. Employees or those who detect or have reasonable grounds for suspecting malpractice or misconduct may file their complaints to one of the following channels:

- 1) Opinion and complaint box placed at Human Resources Department
- 2) Direct filing of complaints to:
 - Their supervisors at all levels
 - Human Resources Department
 - Internal Audit Department
 - Company Secretary
 - Members of Audit Committee
 - Company's directors
- 3) Company's website: <http://www.teamgroup.co.th>
- 4) Email to the Audit Committee:
whistle-blowing@team.co.th
- 5) Direct mail to the Company's Board of Directors or the Audit Committee at the following address:
TEAM Consulting Engineering and Management PCL.
151 Nuan Chan Road, Nuan Chan Sub-district,
Bueng Kum District, Bangkok 10230

In 2022, the Company received no whistleblowing nor complaints with regard to the corruption action by directors, executives and employees of the Company.

Able to read the notification policy clues and complaints under Topic "Corporate Governance" on the company website www.teamgroup.co.th



8.2 Report on the Audit Committee's Performance

Please refer to Attachment no. 6, the Report of the Audit Committee.

8.3 Report on the Nomination and Remuneration Committee's performance

Please refer to Attachment no. 7, the Report of the Nomination and Compensation Committee.

8.4 Report on the Risk Management Committee's performance

Please refer to Attachment no. 8, the Report of the Risk Management Committee.

8.5 Report on the Corporate Governance and Sustainability Committee's performance

Please refer to Attachment no. 9, the Report of the Corporate Governance and Sustainability Committee.

9. Internal Control and Connected Transactions

9.1 Internal Control and Risk Management

1. Summary of the Board of Directors' opinion towards the adequacy of the internal control system

The Company successively places importance on the internal control system to ensure that the internal control systems of the Company are appropriate and sufficient to supervise the operations at all levels in accordance with the objectives, goals, compliance, relevant laws and regulations effectively. Also, the internal control system can also prevent and manage risks or any damages that may occur with regard to the assessment framework for the adequacy of the internal control system of the Office of the Securities and Exchange Commission (SEC), incorporating with the accounting and financial reporting system that is accurate, reliable, and completely adequate disclosed at the right time.

The Board of Directors therefore assigned the Audit Committee in which consists of 3 independent directors who are authorized to assess and review the Company's internal control system under the control guidelines of The Committee of Sponsoring Organizations of Treadway Commission ("COSO") in 5 main areas: 1) Organization's internal control system 2) Risk assessment 3) Operation control 4) Information and communication system 5) Monitoring system. The Audit Committee is also responsible to serve the Board's Directors in recruiting and proposing the appointment of auditors, considering the auditor's remuneration, connected transactions and conflict of interest transaction to present to the Board of Directors.

For the Risk Management, The Board of Directors emphasizes the importance of overall corporate risk management in both management and operation system in order to achieve the organization's objectives and vision. The Risk Management Committee has been assigned to supervise the Company's risk management, set policies and systematic risk management structure throughout the

organization. The Company's management has prepared a risk management manual specifying objectives, risk indication and risk assessment in consideration of changes in internal and external factors, including the possibility of corruption as well as emerging risks. Then, setting guidelines for risk response, control measures formulation, risk management plan implementation on a regular basis to lower the risk to an acceptable level. Besides, monitoring, evaluating and reporting risks including communicating with the department heads to realize the importance of risk management. Finally, presenting to the Risk Management Committee to consider and evaluate the adequacy and appropriateness of the risk management results every quarter and report to the Board of Directors for acknowledgment as well as reviewing the risk management plan every year. In addition, the business continuity plan is also prepared to keep an organization operating during an emergency.

At the Board of Directors Meeting No. 1/2023 on February 23, 2023, the Board of Directors considered the report from the Audit Committee and other documents from the management and gave the opinions that the Company's internal control system in all 5 mentioned areas was appropriate and sufficient to operate the business in accordance with the objectives and goals of the Company with good control and consistent practice. There was no significant defect in the internal control system. The Company's assets were protected from misuse or unauthorized use. Moreover, the Board of Directors, Audit Committee and Auditors gave a consensus opinion that the Company's financial statements were correct and reliable in accordance with the general accepted accounting principle and standards.

2. The Company's Internal Auditor

For the year 2022, the Audit Committee arranged the meeting to discuss financial reports with the management and the certified public accountants (from EY Company Limited) 4 times and reviewed the results of the assessment and internal control system with the management and the internal auditors (from I VL Auditing Company Limited) 2 times. Besides, the Audit Committee also held the meeting with the auditors without the management 1 time and a meeting to consider risk management plan with the management 1 time in which, the report on the opinions of the Audit Committee presented to the Board of Directors was disclosed in the Company's annual report.



9.2 Connected Transactions

1. Connected Transactions between the Company and its subsidiaries with other related Companies/persons which may have conflict of interests in 2022 as of 31 December 2022 can be summarized, as follows:

Related company	Relationship with the Group	Nature of the connected transactions	Transaction value for the year 2022 (Million Baht)	Necessity and rationale
iGL Synergy Co., Ltd.	An associated company of Geotechnical & Foundation Engineering Company Limited (GFE) and common director	Service income	0.21	The subsidiary subcontracted consulting services for the projects that iGL Synergy Co., Ltd. provided to the customers under general commercial price and conditions.
Asset Activator Company Limited	An associated company of the Company	Service income	0.64	The company provided BIM services under general commercial price and conditions.
		Other income	0.55	The company provides software development services for Asset Activator Company Limited.
		Cost of service	0.08	Asset Activator Co., Ltd. provided BIM consulting services under general commercial price and conditions.
The Concrete Products and Aggregate Co., Ltd. (CPAC)	Having common directors during the period from 1 January 2022 to 30 May 2022.	Service income	1.13	The company provides engineering inspection services under general commercial price and conditions.
Daoreuk Communications Company Limited	Having common shareholders during the period from 1 January 2022 to 25 April 2022.	Other income	0.06	The company provides printing and publication services under general commercial price and conditions.
		Cost of service	0.51	Daoreuk Communications Co., Ltd. provides public relations services, arranging project seminars, preparing media in various formats including dissemination of news for the operation of the Company and its subsidiaries under general commercial price and conditions.
		Other expenses	0.31	

Related company	Relationship with the Group	Nature of the connected transactions	Transaction value for the year 2022 (Million Baht)	Necessity and rationale
Krungthep Geotechnique Co., Ltd.	An associated company of Geotechnical and Foundation Engineering Co., Ltd. (GFE) and have joint directors	Cost of service	0.60	Bangkok Geotechnic Co., Ltd. provides geotechnical drilling and soil investigation services for the operation of the Company under general commercial price and conditions.
Rolling Koncept Innovation Company Limited	Having common shareholder s	Service income	1.35	The company provides construction services and groundwater distribution system development under general commercial price and conditions.

Opinion of the Audit Committee

At the Audit Committee's Meeting, the Audit Committee and the Company executives has reviewed the list of connected transactions and considered that the connected transactions that occurred with companies/ persons that could have a conflict of interest during the fiscal year 2022 was reasonable. The condition of such transactions were considered transactions under general commercial price and trading conditions.

2. Measures and procedures for approval of Connected Transactions

In case of Connected Transactions between the Company and its subsidiaries and related persons are under normal business conducts and within general trading conditions or based on market prices in the ordinary course of business which can be verified and do not cause transfer of benefits, the executives of the Company may proceed under the principles approved by the Board of Directors and with a submittal of a summary report to the Audit Committee every quarter for their review.

In case that the Connected Transactions are not under normal business course, the Company will arrange a meeting with the Audit Committee regarding the necessity and reasonableness of the transaction for approval.

To approve the transaction, it must comply with the Securities and Exchange Act, regulations, notifications, orders or requirement of the Stock Exchange of Thailand and in this case the stakeholders in such transaction(s) will not be entitled to cast a vote on the matter.

3. Policy or trend of Connected Transactions in the future

In the future, if it is necessary to proceed the connected transactions with the person who has a conflict of interest with the Company, the Company will determine conditions to be in accordance with a normal business course and based on market prices which can be referred to the conditions or prices of the same transactions made with other external parties. The Audit Committee will provide comments, opinions on the prices, compensation rate, necessity and the reasonableness of the connected transactions.

Connected Transactions that may occur in the future, the directors shall comply with the criteria set forth by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The directors shall not approve any transaction(s) that he or the person who may have a conflict of interest in any other manner with the Company. These transactions must be disclosed to the Board of Directors for consideration while the Company shall comply with the Securities and Exchange Act and regulations, notifications, orders or requirement of the Stock Exchange of Thailand including the requirement related to the disclosure of connected transactions and the acquisition or disposal of the Company's assets. Furthermore, the Company will not proceed with any connected transactions with the related company which is not under normal business course.





Part 3

Financial Report



Report on the Board of Directors' Responsibilities for the Financial Report

The Board of Directors of Team Consulting Engineering and Management PCL. has provided the financial statements to reflect the financial position and the operating results of the Company and its subsidiaries in 2022 in compliance with the Public Limited Companies Act, B.E. 2535 and Regulations of the Stock Exchange of Thailand. The Board of Directors is responsible for the company's consolidated financial statements and separate financial statements in the annual report prepared in accordance with the generally accepted accounting principles in Thailand by applying the appropriate accounting policies with careful discretion and reasonable estimation. Significant information is adequately and transparently disclosed in the notes to financial statements for the benefit of shareholders and investors.

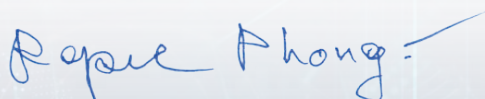
Recognizing the importance of duties and responsibilities to ensure the financial statements are prepared in an efficient manner, the Board of Directors appointed the Audit Committee comprising independent directors who have knowledge and expertise in finance and accounting. They are responsible for the revision of the accounting policies, the quality of the financial statements, and the appropriateness and effectiveness of the internal control, internal audit and risk management systems to

assure that the financial records are accurate, complete and adequate to protect the Company's assets and to prevent any significant operational risks or irregularities; as well as the disclosure of connected transactions. The Audit Committee's comments on these matters are included in the Report of the Audit Committee in this Annual report as shown in the Attachment 6

The Company and its subsidiaries' consolidated and separate financial statements were audited by the Certified Public Accountant of EY Office Limited. The auditor's opinions are included in the Report of Independent Auditor in this Annual report.

Considering the above-mentioned supervisory practices, the Board of Directors is of the opinion that the Company and its subsidiaries' separate and consolidated financial statements as of 31 December 2022 accurately show the credibility and significant aspects of the financial status and performance results in compliance with the financial reporting standards, and relevant laws and regulations.

The Board of Directors assures that all significant information of the Company in the financial report has been carefully verified on a regular and continuous basis.



Mr. Rapee Phongbupakicha
Chairman of the Board of Directors



(Mr. Aphicahat Sramoon)
Chief Executive Officer

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

31 December 2022

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.

Key Audit Matters

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

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

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

Recognition of revenue from service income

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

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

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Chatchai Kasemsrithanawat

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
		1,781,756,210	1,650,218,610	1,202,376,518	1,136,757,119
Non-current assets classified as held for sale	13	1,966,313	-	3,000,000	-
Total current assets		1,783,722,523	1,650,218,610	1,205,376,518	1,136,757,119
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		546,871,473	526,418,220	531,268,521	517,884,284
Total assets		2,330,593,996	2,176,636,830	1,736,645,039	1,654,641,403

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)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
680,000,000 ordinary shares of Baht 0.5 each		340,000,000	340,000,000	340,000,000	340,000,000
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		277,129,463	268,266,114	144,087,224	147,506,166
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		4,938,178	5,224,923	-	-
Total shareholders' equity		1,029,522,348	1,016,345,744	936,305,219	935,124,161
Total liabilities and shareholders' equity		2,330,593,996	2,176,636,830	1,736,645,039	1,654,641,403

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

(Mr. Chawalit Chantararat)

Director

(Mr. Aphichat Sramoon)

Director

TEAM Consulting Engineering and Management Public Company Limited 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		
		103,062,670	111,854,778		
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		
		115,440,588	136,284,019		
Earnings per share	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.15	0.16	0.13	0.19

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)

Consolidated financial statements											
	Note	Equity attributable to owners of the Company						Other components of equity			
		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	Retained earnings		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
						Appropriated - statutory reserve	Unappropriated				
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	23	-	-	-	-	6,600,000	(6,600,000)	-	-	-	-
Dividend paid	32	-	-	-	-	-	(34,000,000)	-	(34,000,000)	-	(34,000,000)
Decrease in non-controlling interests of the subsidiary due to the dissolution of a subsidiary		-	-	-	-	-	-	-	-	(194)	(194)
Dividend paid to non-controlling interests of the subsidiaries		-	-	-	-	-	-	-	-	(264,692)	(264,692)
Balance as at 31 December 2021		340,000,000	424,317,995	(22,215,349)	(22,547,939)	23,300,000	268,266,114	-	1,011,120,821	5,224,923	1,016,345,744

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

TEAM Consulting Engineering and Management Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements											
Note	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	Equity attributable to owners of the Company				Other components of equity		
					Retained earnings	Appropriated - statutory reserve	Unappropriated	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 2022	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	
Profit (loss) for the year	-	-	-	-	-	-	103,085,431	103,085,431	(22,761)	103,062,670	
Other comprehensive income for the year	-	-	-	-	-	-	12,377,918	12,377,918	-	12,377,918	
Total comprehensive income for the year	-	-	-	-	-	-	115,463,349	115,463,349	(22,761)	115,440,588	
Transfer unappropriated retained earnings to statutory reserve	-	-	-	-	4,600,000		(4,600,000)	-	-	-	-
Dividend paid	-	-	-	-	-	-	(102,000,000)	(102,000,000)	-	(102,000,000)	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	(263,984)	(263,984)	
Balance as at 31 December 2022	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						
	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021		340,000,000	424,317,995	16,700,000	35,397,132	816,415,127
Profit for the year		-	-	-	131,098,909	131,098,909
Other comprehensive income for the year		-	-	-	21,610,125	21,610,125
Total comprehensive income for the year		-	-	-	152,709,034	152,709,034
Transfer unappropriated retained earnings to statutory reserve	23	-	-	6,600,000	(6,600,000)	-
Dividend paid	32	-	-	-	(34,000,000)	(34,000,000)
Balance as at 31 December 2021		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	23	-	-	4,600,000	(4,600,000)	-
Dividend paid	32	-	-	-	(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 (continued)

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)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
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. Sataporn Ngamruengphong, Mr. Amnat Prommasutra, Mr. Takorn Rattanakamolporn and Mr. Supachoke 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 (Note 7)</u>				
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
<u>- related party</u>	-	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</u> (Note 18)				
Subsidiaries	-	-	44,227	14,619
Associate	387	-	387	-
Total trade payables - related parties	387	-	44,614	14,619
<u>Other payables - related parties</u> (Note 18)				
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	<u>778,234</u>	<u>861,146</u>	<u>520,455</u>	<u>574,065</u>
Retention receivables	<u>93,892</u>	<u>106,827</u>	<u>58,155</u>	<u>70,349</u>
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	<u>204,599</u>	<u>220,629</u>	<u>133,176</u>	<u>149,605</u>
Total	<u>553,867</u>	<u>521,770</u>	<u>269,619</u>	<u>327,157</u>

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	
	<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		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 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)

			Consolidated financial statements					
Joint venture	Nature of business	Country of incorporation	Shareholding		Cost		Carrying amounts based on equity method	
			percentage					
			2022	2021	2022	2021	2022	2021
			(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					625	-	625	-

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			<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 analyzing big data	Thailand	50	-	625	-
Total investment in joint venture					<u>625</u>	<u>-</u>

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	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	
			<u>2022</u> (percent)	<u>2021</u> (percent)	<u>2022</u>	<u>2021</u>
Pratumwan 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		Share of other comprehensive income	
	in associates during the years		from investments in associates during	
	2022	2021	2022	2021
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	(109)	(1,330)	-	95

13.3 Financial information about material associates

Summarised information about financial position

	(Unit: Thousand Baht)			
	Krungthep Geotechnique		Prathumwan Smart District	
	Company Limited		Cooling Company Limited	
	<u>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		Prathumwan 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		Total	Land and office buildings		Total	
	for rent	Others		for rent	Others		
As at 31 December 2021:							
Cost	1,777	3,880	5,657	34,468	3,880	38,348	
Less: Accumulated depreciation	(524)	(2,692)	(3,216)	(25,870)	(2,692)	(28,562)	
Net book value	1,253	1,188	2,441	8,598	1,188	9,786	
As at 31 December 2022:							
Cost	1,839	1,380	3,219	35,069	1,380	36,449	
Less: Accumulated depreciation	(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						
	Land	Buildings and building improvements	Solar cell and smart chiller equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
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

Accumulated depreciation

(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
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)

	Separate financial statements				
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation
Cost					Total
As at 1 January 2021	71,764	159,605	88,991	1,920	240
Additions	-	1,161	3,949	-	-
Transfer from right-of-use assets	-	-	-	2,930	-
Transfer from (to) investment properties	(685)	1,685	-	-	-
Disposals/write off	-	-	(1,755)	(2,930)	-
Transfer in (out)	-	240	-	-	(240)
As at 31 December 2021	71,079	162,691	91,185	1,920	-
Additions	-	250	9,455	-	2,664
Transfer from right-of-use assets	-	-	11,839	8,367	-
Transfer to investment properties	(29)	(28)	-	-	-
Disposals/write off	-	(265)	(4,278)	(3,438)	-
Transfer in (out)	-	2,664	-	-	(2,664)
As at 31 December 2022	71,050	165,312	108,201	6,849	-
					351,412

Accumulated depreciation

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	
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	
		statements		financial statements	
	Interest rate (% 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	
	2022	2021	2022	2021
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			
	Office			
	Buildings	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	
	<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	<u>72,896</u>	<u>19,127</u>	<u>58,496</u>	<u>3,496</u>

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	(16,195)	(27,071)	(11,312)	(24,132)
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	financial	Separate	
	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	financial	Separate	
	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	financial	Separate	
	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

		Transportation and logistics project segment	Water resources project segment	Urban, building and infrastructure project segment	Project management and construction supervision segment	Construction management and supervision for various types of buildings and infrastructure segment	Energy, power, oil and gas, petrochemical and related industry, including port and infrastructure project segment	Geotechnical engineering and underground structure project segment	Other segment	Total	Elimination	Consolidated financial statement
Revenues from external customers	217	174	146	343	227	142	205	170	1,624	-	1,624	
Segment profit (loss)	(1)	51	48	119	64	45	51	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			

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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
		(Million Baht)	per share
			(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	
	<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

	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
													(% p.a.)	(% p.a.)
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	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		Total	
	Within 1 year	1 - 5 years		Over 5 years	Within 1 year	1 - 5 years		2021	2022	2021	2022	Effective interest rate
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021 2022 (% p.a.) (% p.a.)
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	6,918	1,302	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	-	-	-	-	-	-	-	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	17,914	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 demand	Less than 1 year	1 to 5 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 demand	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	-	139,384	-	-	139,384
Lease liabilities	-	10,779	18,948	-	29,727
Total	-	150,163	18,948	-	169,111

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 financial statements		Separate financial statements	
	2022	2021	2022	2021
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. 2/2023 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.

Attachments	
Attachment 1	Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary and the representative for contact and coordination in case of a foreign company
Attachment 2	Details of the directors of subsidiaries
Attachment 3	Details of the Heads of the Internal Audit
Attachment 4	Assets for business undertaking
Attachment 5	Unabridged policy and guidelines on corporate governance and unabridged code of conduct prepared by the Company
Attachment 6	Report of the Audit Committee
Attachment 7	Report of the Nomination and Compensation Committee
Attachment 8	Report of the Risk Management Committee
Attachment 9	Report of the Corporate Governance and Sustainability Committee



Further corporate information can be accessed at the Company's website, www.teamgroup.co.th

"Any referenced information in this report disclosed on the Company's website at www.teamgroup.co.th shall be deemed that such information is part of this 56-1 One Report. The Board of Directors is responsible for the correctness and completeness of those referenced information as well as the information presented in this 56-1 One Report form."



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