



TEAM PRECISION PUBLIC COMPANY LIMITED

บริษัท ทีมพรีซิชั่น จำกัด (มหาชน)



ANNUAL REPORT 2020

รายงานประจำปี 2563



ISO 9001 Quality Management Systems



IATF 16949 Quality Management Systems – for automotive production and relevant service part organizations



ISO 13485 Quality Management Systems – Medical devices



ISO 14001 Environmental Management



ISO 45001 Occupational Health and Safety Management Systems



ISO/IEC 27001 Information Security Management System

With the Company's objective to develop effectively for the Quality Control, the Company has continuously implemented and applied to several International Quality Standards which include some specific products such as automotive and medical devices in addition to other quality management system. Furthermore the Company has put a focus on health and safety management and all operational environments to apply for the high-quality standard and keep it sustainable continuously.

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Dear Shareholders,
Team Precision Public Plc.



This year is an extraordinary year for us with two major incidents especially in the first half of the year. First is an undeniable COVID-19 pandemic which has halted global trade and impact majority of the industries worldwide and second is the announcement of disengagement from our investment partner in the US, or namely Team Precision America. With several years of improvement in Team Precision America operation and the impact from the COVID-19 pandemic, we decided that it is the best interest of the shareholders to disengage in order to achieve long term growth and profitability. With the impact of these incidents, we manage to secure THB 1,900 million in revenue which decrease by THB 292million from previous year.

Excluding loss from US investment and its bad debt, our consolidated net profit rose significantly reaching THB 52.3 million or 688% growth from last year despite the impact from the worldwide COVID-19 pandemic. This is due to team's coordinated effort in making continuous improvement, being resource efficient through planning and implement automations in the production line where feasible while not losing our focus in on time delivery and delivering highest quality to our customers. In addition, we manage to further enhance our cashflow position and in the same time, reducing our short term loan from THB 233 million to THB 46 million or -80% reduction.

Next year's outlook, we anticipate that the global pandemic situation will be better but we strongly believe that the the situation will not be back to normal prior to COVID-19 pandemic. In addition, we foresee that the supply of materials are becoming critically shortage due to surge in demand of electronic components. Therefore, we continually seek and adjust our strategy to capture new opportunities and new customers, offers best solution to our customer remotely as we live in the New Normal.

Lastly, on behalf of Team Precision Board of Directors, we understand that the COVID-19 pandemic impacts everyone and so does to our employees. Therefore we would like to express our heartfelt gratitude to our employees for understanding and going through this pandemic together with vigilant, positive attitude and teamwork while maintain our highest service to our customer. We are certain that the problem becomes smaller if we have this mentality, achieving all obstacles, and bringing value to our customers and ultimately to shareholder in year to come.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chakkaphant Manutsathit', written in a cursive style.

Mr.Chakkaphant Manutsathit
Chairman of Board of Directors

1. Policy and Overview Business Operations

History

Team Precision Public Company Limited “TEAM or Company” The Company was incorporated in the first name was Teamtronics Co., Ltd., On 17 September 1990 at Commercial building Pathumthani Province for business manufacturing and contract manufacturing of electronics circuit boards and transferd to Rangsit at 152/8 Moo 3 Tanyaburi – Lamlooka Road , Rangsit , Tanyaburi , Pathumthani on 2 Rai by having history and development as follow:

1996	Establishment of Team Precision Co.,Ltd at Prachinburi which had been promoted by the Board of Investment and located at 198 Moo 13 Suwannasorn Rd ,Dong-Khee-Lek Sub-District, Muang District ,Prachinburi on 11 Rai 2 Ngan.
1999	Restructuring of shareholding by Team Precision Co.,Ltd hold shares of Teamtronics Co., Ltd for 99.99%.
2000	Registered as a public company under the name of Team Precision Public Company Limited on September 21, 2000.
2001	Listed on Market for Alternative Investment (MAI) on November 8, 2001.
2003	Mergers and acquisitions Teamtronics Co., Ltd and Team Precision Co., Ltd. The same company under the name of Team Precision Co., Ltd Increase the registered capital of 150 million baht to 200 million baht on May 23, 2003.
2004	Listed on Stock Exchange of Thailand (SET) on January 1, 2004. New building for the production in Pathumthani on 2 Rai 2 Ngan.
2006	Increased capital to 305 million baht on April 5, 2006.
2007	Increased capital to 458 million baht on April 19, 2007. The building was constructed for the second latter production at Prachinburi plant . To accommodate the future expansion on an area of 55 Rai
2008	Increased capital to 580 million baht on May 7, 2008
2012	Decrease capital to 573.96 million baht by eliminating the shares remaining from the allocation of ordinary shares for supporting the Warrants to purchase the Company’s ordinary shares to directors and employees of the Company (ESOP) No.1/2549 on April 25,2012 and approved the increase of the authorized share capital from Baht 573.96 million to Baht 644.74 million to support stock dividend totaling baht 70.78 million on May 17,2012.
2013	Decreased capital to 637 million baht by eliminating the shares remaining from the allocation of ordinary shares for supporting the Warrants to purchase the Company’s ordinary shares to directors and employees of the Company (ESOP) No.2/2550 on May 7, 2013.

The company has two subsidiary companies.

2006	<ul style="list-style-type: none"> ➤ Establishment of companies in Denmark .To conduct a procurement on October 31, 2006. ➤ Shareholding in 100 percent of shares
2008	<ul style="list-style-type: none"> ➤ Establishment in Singapore. To conduct a procurement on August 1, 2008. ➤ Shareholding in 100 percent of shares
2016	<ul style="list-style-type: none"> ➤ Team Precision (Singapore) PTE LTD. has registered the dissolution under the laws of foreign country on November 28,2016.
2018	<ul style="list-style-type: none"> ➤ Establishment of a subsidiary in the United States of America (the "TPA Holding"); ➤ Joint investment in a newly established entity in the United States of America (the "Team Precision America") between TEAM, through TPA Holding, approved on February 22, 2018
2020	<ul style="list-style-type: none"> ➤ The company has approved the subsidiary, TPA Holding LLC to exercise of the Exit Option to sell all of 20% of the shares in Team Precision America, LLC. (Associate) to Technology Partners America, LLC (Former shareholders) at original cost in accordance with the terms of the Joint Venture on February 24, 2020.

1.1 Vision ,Business goals and Strategies

Vision

To be a customers' first choice as a best in Class Global Provider (EMS) – Your strategic global partner Electronics Manufacturing Solutions

Business Goals

The Company are focused on adding value to customers by providing comprehensive services . Since the design To the production of electronic products and cosmetics distributor. With world class quality and comprehensive services to create added value for customers while creating long term relationships with corporate partners . With a goal to expand the business cover in many continental and in many industries. This is to spread the risk of the business and the stability of long-term business. Such a goal will generate good returns and long-term stability to the shareholders.

Strategies for sustainable growth

1. **Completely fulfilling Needs** – From R&D to Distribution; listening and providing accessible, innovative ideas is our Brand
2. **Continuous Improvement-** World class Lean Sigma Operations, Quality, and relentlessly pursuing excellence
3. **Awarded accreditations** - Which differentiate
4. **Through added scale** - Diversify markets, customers, regions creating complete business balance
5. **Develop our most valued internal asset** – Our People – Listen, Treat with Respect
6. **Provide continued innovative MIS Solutions** – From the Customers perspective
7. **Provide continued shareholder value** - Closely manage financial statements in changed economic times without hindering growth
8. **Flexible operations global supply chain solutions** - Reflect changing global market demands with critical decision-making
9. **Business development-** Intelligent, profitable growth higher than industry trends - Organic and vertical

Company Values

Passion + Integrity + Team Synergy + Initiation = Performance

Passion

We have a passion for what we do; for the people we work with, the produces we produce, the customer we serve, and the suppliers who serve us. We intensely focused on achieving quality results and passionate about winning. We are committed. We are winners.

Integrity

We are opened direct. We present the unvarnished truth in an appropriate and helpful manner. We can be counted on to keep confidences and admit to our mistakes. We do not misrepresent ourselves for our gain. We respect ourselves and others. We influence others to act with integrity when faced with ethical situations. We have integrity.

Team Synergy

We work as a team to achieve our goals by sharing an experience, knowledge, and building consensus. We seek for ways to build strong working partnerships with other functions. We proactively share ideas to prevent and overcome problems and assure a excellent quality results.

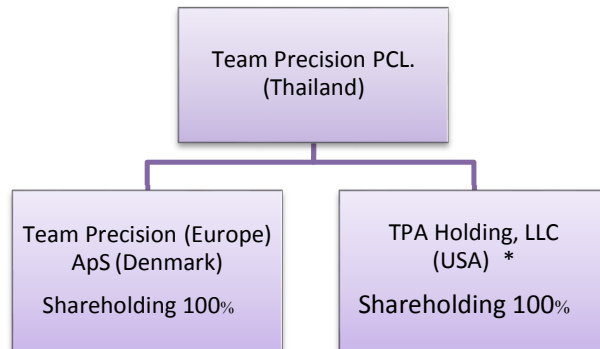
Initiation

We always look for new ideas to improve working system, process and people. We have a good judgment for which initiative ideas will work and are good at bringing the ideas for developing. We show the continuing desire to learn, seeking for improvements, even in the face of success. We take diverse priorities and multiple opportunities and find new ways of creating long term success. We take constructive risks and remove barriers getting in the way to be excellent.

1.2 Changes and Developments

-None-

1.3 The shareholding structure of the Group.



- Team Precision (Europe) ApS :Trading of electronic components and electronic products.
- TPA Holding, LLC : An investment holding company

1.4 Relationship with the Group's largest shareholder

Director /executive / major shareholder had relationship with related parties in

- Energy Innovation Co., Ltd.
- Alpine Technology Manufacturing (Thailand) Co.,Ltd.
- Finest Med Design Co., Ltd.

*** See details and relationship characteristics in Note 26 to the financial statements

2. Characteristics of Business

Team Precision Public Company Limited offers Electronics Manufacturing Services (EMS) ranging from design, prototyping, electronics board assembly to complete products assembly. We currently service many customers in different industries such as Industrial, Wireless Communication, Medical, Automotive, Telecommunication, and Consumer Industry.

The Company continues to receive accreditations as follows:

1. International Standard of Quality (ISO 9001:2015)
2. Environmental Management System Certification (ISO 14001:2015)
3. Occupational Health Safety Certification (ISO 45001:2018)
4. Automotive Production Quality Management System Certification (ISO/IATF 16949:2016)
5. Medical Equipment Industry (ISO 13485:2016)
6. Information Security Management System (ISO/IEC 27001:2013)

The Company has emphasized on increasing the value added for the customers by providing the comprehensive services ranging from the design to the manufacture of electronic products ready for sales with global quality and comprehensive services in order to increase the value added to the customers while building the long term relationship with the Company's business counterparts, as well as, having the target of business expansion to cover many continents and industries in order to distribute the business risk and to build the long term business stability. Such target shall generate the good returns and long term stability to the shareholders.

Products and Services

The Company has provided the services of manufacture of electronic products ranging from the product design development, the production of product prototypes, assembly of Printed Circuit Board (PCBA) to the manufacture of electronic finished products for sales to the consumers. Also, the Company has provided the services of product delivery and various types of warehouses in order to build the value added to the customers by having an objective of providing the comprehensive services with the international standard for the quality throughout the production process including the increase of production efficiency constantly by applying several techniques for quality improvement. These are for supporting the Company to be able to deliver the global quality products with competitive prices in the market to the customers.

2.1 Products and Services

The Company has manufactured the electronic products for the customers of various industries and in several regions all over the world by focusing on the comprehensive services in order to provide the convenience to the customers, reduce the cost and shorten the time starting from launching the products to sales of the products in order to enhance the customers' products to be more competitive in the market.

The Company's revenue structures by product category are as follows:

Category	2020		2019		2018	
	Mio. Baht	%	Mio. Baht	%	Mio. Baht	%
Industrial Control	1,487	80	1,692	79	1,320	69
Telecommunications	19	1	26	1	23	1
Automotive	184	10	197	9	155	8
Medical	101	5	105	5	176	9
Other	76	4	133	6	245	13
Total Revenue	1,867	100	2,153	100	1,919	100

Industrial Control

The Company has manufactured the components of several industrial products such as cooling control products, snowplow control unit, security system, radioactive detector, data logger and POS (Point of sale system) printer

Medical

Designing and manufacturing products which support single sided deafness, conditioning systems for hearing instruments, hearing analysis equipment for clinic and hospital ,health checking pocket , skin massage stimulator,smart cane and wearable biometric solution unit.

Automotive

Car radio control, leather upholstery, electronic , sensor system device Intelligent side lighting.

Telecommunications

Wireless networking equipment

Consumer

Wireless Lighting Control System and in home entertainment management remotes ,Ballasts for the lighting industry. High Quality Audio

Specialty Products

Sound localization in a large conference room. Sounds electronic devices

2.2 Marketing and competition**(A) Marketing policy****Competitive strategy**

The Company shall emphasize on the comprehensive services and respond to the customer needs in order to achieve the ultimate customer satisfaction by focusing on the long term cooperation with the customers. The marketing policy of the Company can be summarized as follows:

1. The Company shall emphasize on production of diversified products by focusing on the entire needs of the groups of target customers.
2. The Company shall emphasize on providing the comprehensive services ranging from product design, manufacture to direct delivery to the consumers in order to facilitate the customers, reduce time to market of the products and increase the value to the customers.
3. The increase of efficient distribution channels shall enhance the Company to be able to expand the customer base efficiently and faster and expand the customer groups to other markets in American, European and Asian regions.
4. The Company shall aim to build the long term relationship with the customers by arranging the sales and marketing staffs of the Company to be responsible for closely taking care and receiving the information of an individual customer in order to efficiently provide the services to the customers and receive the reliability from the customers.
5. The Company shall focus on development of product quality constantly including the development of the production efficiency and production technology to be consistent to the customer needs in order to produce the quality products according to the customer's requirement with the competitive cost in the market so that the Company shall be able to expand the customer base and retain the existing customer continuously.

Nature of customers and target customers

The nature of Company's customers and target customers are OEM Companies or design houses of electronic products by focusing on the manufacturers of the products for Niche Market.

Distribution and distribution channel

The Company shall mostly sell the products directly to the foreign customers including the indirect export totally more than 96 % of the total sales. The remaining is sold to the domestic customers.

(B) Industrial condition and competition

The production of electronic products in 2020 dropped 1.1 percent compared to the year 2019. The decline of PCBA, Printer, HDD, and IC was due to the shrinkage of world electronic products. As a result, the export value of the main markets decreased ; Japan, ASEAN, China, European Union, and the United States.

The electronic exports in 2020 were 35,317.6 million USD, decreased by 1.1% from the previous year (% YoY) in the EU, Japan, and ASEAN markets. The integrated circuit (IC) decreased by 7.9% and the computer components and equipment decreased by 2.0% due to the economic slowdown. Also, the electronic products used medium-high technology. The technology was relatively rapid change including the spread of Coronavirus Disease 2019 (COVID-19) impacted the global supply chain, causing the relocation of production bases and the shutdown of businesses. And the US-China trade protection policy through the supply chain affects the contractionary export of electronic products.

Electronics Industry Trend in 2021

The production and export of the electronics industry in 2021 are expected to increase by 4.7 %, 5.0 % respectively, compared to the previous year. Electronic products begin to recover from the situation of the COVID-19 pandemic in 2020, including the development of 5G technology systems, data centers, and IT infrastructure products. These results increase in demand for electronic appliances both domestic and international and it is expected to begin the upward cycle of the world electronics industry.

Source of data: Office of Industrial Economics

2.3 Procurement of products or services

The Company has 2 plants. The 1st plant where the Head Office is located at 198 Moo 13, Suwansorn Rd., Dong-Khee-Lek Sub-District, Muang District, Prachinburi Province and the other plant is a branch office which is located at 152/8,152/9,152/15 Moo 3, Tanyaburi-Lumlookka Rd., Pathumthani Province.

Raw materials and distributor of raw materials

The main raw materials used in manufacture are electronic components such as Printed Circuit Board (PCB), Integrated Circuit (IC), Diode, Resistor, Capacitor, etc. including electric cable accessories, plastic components, steel, and other components used in the assembly of finished products. Those raw materials are 70% imported from abroad and the remaining 30% are purchased domestically. In this regard, the Company shall procure the raw materials or cooperate with the customers in procurement of them.

Problems of raw materials

The main cost of Company’s business is raw materials which are necessary to have good quality as required by the customers. The Company, therefore, has a risk in acquiring the raw materials to be available for the production and delivery to customers according to the specified schedules. Besides, the Company still has a risk of price negotiation and the volume of each purchase may affect the price of a raw material. Since most of distributors of electronic components are in abroad, the Company had established a office for procurement of raw materials in Denmark in order to enhance the capability in procurement of raw materials and implementation of controlling the cost, quality and delivery closely with the distributors. Furthermore, the Company had made the agreements with the distributors of important raw materials in utilizing the Vendor Management Inventory System (VMI) for sourcing the raw materials. This system had enhanced the efficiency in responding the customer needs on time and had increased the efficiency of warehouse management as well.

Environmental impact

The Company had taken into account the production process which may have an environmental impact so the Company had controlled systematically. As a result, the Company had obtained a certification of Environmental Management System Standard (ISO 14001) since August 2003 and Safety and Occupational Health Management System Standard (OHSAS 18001) in December 2008. Therefore, the environmental condition in the plant is ensured to be according to the international standard. Moreover, the Company had obtained several awards regarding the management of environment, occupational health and safety as follows:

Department of Welfare & Labor Protection ,Ministry of Labor:

- 2008 :Bronze Award for Zero Accident campaign in 2008 – Prachinburi Plant
- 2009 :Bronze Award for Zero Accident campaign in 2009 – Prachinburi Plant
:Excellence Safety, Health & Environment in Workplace 2009
(Regional Level) – Prachinburi Plant
- 2010 :Bronze Award for Zero Accident campaign in 2010 – Prachinburi Plant /Rangsit Plant
:Excellence Safety, Health & Environment in Workplace 2010
(National Level) – Prachinburi Plant
- 2011 :Excellence Safety, Health & Environment in Workplace 2011
(National Level) – Prachinburi Plant
:Bronze Award for Zero Accident campaign in 2011 – Rangsit factory
- 2012 :Excellence Safety, Health & Environment in Workplace 2012
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2012 – Rangsit factory
- 2013 :Excellence Safety, Health & Environment in Workplace 2013
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2013 – Rangsit factory
- 2014 :Excellence Safety, Health & Environment in Workplace 2014
(National Level) – Prachinburi Plant /Rangsit Plant
:Silver Award for Zero Accident campaign in 2014 Rangsit factory
- 2015 :Excellence Safety, Health & Environment in Workplace 2015
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2015 – Prachinburi factory
- 2016 :Bronze Award for Zero Accident campaign in 2016– Rangsit factory
Anti Drug Project certificate in workplave – Prachinburi Labor Protection Office
- 2017 :Silver Award for Zero Accident campaign in 2017- Rangsit factory
Anti Drug Project certificate in workplave – Prachinburi Labor Protection Office
- 2018 :Bronze Award for Zero Accident campaign in 2018– Prachinburi factory
- 2019 :Bronze Award for Zero Accident campaign in 2019– Prachinburi factory
Anti Drug Project certificate in workplave – Prachinburi Labor Protection Office
- 2020 :Silver Award for Zero Accident campaign in 2020- Prachinburi factory

Department of Alternative Energy Development and Efficiency ,Ministry of Energy

- 2013 Energy Saving Award, Complimentary award 2013 – Prachinburi factory
Award of appreciation for energy conversation from the “Reduction of the use of Cooling Fan of Cooling Tower Project”
- 2018 Energy Saving Award, Complimentary award 2018 – Prachinburi factory
Silver Award for” reduce the opening of the cooling tower from 4 ea to 2 ea during night project”

Green Automotive Parts Industry Project

- 2015 Plaque and certificate of 2015 BAT (Best Available Techniques) Recognition
Award for Entrepreneurs who have outstanding contributions to the program "Promoting Environmentally Friendly Manufacturing for Automotive Industry and Automotive Components " at Prachinburi Plant.

Department of Disease Control , Ministry of Public Health

- 2016 Occupational and Environmental Health Innovation of Health Sustainability Silver
Recognition Award

2.4 Work has not been delivered.

-None-

Risk Assessment

The business operation of the Company has the risk factors which may directly affect the Company as follows:

1. Business risk

Since the Company has mainly operated the business with the oversea customers of which the total export is more than 90%, there were risks of the changes of several factors of customers' market conditions in 2020 of both external factors such as economic situation, politics and trading policy of each country including the global or regional economic situation and internal factors of the customers such as the merger, the change of procurement policy or the change of the selling products. These factors have caused an uncertain volume of demand of the products. The Company, therefore, has implemented a risk distribution policy by diversified manufacturing industry and market distribution to many regions in order to reduce an impact which may incur from those factors, as well as, to reduce the business risk. The Company has implemented such policy continuously. Besides, there is a risk of uncertainty; for example, operating the business by relying on the sales to the big customers is also considered as a significant business risk. The Company, therefore, has implemented the marketing administration management in order to expand the new customer base constantly.

2. Risk of natural disaster

The natural disaster such as flood, storm, earthquake, etc. is another risk which may affect the business counterparts of both demand and supply. Despite such incidents may have occurred infrequently. If it happens in the company, it may cause loss of property and loss of life of employees, however the Company had purchased the insurances in order to ensure that any damages which may incur can be sufficiently covered in all cases.

3. Risk of exchange rate

The revenues of the Company are from the sales of the products and the purchase of the raw materials is mainly in foreign currency, especially in US Dollar. The Company, therefore, has managed risk of the exchange rate by Natural Hedge Method and use the financial instrument, buy or sell the foreign currency in advance system (Forward Contract). The Company has a policy of no speculation on currency rates, we must not buy or sell in advance without obligation. This will mitigate risks from fluctuations in US currency.

4. Risk of debt collection from customer

Company's customers are in many regions globally and perform several kinds of business of which economic status and financial operation are diversified. These may affect the payment for the products in accordance with the specified schedules.

The Company has a policy of monitoring the Customer Credit Evaluation of both new customers and old customers closely and constantly thru a reliable source of information provider and directly inquiring the business counterparts of the Sales and Marketing Department in order to build a good relationship and jointly solve the situations together.

However, as for a customer who is considered to have a risk factor of payment, the Company shall agree with the customer for hedging on a case by cases such as to make an advance payment before product delivery or to arrange a Letter of Credit or a Standby Letter of Credit or a Bank Guarantee as applicable. Furthermore, the Company considers and arranges the credit insurance. This insurance covers the bad debts of customers which had been approved under conditions of the insurance company. This credit insurance will transfer some part of the risks to the insurance company.

5. Risk of quality labor supply

Due to the adjustment of the industrial sector in Thailand, the demand of labor force has been increased, as well as, the competition of the rates of labor wages. The Company has realized the risk of the labor supply and the labor cost control. The Company, therefore, has foreseen the importance of personnel development and the welfare and benefits by

- Providing the basic training and skill development by establishment of a Technical Training Center which has the training room and actual practice for the new employees and continuously develop the personnel to have more multi-skills.

- Participating in the Wages and Benefits Survey of electronics industry group and determining the appropriate remuneration including the welfare and benefits in order to motivate and retain the personnel to work in long term for the Company.
- Improving the process continues to enhance the efficiency of the production process of both labor and machinery oriented by applying the principles of Lean and Six Sigma. The Company has continuously implemented Toyota Production System since year 2013 until the present including investment in semi-automation in the production line and start to use the robot in 2020.
- Legally recruit Myanmar workers (MOU) with appropriate number to address the problem of insufficient workers in long term period.

6. Risk of raw material supply

Raw materials is considered to be a key factor of performing electronics business of both the quality and the price including the determination of delivery period in order to meet the requirement of the products of the customers.

The Company has realized the importance and the external factors which may cause the risk of the supply of raw materials for production. The Company, therefore, has a policy to monitor the situation and to set the strategic plans continuously in order to prevent a problem to be incurred and not to affect the Company's customers such as:

- Have a policy of distribution of the sources of raw materials by recruiting 2-3 distributors manufacturing and selling quality products for each item of raw materials.
- Communicate and jointly plan with the business counterparts closely about the product delivery period and the purchase volume of the raw materials to be appropriate with the future requirement of the products which may affect the product price and the inventory of the raw materials.
- Make a precise agreement with the customer about the supply of the raw materials which are particularly required by an individual customer by jointly determining either the prices or the purchase volume.
- Communicate clearly and accurately and develop a good relationship with the manufacturers and the distributors including the cooperation in delivery management and storing some stocks at the manufacturer in the Vendor Management Inventory System (VMI) in order to be flexible for inventory management and able to respond to the customer needs.
- Has a subsidiary company in abroad, Denmark, as the centers of sourcing the raw materials and contacting the manufacturers in the regions directly in order to ensure that the Company shall have sufficient raw materials for production in an appropriate time and to prevent the risk of raw material shortage.

7. Risk of production

For the production of electronic circuits, machinery and equipment are the key factors which may have a risk of technology change or advanced development of the products causing the requirement of more modern equipment.

The Company has always prepared the machinery and equipment to be ready for responding to the change of technology by investment in machinery and equipment for development of production process and increase of production efficiency continuously in order to respond to the customer needs which may be changed either the market of new customers or the new products of the existing customers.

Apart from taking care of the readiness of the machineries, the Company has also emphasized on the procedure of production control to comply with the international standard by annually monitoring the standard systems continuously either a particular product standard such as IATF 16949 for the automotive products, ISO 13485 for medical instruments and safety and environmental standards which are ISO 14001 and ISO 45001 in order to build the confidence to the customers and to reduce the risk of production process.

8. Risks related to the COVID-19 situation

Due to the Coronavirus disease pandemic (COVID-19) that has spread throughout the world including Thailand. This affects the overall economy in the country. The Company was aware of this incident, therefore, the Company arranges the preventive measures for the COVID-19 as follows:

- Establishes the working groups to closely and continuously monitor the situation.
- Adopt technology to employees to work in different locations, such as video conference
- Reduce or avoid unnecessary transportation, use a postal or courier service instead
- Organize the working space including providing the necessary equipment to be ready to use at each point.
- Prepare the guidelines for vigilant prevention by the guidelines from the Department of Disease Control, Ministry of Public Health both outsiders and employees.
- Broadcast the COVID-19 situation through loudspeakers to employees at every stage

4. General information and other important information

Company Name : Team Precision Public Company Limited
 Registration : 0107543000058

1. Company Name	Team Precision Public Company Limited	Subsidiary	
		Team Precision (Europe) ApS	TPA holding LLC
2. Address	198 Moo 13, Suwansorn Road, Dong-Khee-Lek Muang Prachinburi, Prachinburi 152/8, 152/9, 152/15 Moo 3, Rangsit Tanyaburi, Patumthani	Noddehegnet 8, 6400 Sonderborg, Denmark	850 New Burton Road, Suite 201, Dover, Delaware 19904 USA
3. Type of main business	Electronics Manufacturing Printed Circuit Board Assembly	Business Trading of electronic components and electronic products	Investing in its associate
4. Share Capital Paid up Capital	637,063,385 shares, par value 1 baht 637,063,385 Baht	500 shares, par value 1,000 DKK DKK 500,000	USD 1,077,300
5. Telephone	Prachinburi (037) 403 336-40 Fax (037) 403 345 Patumthani (02) 577 2350 Fax (02) 577 2355 (02) 577 1705	Tel. (45) 7342 3232 Fax (45) 7342 6800	Tel. (65) 6773 6908 Fax (65) 6773 6208
Reference persons			
Certified Public Accountant		Registration No.	Share Registrar
1. Dr. Virach	Aphimeteetamrong,	1378	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand. Telephone (66 2) 009 9000 Fax (66 2) 009 9991
2) Mr. Chaiyakorn	Aunpitipongsa	3196	
3) Mr. Apiruk	Ati-Anuwat	5202	
4) Dr. Preecha	Suan	6718	
5) Miss. Kornkaew	Dabkaew	8463	
518/3 Panunee Building, 7 th Floor, Ploenchit Road Lumpinee District, Patumwan, Bangkok 10330 Telephone/Fax 02-252-2860, 02-255-2518			

Other important information
 -None-

5. Shareholder

Securities and Shareholder Information

5.1 Number of registered capital and paid-up capital

- (1) The company has registered capital and paid up 637.06 million baht Divided into 637.06 million shares par value 1 baht (as of March 8,2021)

5.2 Shareholder

- (1) List of major shareholders

(A) Name list of top 10 shareholders as of the latest closed registration (as of March 8, 2021)

Name	Shares	%
Mr. Supachak Manutsathit	127,412,677	20.00
Ms. Patharawadee Manutsathit	63,706,339	10.00
Ms. Patharawan Manutsathit	63,706,339	10.00
Ms. Manutsaporn Manutsathit	40,000,000	6.28
Mr. Chakkaphant Manutsathit	38,880,433	6.10
Mr. Anant Manutsathit	35,588,288	5.59
Mr. Atthapol Manutsathit	30,000,000	4.71
Mr. Wutiporn Manutsathit	30,000,000	4.71
Mr. Wisanu Sakulpichestratn	27,722,900	4.35
Mrs. Malipa Manutsathit	22,000,000	3.45

Source of data : Thailand Securities Depository Co., Ltd

- (B) Major shareholders of behavior influence the management or operating policies of the company significantly
(None)

5.3 Issuing other securities

- (None)

6. The Dividend Policy

The Company has a policy of paying dividends of no less than 40% of net profit after the deduction of corporate income tax if there are no other relevant circumstances, such as the expansion of the business according to various projects in the future.

Details of dividend payment during 5 years

Dividend detail	2016	2017	2018	2019	2020
Dividend payment date	-	-	-	-	-
Number of shares	637,063,385	637,063,385	637,063,385	637,063,385	637,063,385
Dividend per share	-	-	-	-	-
Dividend Payment	-	-	-	-	-
- BOI					
- NON-BOI					
Stock Dividend per share					
- Baht	-	-	-	-	-
Total Dividend					
Net profit (Separate FS)	(5,950,979)	3,354,288	27,959,069	20,514,085	(43,071,284)
Dividend/Net profit	-	-	-	-	-

7. Managerial Structure**7.1 The Board of Director**

The structure of Board of Director is designed under checking and balance concept which consists of:

A) At least one of three of directors shall be independence directors, but not less than three independence directors, and

B) Authorization from the Board of Directors to the managements shall be clear as defined in Controlling and Monitoring business section.

7.1.1 Name of member of the Board of Directors as of December 31,2020.

1.	Mr.Chakkaphant	Manutsathit	Chairman of The Board of Directors
2.	Mrs.Malipa	Manutsathit	Director
3.	Mrs.Suratn	Petchmunee	Director
4.	Mr.Supachak	Manutsathit	Director
5.	Mr.Chai	Jroongtanapibarn	Independent Director
6.	Mr.Pirom	Chamsai, Ph.D.	Independent Director
7.	Mr.Monkhol	Kittipoomvong	Independent Director

*** The authorized person is two directors signing together, except Mr. Chai Jroongtanapibarn, Mr. Pirom Chaemsai, Mr. Mongkol Kittipoomwong.

7.1.2 The scopes of authority and responsibilities of the Board of Directors of the Company are as follows:

The Board of Directors is responsible for the management of all areas of the company's business and is authorized to act within the limits of the law, according to the objectives and regulations of the Company, the resolutions reached in shareholder meetings, and has the authority to act as specified in the Company's memorandum of association, or as related to such. The Board of Directors may appoint another person, or many persons, to execute certain types of work in stead of the board.

The 2020 attendance of each member of the Board of the Company can be summarized as follows:

Name	Position	Board Meeting		Remark
		Time of meeting	Time of attendance in the meeting	
1.Mr.Chakkaphant Manutsathit	Chairman of The Board of Director Nomination and Remuneration Committee Risk Management Committee	9	9	
2. Mrs.Malipa Manutsathit	Director Nomination and Remuneration Committee Risk Management Committee	9	9	
3. Mrs.Suratn Petchmune	Director Company Secretary	9	9	
4. Mr.Chai Jroongtanapibarn	Independent Director Chairman of the Audit Committee Nomination and Remuneration Committee Risk Management Committee	9	9	
5. Mr. Pirom Chamsai, Ph.D.	Independent Director Audit Committee Chairman of Nomination and Remuneration Committee Risk Management Committee	9	9	
6. Mr.Monkhol Kittipoomvong	Independent Director Audit Committee Nomination and Remuneration Committee Chairman of Risk Management Committee	9	9	
7. Mr. Supachak Manutsathit	Director	9	9	

7.2 The Management Team

7.2.1 Name of the members of the Management Team

1. Mr. Chakkaphant	Manutsathit	Chief Executive Officer
2. Mr. Supachak	Manutsathit *	Deputy Chief Executive Officer
3. Mrs.Malipa	Manutsathit	Chief Information Officer
4. Mrs.Suratn	Petchmune	Company Secretary/Compensation & Benefit Director /Finance Director (acting)
5. Mr. Manolo	Villaluz Momongan	Supply Chain Management / Marketing Director
6. Mr. Aviroot	Kongcharoen	Corporate Quality Assurance Director

*Mr. Supachak Manatsathit was appointed from Assistant Chief Executive Officer as Deputy Chief Executive Officer, effective on March 1, 2021.

Board of Directors



Mr. Chakkaphant Manutsathit
Chairman of the Board of Directors



Mr. Chai Jroongtanapibarn
Independent Director



Mr. Piromi Chamsai, Ph.D
Independent Director



Mr. Monkhol Kittipoomvong
Independent Director



Mr. Supachak Manutsathit
Director



Mrs. Malipa Manutsathit
Director



Mrs. Suratn Petchmune
Director

Management Team



Mr. Chakkaphant Manutsathit
Chief Executive Officer



Mr. Supachak Manutsathit
Deputy Chief Executive Officer



Mrs. Malipa Manutsathit
Chief Information Officer



Mrs. Suratn Petchmune
Company Secretary/Compensation &
Benefits Director/ Finance Director (Acting)



Mr. Manolo Villaluz Momongan
Supply Chain Management
Director/ Marketing Director



Mr. Aviroot Kongcharoen
Corporate Quality
Assurance Director

Detail of Company Directors and Management

Mr.Chai Jroongtanapibarn	Age 67 years	: Independent Director/ Chairman of the Audit Committee/ Nomination and Remuneration Committee/Risk Management Committee
Starting date of position	:	2000 – Present (Independent Director) ,21yrs since became the Public Company
Share Ratio (%)	:	0.23% or 1,497,062 shares
Relationship with Management	:	None
Highest Education	:	Master Degree of Accounting, Thammasat University
Working Experiences		
2018- Present	:	Present Chairman/Independent Director , Veranda Resort Pcl.
2007- Present	:	Independent Director/ Audit Committee, Siam Food Products Pcl.
2006- Present	:	Independent Director/ Audit Committee, Oishi Group Pcl.
2005- Present	:	Chairman of the Board of Directors/Independent Director/Chairman of the Audit Committee, TMT Steel Public Company Limited (Thai Metal Trade Pcl.)
2003- Present	:	Independent Director,Siam Future Development Plc.
2002- Present	:	Independent Director/Chairman Audit Committee,Major Cineplex Group Pcl.
2000- Present	:	Independent Director/Chairman of the Audit Committee, Team Precision Pcl.
1982 – 1997	:	Executive Director and Chief Financial Officer Minor Group.
Expertise	:	Business Administration, Accounting & Finance
Management positions and/or directorships		
		<ul style="list-style-type: none"> • other listed companies 6 places • other non-listed companies (excl. subsidiaries) - None-
Related Training Program held by IOD		
		DCP -Director Certification Program 2003
		ACP -Audit Committee Program 2005

Mr.Monkhol Kittipoomvong	Age 68 years	: Independent Director/ Audit Committee/ Chairman of the Risk Management Committee/ Nomination and Remuneration Committee
Starting date of position	:	April 23,2015 – Present (Independent Director) 5 years 8 months
Share Ratio (%)	:	0.96% or 6,136,625 shares
Relationship with Management	:	None
Highest Education	:	MBA Finance and Business Economics ,The University of Toledo, Ohio, United States
Working Experiences		
2019 - Present	:	Specialist attached to the Senate Standing Committee on Economic, Money and Fiscal
2018 – Present	:	(Effective 16 December 2019)
2015 – Present	:	Independent Director , Asia Green Energy Pcl. Independent Director/ Audit Committee / Nomination and Remuneration Committee/ Chairman of Risk Management Committee, Team Precision Pcl.
2007 – 2012	:	Managing Director , Krungsri Securities Pcl.
2000 – 2007	:	Senior Executive Vice President, Krungsri Securities Pcl.
1988 – 2000	:	Executive Vice President, Head of institutional Sales Department, KGI Securities (Thailand) Pcl.
Expertise	:	Business Administration ,Finance ,Investment
Management positions and/or directorships		
		<ul style="list-style-type: none"> • other listed companies 1 place • other non-listed companies (excl. subsidiaries) 4 places
Related Training Program held by IOD		
	:	DCP -Director Certification Program 2001
Other	:	CMA- Capital Market Academy Program 13/2011

Mr. Pirom Chamsai, Ph.D.	Age 66years	: Independent Director/ Audit Committee / Chairman of the Nomination and Remuneration Committee/ Risk Management Committee
Starting date of position	:	2000 – Present (Independent Director) ,21 yrs since became the Public Company
Share Ratio (%)	:	0.17% or 1,090,000 shares
Relationship with Management	:	None
Highest Education	:	Doctor of Engineering (Geotechnique) Ecole Centrale des Arts & Manufactures (French Government Scholarship)
Working Experiences		
2015 – Present	:	Independent Director , Premier Technology Pcl.
2014 – Present	:	Chairman of The Executive Board of Directors, Consulting And Management 49 Limited.
2013 – 2013	:	Managing Director,Thai Flim Industries Pcl.
2007 – Present	:	Lecturer, Faculty of Fine Arts, Bangkok University
2000 – Present	:	Independent Director/Audit Committee /Chairman of Nomination and Remuneration /Risk Management Committee, Team Precision Pcl.
Expertise	:	Business Administration, Engineering & Industrial
Management positions and/or directorships		
		<ul style="list-style-type: none"> • other listed companies 1 place • other non-listed companies (excl. subsidiaries) 1 place
Related Training Program held by IOD		
DAP- Director Accreditation Program 2005		DCP- Director Certification Program 2007
ACP -Audit Committee Program 2005		RCC- Role of Compensation Committee 2007
		AACP -Advance Audit Committee Program 2019

Mr.Chakkaphant Manutsathit	Age 67 years	: Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee
Starting date of position	:	2000 – Present , 21 Yrs. since became the Public Company
Share Ratio (%)	:	6.10% or 38,880,433 shares
Relationship with Management	:	Spouse of Mrs.Malipa Manutsathit
Highest Education	:	Master of Business Administration, University of Queensland Australia
Working Experiences		
2010 – Present	:	Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.
2009 – 2010	:	Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.
2000 – 2008	:	Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee, Team Precision Pcl.
1995 – Present	:	Director, Alpine Technology Manufacturing (Thailand) Co., Ltd.
Expertise	:	Business Administration, Engineering ,Industrial & Marketing
Management positions and/or directorships		
		<ul style="list-style-type: none"> • other listed companies - None- • other non-listed companies (excl. subsidiaries) 5 places
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003		RCP- Role of Chairman Program 2007
DCP- Director Certification Program 2003		RCC -Role of Compensation Committee 2007

Mrs.Malipa Manutsathit	Age 66 years	: Chief Information Officer / Director /Nomination and Remuneration Committee /Risk Management Committee
Starting date of position	: Year 2000	
Share Ratio (%)	: 3.45% or 22,000,000 shares	
Relationship with Management	: Spouse of Mr.Chakkaphant Manutsathit	
Highest Education	: Master of Commerce (Management Information System), University of New South Wales Australia	
Working Experiences		
2002 – Present	: Director, Energy Innovation Co.,Ltd.	
2000 – Present	: Chief Information Officer / Director /Nomination and Remuneration Committee /Risk Management Committee, Team Precision Pcl.	
Expertise	: Business Administration Management Information System and Economics	
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		3 places
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003		ACP -Audit Committee Program 2007
DCP- Director Certification Program 2007		

Mrs.Suratn Petchmune	Age 60 years	: Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director
Starting date of position	: Year 2000	
Share Ratio (%)	: 0.67%or 4,238,789 shares	
Relationship with Management	: None	
Highest Education	: Master of Business Administration, University of Eastern Asia	
Working Experiences		
2012 – Present	: Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director ,Team Precision Pcl.	
2009 – 2011	: Company Secretary /Director, Team Precision Pcl.	
2000 – 2008	: Finance Director/ Director , Team Precision Pcl.	
Expertise	: Business Administration,Accounting	
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		1 place
Related Training Program held by IOD		
DAP -Director Accreditation Program 2003		CSP - Company Secretary Program 2009
DCP- Director Certification Program 2007		EMT -Effective Minute Taking 2009
ACP- Audit Committee Program 2007		

Mr. Supachak Manutsathit	Age 36 years	: Deputy to Chief Executive Officer
Share Ratio (%)	:	20.00% or 127,412,677 shares
Relationship with Management	:	Son of Mr.Chakkaphant Manutsathit
Highest Education	:	Master of Science in Management, Imperial College London, United Kingdom
Working Experiences		
2012 – Present	:	Present Assistant to Chief Executive Officer, Team Precision Pcl.
2016 – Present	:	Present Directors, Finest Med Design Co.,Ltd.
2011 – Present	:	Present Directors, Energy Innovation Co.,Ltd.
2009 – 2012	:	Branding and Category Activation Manager, Unilever Trading Co.,Ltd
Expertise	:	Business Administration, Engineering, Industrial & Marketing
Management positions and/or directorships		
	•	other listed companies - None-
	•	other non-listed companies (excl. subsidiaries) 2 places
Related Training Program held by IOD : DAP -Director Accreditation Program 2019		

Mr.Manolo Villaluz Momongan	Age 55 years	: Supply Chain Management Director / Marketing Director
Share Ratio (%)	:	None
Relationship with Management	:	None
Highest Education	:	Master's degree in Management for Executives and Managers (Most Outstanding Graduate) University of San Jose Recoletos, Philippines
Working Experiences :		
2008 – Present	:	Supply Chain Management Director /Marketing Director, Team Precision Pcl.
2004 – 2008	:	Supply Chain Management Director, Celestica Philippines
1991 – 2004	:	Production Control Manager, NEC Technologies Philippines
Expertise	:	Business Administration,Electronic and Communication Engineering Production control
Related Training Program held by IOD -None-		

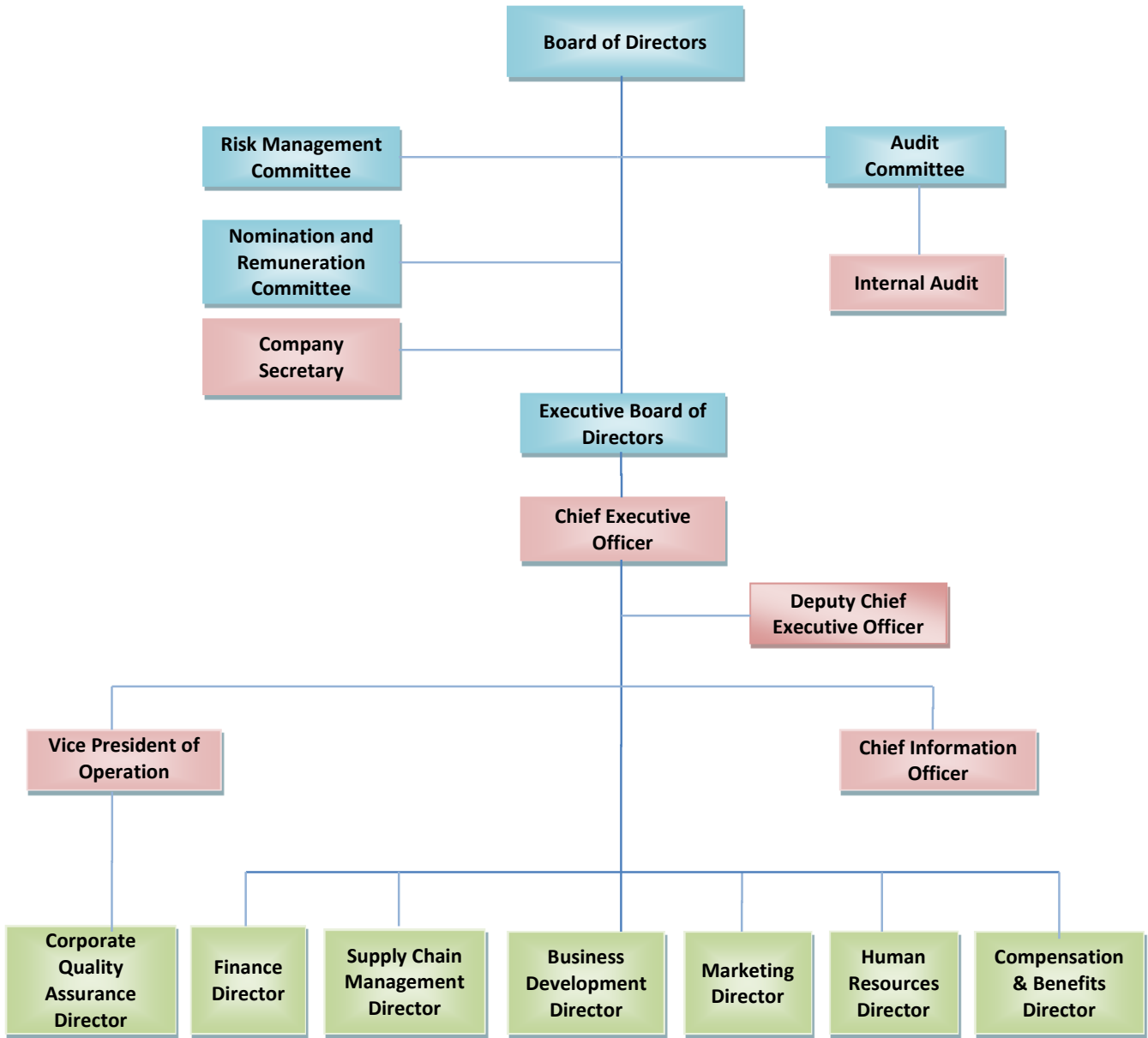
Mr. Aviroot Kongcharoen	Age 50 years	: Corporate Quality Assurance Director
Share Ratio (%)	:	None
Relationship with Management	:	None
Highest Education	:	Bachelor of Science,Chulalongkorn University
Working Experiences		
2015 – Present	:	Corporate Quality Assurance Director, Team Precision Pcl.
2007 – 2014	:	Corporate Quality Assurance Senior Department Manager , Team Precision Pcl.
2004 – 2007	:	Senior Quality and Reliability Assurance Department Manager,Stars Microelectronics (Thailand) Pcl.
2004	:	Assist Quality Engineering Manager,SVI Pcl.
Expertise	:	Physics Science
Related Training Program held by IOD -None-		

Changes in Shareholdings of directors and executives

Name		Holdings	8 March 2021	9 March 2020	Increase/ Decrease(Net)
Mr. Supachak	Manutsathit	Direct	127,412,677	117,412,677	10,000,000
Mr. Chakkaphant	Manutsathit	Direct	38,880,433	30,880,433	8,000,000
Mrs.Malipa	Manutsathit	Direct	22,000,000	12,000,000	10,000,000
Mr.Monkhol	Kittipoomvong	Direct	6,136,625	6,136,625	-
Mrs.Suratn	Petchmune	Direct	4,238,789	4,238,789	-
Mr. Chai	Jroongtanapibarn	Direct	1,497,062	1,497,062	-
Mr. Pirom	Chamsai, Ph.D.	Direct	1,090,000	1,090,000	-
		Total	201,255,586	173,255,586	28,000,000

Source of data : Closing the shareholders' book of registration from Thailand Securities Depository Co.,Ltd.

Organization Structure



7.2.2 The scope of authority and responsibilities of the Chief Executive Officer

1. Having authorities according to the policies approved by the Board of Directors under Laws, conditions, rules, or regulations of the company, with the exception of items that may be disputed, interested in, in conflict with Company or subsidiary companies by the chairman of executive officials that can be done only when the resolution of the meeting of the Board of Directors attended by independent directors is obtained.
2. To define the Company's mission, objectives, policies including leading and controlling overall its operation in order to obtain the maximum benefits and to be line with the objectives of the Board of Directors.
3. For any obligations to the Company as a borrower, Chief Executive Officer has an authority level not exceeding to Baht 100 million. If over Baht 100 million, that transaction must be approved by the Board of Directors.
4. For any trade agreement which will be obliged to the Company as a seller, a buyer, a lessor and/or other status for normal business transactions, Chief Executive Officer or his attorney as assigned for specific activity or for preparing the Company's Charter of Authorities has an authority level not exceeding to Baht 100 million.

The aforementioned authorities shall not include the activities of related transaction, connected transaction, and the acquisition or disposal of major assets of the listed Company according to the SET and SEC's regulation.

7.3 Company Secretary and The person supervising accounting accounting

The Board of Directors appointed Mrs.Suratn Petchmune to be Company Secretary. Her qualification is sufficient and appropriate to this position as Company Secretary. And Mrs. Suratn Petchmune is supervising accounting.

7.4 Remuneration for Directors and Executives of the Company

The remuneration policy

The Board of Directors shall approve the remuneration for a senior executive. As for the remuneration for a director, the Board of Directors shall propose to the Shareholders' Meeting for approval. However, the determination of the remuneration for a director shall be considered and commented by the Nomination and Compensation Committee who shall review the duty and responsibility by comparing with those of the industries of the same and similar size and type of business.

7.4.1 Remuneration in the form of money

(A) Remuneration of Director

Name		Position	2020	
			Remuneration	Compensation
1. Mr.Chakkaphant	Manutsathit	Chairman of The Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee	195,000	-
2. Mrs.Malipa	Manutsathit	Director / Nomination and Remuneration Committee / Risk Management Committee	165,000	-
3. Mrs.Suratn	Petchmune	Director / Company Secretary	165,000	-
4. Mr.Supachak	Manutsathit	Director	165,000	-
5. Mr.Chai	Jroongtanapibarn	Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee / Risk Management Committee	245,000	-
6.Mr.Monkhol	Kittipoomvong	Independent Director/ Audit Committee / Nomination and Remuneration Committee / Chairman of Risk Management Committee	215,000	-
7.Mr.Pirom	Chamsai, Ph.D.	Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee	215,000	-
Tototal Remuneration ***			1,365,000	-

***Directors ' remuneration and directors' compensation were set to pay annually.

Remuneration of the sub-committee: -None-

Other form of benefit -None-

(B) Total remuneration, includes salary and other incomes that the company paid to executives are as below:

Year	Total Executive	Amount (Baht)
2020	7	30,478,356
2019	7	32,949,999

7.4.2 Other remunerations

1. Provident fund

The Company contributes to the provident funds for executives and employees at a rate of 3% of their basic salary to serve as fringe benefits upon death, disability, resignation, or retirement and depending on the period being employed with the Company.

The Company established Employee’s Choice Structure to allow employees to choose the fund policies that fit their requirements. There were five consisting plans as follow

Plan 1	Plan 2	Plan 3	Plan 4	Plan 5
Money market 100%	Fixed Income 100%	Fixed Income 80% Thai Equity 20%	Fixed Income 70% Thai Equity 30%	Fixed Income 60% Thai Equity 40%

d

And allow employee members to change their own policies by two times per year.

For the year ended December 31, 2020, the provident fund contributions made by the Company for employees and recorded as expenses are 4.43 million baht

2. Long term Employee Benefits

The Company had provision for compensations on employees’ retirement at the year ended December 31, 2020 totaling 98.90 Million Baht. The principle assumptions and calculation is performed by a qualified actuary using the Projected Unit Credit Method.

3. Group Accident Insurance

The Company provides the group accident insurance for each levels of employees.

7.5 Employee

The existing executive and staffs was 890 persons as of December 31,2020 and recognized compensation and benefit expenses (salary, provident fund ,bonus,social security etc) for employees totaling 256.60 Million Baht.

Personnel development policy

The Company has the policy to develop staff to have skills, knowledge, and continuous ability. The Company aims at enhancing its potential, and create the ability to compete in the quality of the organization to meet customer satisfaction. The Company prepares the annual training and development plan to be in line with skill requirements and needs of each work unit, orientation for new employees, basic production knowledge, job- training, health and safety training as well as management skill training for supervising level.

The aforementioned training sessions are organized within the Company by inviting expert speakers or send employees to various institutions for outside training. The rate of employees training for skilled labor reached 85% of the total company staff in year 2020.

8. Corporate Governance

The Company has policies and guidelines according to the Code of Best Practice as follows:

8.1 Policy on corporate governance

For the continuous growth of the Company's business operation and for the increase of confidence to the investors and all concerned parties, the company has determined a policy of good governance for the board of directors to act as follows:

- Manage work carefully and carry out duties responsibly, with adequate abilities and efficiency, to create the highest benefits for shareholders.
- Perform with transparency operating, open to evaluation, to disclose adequate information to all concerned parties.
- Consider the Company's risk assessment to manage and control risks level appropriately.
- Review to avoid any conflicts of interest and be responsible for the decision making and its own actions.

1. Rights of Shareholders

In 2020 the Company had a total of one shareholder meeting, with one annual ordinary meeting taking place at the Company. The Company uses a Record date method to gather a list of shareholders who are entitled to attend the meeting. Thailand Securities Depository Co., Ltd has been assigned to be organizer and the Company had submitted the Notice of AGM Meeting along with supporting information for various agenda for acknowledge 21 days in advance before the meeting. Each agenda included the opinion of the Board of Directors and explained to shareholders for voting method, voting count and card in the meeting.

The Company has also published data information about the Notice of AGM together with supporting information both in Thai and English language on Company's website within 30 days prior to the Annual General Meeting of Shareholders to allow shareholders to study in advance.

2. Equitable Treatment to Shareholders

The Company provided a fair practice to shareholders on following details:

- 2.1 Provide a shuttle service to facilitate shareholders who wish to attend annual general meeting ("AGM") from the Stock Exchange of Thailand Building.
- 2.2 Give the equal right to vote to the shareholders and the voting procedures are not complicated.
- 2.3 Attach the Proxy type B including instruction with the invitation letter in order to shareholders who could not attend AGM to give the power to independent director or other person to attend and vote in the meeting.
- 2.4 Give opportunity with the equal right to shareholders in auditing the Company's business performance inquiry and recommendation expression. All inquiries and recommendations were also welcome through e-mail address: ir@teampcba.com.
- 2.5 Shareholders who lately attend in the meeting will be allowed.
- 2.6 Allow shareholders to have their rights to propose an agenda and nominee of director advance for 2021 Annual General Meeting of Shareholders. The criteria to exercise their rights had been announced through SET and Company's website at <http://www.teampcba.com>
- 2.7 In the 2020 AGM, total of seven directors attended the meeting. The chairman gave the shareholders to offer their expressions and questions. And the meeting are recorded accurately and completely for further audit by shareholders.
- 2.8 Company proceeded the meeting according to the agenda and had no additional agenda without prior notification to shareholders.
- 2.9 The Company has implemented barcode system to use in register. Recorded vote and the voting results show at the end of each agenda by providing third-party inspectors to examine, in cooperation with the vote counting.
- 2.10 Disclosure resolution of Annual General Meeting of Shareholders and the voting results through dissemination of information system of The Stock Exchange of Thailand within the next working day from the date of the meeting.
- 2.11 Prepare and submit resolution of the Annual General Meeting of Shareholders to the relevant regulatory authorities. Such report has been published on the Company's website within the duration not exceeding 14 days from the date of the meeting.

3. Rights of Stakeholders

The Company has considered the importance of every group of stakeholders, according to the following details:

- **Employee:** The company treats all employee on a fair and equitable basis of employment equity and all applicants without discrimination based on race, color, religion, nationality, sex, age, disability, marital status, sexual orientation, which we will follow the law, human rights and employment, all applicable not to perform illegal discrimination in various aspects of an employment, including recruitment, hiring, compensation. promotion or termination of employment.
- **Occupational Health, Safety and Environmental:** Company has been aware of the importance of hygiene and safety practices of employees. As well as the prevention of environmental impact, the company has a policy to guide the implementation of the system as effectively and efficiently as follows.
 - Continuous improvement in Health, Safety and Environmental management system, processes, products and services. In accordance with the requirements of the standard ISO 45001 and ISO 14001.
 - Commitment to abide by laws and regulations of Occupational Health Safety and Environment related to the business operations of the organization.
 - Establish objective and target to conduct inspection for continuous improvement in Health and Safety in workplace. Implement risk assessment of the activities within the organization to prevent accidents, injuries, illnesses related from work. The goal is to reduce accidents at work to zero. The conservation of natural resources to prevent the environmental pollution caused by the activities of the organization.
 - Provide training to creating awareness of Occupational Health management system, Safety and Environment when work on behalf of the Team Precision organization.
 - Communicate to employees who are working on behalf of Team Precision to understand of Health, Safety and Environment policy as well as the dissemination of communication to the public and related agencies. Including of Health, Safety and Environmental Policy review as a reasonable period.
- **Partners and/ or Creditors:** the Company has policy to treat partners and/or creditors equally and fairly and attain the best interest of the Company and a fair return of both parties. We do not request, accept or pay any bribes in the business dealing .The Company shall comply with agreement and condition including term of guarantee (if any) for partners and/or creditors. In case that the Company cannot comply with the agreed terms, ,the event of payment default ,the Company shall notify the partners and/or creditors in advance to jointly find solutions. The qualifying purchases ,procurement of goods and services from suppliers will be based on cost, quality, responsiveness, delivery and financial stability of the suppliers or service providers.
- **Customers:** The Company has policy to pay attention and be responsible to our customers. We produce the quality products according to international standards, create trust ,retain customer's information in strict confidentiality, and we have an assigned function or responsible person to enhance rapid actions for customer complaints.
- **Business Competitors:** The Company exhibits good behavior within the framework of good competition, maintains the baseline of acceptable behavior in competitions and avoids dishonest methods to destroy business competitors.
- **Intellectual Property and Copyright Policy:** The Company recognizes the importance of the intellectual property and copy rights of third parties. The Company will comply with the legal requirements on intellectual property and copy rights by must check beforehand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others as follows:
 - Employees must comply with the laws, regulations and contractual obligations regarding intellectual property rights, and including patents, copy rights, trade secrets, and other information proprietary.
 - Employees shall avoid violating intellectual property of others.

- Employees who use the Company's computers should use only the licensed software programs of the Company.
- Employees must sign an agreement on policy to comply with the laws of intellectual property or copy rights and the relevant laws.
- All the intellectual properties which include the work in progress, innovation in all formats shall be returned to the Company whenever an employee vacates the office.
- **Social and Community:** The Company acts responsibly towards community environment by providing close and careful examinations of our pollution and treatment system of waste water flowing towards community and making certain they proceed in accordance with yearly plan.
- **Shareholders :**The Company intends to create value and provide shareholders with good returns continuously while sustaining the Company's growth. The Company prepares and disclose accurately ,completely and timely the financial information with equitable treatment of all sharholders.

The Company has carried out its business according to the regulations of the law and other related rules to ensure that the rights of stakeholders are well taken care of.

- Company complies with the tax law and foreign exchange control in Thailand and other countries. Do not allow employee to arrange any transaction which the employee knows or should know that it would violate such laws on behalf of the Company.
- Company conducts a global business with special discretion and to ensure that we comply with the laws governing exports and international trade as well as the laws of the country in business parties.
- Company is responsible in compliance with applicable laws, regulations, administrative acts and judicial decisions related to import, export. The import and export commercials will be performed only under Company name.
- The compliance to the practice will be monitored by senior management. Anyone violating the code of practice will be disciplined according to the Company's rule

4. Disclosure and Transparency

The Board of Directors focus on the disclosure of Company information correctly and appropriately, so that the Company has a policy in the disclosure of information as follows.

- 4.1 Company disclosed financial reports relating to the financial status and operating performance of the Company on a quarterly and annual basis after each review or audit by Certify Public Accountant ,as well as the Management Discussion and Analysis (MD&A) of the Company and its subsidiaries according to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- 4.2 Distributed the 2020 Annual Report (Form 56-2) to the Company's shareholders, along with the notice of the Annual General Meeting of Shareholders, and informed such information to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within the period required by regulation ,as well as published it on the Company 's website.
- 4.3 Submitted Form 56-1 as at December 31, 2020 to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 3 months from the end of accounting period of the Company as required by regulation as well as published it on the Company 's website.
- 4.4 Disclosure of shareholding structure, organization structure, shareholding structure of business group,the information of Board of Directors and executives , and Company's articles of Association placed on the Company's website.
- 4.5 Company provides communication channel between investors ,analysts and any person who is interested with the company. They could raise suggestion or request for more information from the Company through its e-mail address: ir@teampcba.com or facsimile No. 02-5771705, 02-5772355.
- 4.6 The non-financial indicator of Company performance is the level of customer satisfaction which had 86% in the year 2020.

5. Responsibilities of the Board of Directors

5.1 Responsibilities of the Board of Directors

In addition to the authority and responsibilities mentioned in the Company's regulations, the Board of Directors also has the duty to be consistent with the system of good corporate governance as follows:

1. Guarantee the vision, guidelines and business plans of the Company .To set policies as well as monitor and supervise management to operate in accordance with the policies in order to maximize shareholders' wealth and comply with good corporate governance principles and law
2. Evaluate and follow the results of the work done by the management to ensure that the Executive Board of Directors has appropriately carried out day-to-day tasks according to the policy established with efficiency and effectiveness
3. To undertake that the Company implements good corporate governance , internal controls and risk management to ensure that operations are correct and efficient.
4. Verify connected transaction and items that may create conflict of interest so they conform to the current regulations.
5. Verify and approve the significant matter that affect to the Company's financial status debt and obligation.
6. To disclose the conflict of interest of their own and/or related person in relation to the Company or subsidiaries' interest according to the rule & regulations set by the Capital Market Supervisory Board to the Company.
7. The appointment of the determination of authority of Independent committee and sub-committees.
8. The appointment of subsidiary company's directors

5.2 Duties and responsibilities of the Chairman of the Board:

1. Summoning the meetings of the Board of Directors and set the agenda for meeting of the Board of directors and the annual general meeting of shareholders.
2. Presiding over the Board of Directors and the Shareholders meeting and conducting the meeting in compliance with the Company's Articles of Association and following the sequence of the agenda.
3. To vote as to decide for the approval of that specific agenda in the board of director meeting and shareholder meetings, if the votes for that agenda is even.
4. Promoting Corporate Governance standards of the Board of Directors.
5. Performing the duty specified by law as the duty to be performed by the Chairman

5.3 The composition of the Board of Directors

The Company's Board of Directors consist of seven directors, as follows:

- Four executive directors who are also management, representing 57% of total number of directors.
 - Three independent directors ,representing 43% of total number of directors.
- Therefore, there were counterbalanced for independent directors in accordance with the laws that require independent directors not less than one-third of all Directors

Definition of independent directors

Independent director refers to director who is independent from major shareholders, executive and related persons and could have duty for protect shareholders' benefit equally.

Independent directors' qualifications

- (1) Holding shares not exceeding one per cent of the total number of shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.
- (2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless having vacated from said tenure for not less than two years before appointment as an independent director. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the applicant.
- (3) Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company.
- (4) Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless having vacated from said tenure for not less than two years before appointment .

Business relationship as in first paragraph shall include the normal course of trading transaction for business undertaking, lease or grant of lease of immovable asset, transactions relating to asset or service, or grant or receipt of financial assistance through acceptance or grant of loans, guaranty, grant of asset as guaranty for loans, including other similar behavior, thus making the person applying for permission or a contract party liable to payment of debt to another party, from 3 percent of net tangible assets of the person applying for permission, or from Baht 20 million or over, whichever is lower. The calculation of debt burdens as referred to above shall comply with the valuation of connected transaction in compliance with the notification of the Capital Market Supervisory Board on the criteria of the connected transaction, with the respective differences having been considered (*mutatis mutandis*). However the consideration of the said debt burdens shall include the debt burden incurred within one year before having business relationship with the same person.

- (5) Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless having vacated from the said tenure for not less than two years before appointment.
- (6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless having vacated from the said tenure for not less than two years before appointment.
- (7) Not being a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder;

- (8) Not undertaking any business in the same nature and in competition to the business of the applicant or its subsidiary company, or not being a major partner of a partnership, or a director with involvement in management, a hired worker, an employee, an advisor with regular payroll, or owning shares more than one percent of all shares with voting right of other companies with similar business undertaking or significant competition with the business of the person applying for permission or subsidiary companies.
- (9) Not having any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operations.

After being appointed as independent director with the qualifications under (1) to (9) of the first paragraph, the independent director may be assigned by the Board of Directors to take part in the business decision of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, provided that such decision shall be in the form of collective decision.

This definition is equal to the definition of an Independent Director as set forth by Capital Market Supervisory Board

5.4 Consolidation or Segregation of Positions

At present, the Company still has chairman of the Board of Directors and Chief Executive Officer as a same person. However, the operation remains to be performed in accordance with the scopes and authorities required to be done in that position. The said operation authority shall not include the operation with respect to the related items and the items to be acquired for or disposed of the major properties of the registered companies according to the regulations of the Securities and Exchange of Thailand.

5.5 Board of Directors' Meetings

The Board of Directors had set schedule of date and time for board of director and sub-committees meeting in advance for the whole year by joint consideration and inform each Director to record such annual appointments. Usually schedules were appointed to meet quarterly and additionally special meeting as needed. Dates of the meetings are scheduled clearly and in advance, and there are always occasions for evaluation and follow-up of operations. The secretary of the Company sends out letters of invitation along with the agenda and documents relevant to the meeting at least seven days in advance, so the Board has time to study the information before attending the meeting. Meetings usually last about three hours when regular and between one and two hours for special occasions. The member of the Board is able to raise more agenda and present idea openly and directly. The company's secretary will record, take minutes of the meeting and submit to chairman of board of director for approval.

In 2020 the Board met four times for regular meetings and five times for special meetings, totaling nine meetings. The attendance of each member of the Board of the Company was summarized in Structure Management's topic. The Board has reviewed the Company's mission and vision including a strategy to be practice implementation

5.6 Company policy regarding the minimum number of quorum. The committee will vote on the Board of Directors's meeting shall be not less than two-thirds of all the directors.

Besides, the Company had arranged a meeting of a Sub-Committee for considering the agenda regarding such Sub-Committee. The detail of the meeting of the Sub-Committee participated by the Company's Directors is as follows:

Director Name	Audit Comm.	Nomination and Remuneration Comm.	Risk Mgt. Comm.	AGM Meeting
1. Mr. Chakkaphant Manutsathit	-	2/2	4/4	1/1
2. Mrs. Malipa Manutsathit	-	2/2	4/4	1/1
3. Mrs. Suratn Petchmune	-	-	-	1/1
4. Mr. Supachak Manutsathit	-	-	-	1/1
5. Mr. Chai Jroongtanapibarn	4/4	2/2	4/4	1/1
6. Mr. Pirom Chamsai, Ph.D.	4/4	2/2	4/4	1/1
7. Mr. Monkhol Kittipoomvong	4/4	2/2	4/4	1/1

Secretary of sub-committee is Mrs. Suratn Petchmune

5.7 The Meeting without Attendance of Management

The independent directors may hold a meeting without attendance of management as it sees appropriate. In some circumstances, the audit committee may request particular executive to clarify issue as it sees fit.

5.8 Conflict of interest

The Company's information that may be considered as a related items has been informed to the auditor who shall identify the note to the company's financial statements if it is found that the items that may significantly pose the conflict of interest.

Furthermore the Board of Directors has established the policy and procedure for directors and executives to report on conflict of interest to ensure that they are abided by their fiduciary duties in the way that they must not have interest, whether directly or indirectly in the matter under their decision. Directors and executives are required to disclose any material interest in transactions or matters affecting the corporation through the established form approved by the Board of Directors, where those directors and executives shall be excluded from decision making involving transactions in which they have interests or are connected. The corporate secretary is responsible for receiving reports from directors and executives who disclose their interests and those of their related parties to the chairman of the Board of Directors and the Chairman of Audit Committee.

8.2 Sub-Committee

The Board of Directors had appointed the four sub-committees to deal their roles & responsibility. The details of each committee are as following

1. Executive Board of Directors

1.1 Names of members of the Executive Board of Directors

1. Mr. Chakkaphant	Manutsathit	Chairman of the Executive Board of Directors
2. Mrs. Malipa	Manutsathit	Executive Director
3. Mrs. Suratn	Petchmune	Executive Director
4. Mr. Supachak	Manutsathit	Executive Director

1.2 The scopes of authority and responsibilities of the Executive Board of Directors:

- Supervise the operations of the Company to ensure that they are according to the policies of the Board of Directors and the laws, conditions, rules, and regulations of the Company, except for the items may be disputes, interested in or in conflict with Company or its subsidiaries by executive directors that can be done only when the resolution of the meeting of the Board of Directors attended by the independent directors is obtained.
- Determine paths of development and expansion of business in accordance with the policies of the board of directors.
- Evaluate, prepare and improve the system and regulation of work in the company.

4. Evaluate and scrutinize the information or facts regarding business operations that will be presented to the Board of Directors for consideration.
5. Evaluate the structure of salaries and other benefits of employees.
6. Proceed other tasks as appointed by the Board of Directors.
7. As for business approvals that may bind the company as borrower, the Executive Board of Directors is authorized to carry out actions valued not exceeding Baht 100 million. If exceeding Baht 100 million, approval must be sought from the Board of Directors.

The executive board has no authority to act anything to meet requirement as the related items and the acquisition or disposal of Company's major assets, including the Company's Board of Directors shall not authorize or assign the executive board to act on the said items in lieu of the Company's Board of Directors.

2. Audit Committee

2.1 Members of the Audit Committee

- | | | |
|----------------|----------------------|-----------------------------|
| 1. Mr. Chai | Jroongtanapibarn*/** | Chairman of Audit Committee |
| 2. Mr. Pirom | Chamsai, Ph.D.* | Member of Audit Committee |
| 3. Mr. Monkhol | Kittipoomvong * | Member of Audit Committee |

Remark * Independent director

** Mr.Chai Jroongtanapibarn has particular knowledge and experien review the financial statements.

2.2 The scopes of the authority and responsibilities of the Audit Committee:

1. To review the Company's financial reporting in accordance with the financial reporting standard and the disclosure is adequate.
2. Review that the Company has an internal control system and appropriate and effective internal audits.
3. Review the Company complies with to the applicable law on the Securities and Stock Exchange, regulations and requirements of Stock Exchange or the laws related to the business of the Company.
4. Consider the appointment and termination for the person who has the independence to act as the Company's external auditor and propose audit fee of such a person, including a meeting with the external auditor without management attended the meeting at least once a year.
5. Review the accurate and complete disclosure of Company's information in case of the related transactions or items or situations where conflict of interests may occur.
6. Prepare the audit committee report with the signature of the audit committee chairman to be included in the Company's annual report. At least the following information must be includes:
 - a. Comments on the accurate, complete and reliable of financial report
 - b. Comments on adequate internal control system of the Company
 - c. Comments on the implementation of the applicable law on the Securities and Stock Exchange, regulations and requirements of the Stock Exchange or the laws related to the business of the Company.
 - d. Comments on the appropriate of the auditor
 - e. Comments on the conflict of interests
 - f. The number of audit committee's meeting and the number of each audit committee's attendance
 - g. Overall audit committee's comments or suggestions received from implementing under charter
 - h. Other comments or information to the shareholders or investors under the duties and responsibilities appointed from the Board Director
7. Act as Board of Directors appoint with the approval of the audit committee.
Under the first paragraph, the audit committee has direct responsibility to the Board of Directors and the Board of Directors still has responsibility to the third party.
8. Within the audit committee scope, where the transaction or activity is found or in doubt that it will significantly affect to the financial status and the company performance, the audit committee shall report to the Board of Directors for correction or modification by reasonable time.

Tenure: The chairman of the audit committee and the members of the audit committee will hold their positions for a term of three years each.

3. Nomination and Remuneration Committee

3.1 Members of the Nomination and Remuneration Committee

1.	Mr.Pirom	Chamsai, Ph.D*	Chairman of Nomination/ Remuneration Committee
2.	Mr.Monkhol	Kittipoomvong*	Member of Nomination/ Remuneration Committee
3.	Mr.Chai	Jroongtanapibarn*	Member of Nomination/ Remuneration Committee
4.	Mr.Chakkaphant	Manutsathit	Member of Nomination/ Remuneration Committee
5.	Mrs.Malipa	Manutsathit	Member of Nomination/ Remuneration Committee

Remark * Independent director

3.2 The scopes of authority and responsibilities of Nomination and Remuneration Committee:

1. Select and appoint persons to become members of the Board of Directors, according to the resolution of the Board of Directors.
2. Determine the selection process for the Board of Directors members to replace members who complete their tenure.
3. Consider to select persons to be appointed as a director of Company to replace directors that have completed their tenure, to be presented to the Board of Directors and the meeting of shareholders for approval.
4. Consider to select persons to hold the position of management of the Company, according to the resolution of the Board of Directors.
5. Propose method of paying remuneration to the Board of Directors and other committees appointed by the Board of Directors.
6. Propose the other remunerations as deemed reasonable and appropriated.

Tenure: The chairman of the risk management committee and members are appointed for a term of three years each.

4. Risk Management Committee

4.1 Members of the Risk Management Committee

1.	Mr.Monkhol	Kittipoomvong*	Chairman of Risk Management Committee
2.	Mr.Chai	Jroongtanapibarn*	Member of Risk Management Committee
3.	Mr.Pirom	Chamsai, Ph.D.*	Member of Risk Management Committee
4.	Mr.Chakkaphant	Manutsathit	Member of Risk Management Committee
5.	Mrs.Malipa	Manutsathit	Member of Risk Management Committee

Remark * Independent director

4.2 The scope of authority and responsibilities of the risk management committee

1. Specify the Company's risk management framework in accordance with the risk management policy to support Board of Directors' policies about the risk management in the level of risk that can be accepted.
2. Review of the risk management and execution as to ensure that the Company's risks are adequate and appropriate managed to accepted level and practice continuously.
3. Develop and review strategic in risk management plans.
4. Report quarterly operating results and/or yearly and/or when events may have a significant impact to the Board of Directors

Tenure: The chairman of the risk management committee and members are appointed for a term of three years each.

8.3 Nomination and appointment of Director and top Management

8.3.1 Nomination of Director

For an appointment of a director, the Nomination and Compensation Committee consisting of 3 Independent Directors out of the total 5 members of the Nomination and Compensation Committee having the duty and responsibility in selection and screening a person qualified to be a Company's Director who should be knowledgeable and capable in business administration and management, have integrity and readiness in management of his own duty. At least 1 member of the Nomination and Compensation Committee shall have the financial knowledge and capability and the important is a Company's Director shall be a person whose qualifications shall not contradict to any provisions of the Stock Exchange of Thailand or the Company's Articles of Association. The Company's Board of Directors shall consider and appoint according to the proposal of the Nomination and Compensation Committee before proposing to the Shareholders' Meeting for approval.

Appointment procedure of Company's Director, The Shareholders' Meeting shall elect the directors according to the following rules and procedure:

1. One shareholder has one vote per one share.
2. Each shareholder shall use all his votes according to (1) for election of one person or several persons to be the director(s) but cannot separate his votes to anyone more or less than the others.
3. The persons receiving the votes shall be elected to be the directors according to the number of directors to be available or to be elected at that time and in sequence ranging from the highest votes. In case the elected persons receiving the equal votes and exceeding the number of directors to be available or to be elected at that time, the Chairman shall be the one who casts a final vote.

In case a position of director is vacant due to other reasons beyond the retirement by his term, the Board shall elect a person whose qualifications and characteristics shall not be disqualified according to the Public Limited Companies Act to be a director participating in the next Board of Directors' Meeting unless the term of such director is less than two (2) months. In that regard, the newly elected person shall assume a position of director according to the remaining term of the director he replaced. However, the resolution of the Board shall consist of the votes not less than three fourth (3/4) of the number of remaining Directors.

8.3.2 Nomination of the top management

For nomination of a person to assume the top management position; for example, the Chief Executive Officer, the Executive Board shall primarily consider to screen a person whose qualifications are completed, appropriate, knowledgeable, skillful and experienced beneficial to the operation of the Company and having good understanding in Company's business, as well as, being able to manage the work to achieve the objective and targets set by the Board of Directors. The Executive Board, then, shall propose to the Nomination and Compensation Committee for consideration and approval before proposing to the Board of Directors for further consideration and approval.

8.3.3 Development of Directors and Management Team

The Board of Directors has continuously supported and facilitated the training program and education of those associated with the good corporate governance such as directors, audit committee members, executives, corporate secretary by relevant institutions such as the SET, the SEC, or the Thai Institute of Directors Association (IOD). The Company provides the internal training program by professional lecturer to the middle and top management to serve beneficially their capability and duties.

Director & Management trainee in 2020		Inhouse training (Course)	Public training (Course)	Total hour
1. Mr. Chakkaphant	Manutsathit	1	-	2
2. Mr. Supachak	Manutsathit	1	1	8
3. Mrs.Suratn	Petchmunee	2	1	17
4. Mrs. Malipa	Manutsathit	-	-	-
5. Mr. Aviroot	Kongcharoen	3	-	12
Total		7	2	39

8.3.4 Orientation for New Directors and Executives

The Board of Directors assigns the Company secretary to prepare information for all new directors and executives so as to inform them of their roles, duties and responsibilities as well as compliance with the Company's corporate governance policies and practices.

8.4 Supervision of the operation of subsidiary company

In the past, the Company has the practice guidelines for appointment of a director in a subsidiary company that an appointed person shall obtain an approval from the Company's Board of Directors as well and that appointed person shall have a duty to perform for the interest of the subsidiary company.

Besides, the Articles of Association of the subsidiary company has enforced that the principle of the transactions of the revenues from acquisition or disposition of the assets shall be in consistent to that of the Company including storing the data and bookkeeping of the subsidiary company shall be audited and consolidated into the Financial Statements of the Company as scheduled.

8.5 Supervision of the use of inside information

8.5.1 The Company had notified a director and an executive upon assuming the duties about the notifications concerned of the Securities and Exchange Commission which regulated that a director and an executive shall have a duty to report the change in holding the securities to the Securities and Exchange Commission according to Article 59 of the Securities and Exchange Act B.E. 2535 within 30 days from the date of the change in holding the securities and to notify the Company's Secretary for recording the change. In addition, the legal punishment had also been notified in case of violation or non-compliance with such provision.

8.5.2 The Company had notified the prohibition of disclosure of the information of Financial Statement or other information which affects the price of securities of the Company to the third party or the party who is not involved, the prohibition of trading the securities during a period of 1 month prior to the information of Financial Statement or other information which affects the price of securities of the Company shall be known to the public and the prohibition of trading the Company's securities until the disclosure of such information to the public. Non-compliance with those notifications shall be deemed disciplinary misconduct by the Company.

8.6 Business ethics

The company has provided and disclosed business ethics with the objective of allowing the directors and employees of Team Precision Public Company Limited adhere to the guidelines of this conduct and relevant laws for company benefits and beneficial to increase the value and sustainability of the business as well as to build confidence and trust from all stakeholders as follows.

8.6.1 Providing a code of business conduct manual

1 Business ethics of Board of Directors

Directors of Team Precision Public Company Limited shall adhere to the guidelines for conducting in accordance with the principles of good corporate governance as defined in this policy in corporate management and corporate governance principles in order to ensure that the business operations are efficient and achieve the objectives.

The business ethics of the board are as follows

- Perform duties with honesty, fairness and morality.
- Decide and perform duties with independence
- Private transaction operations or other trade must be separated from the operation of the company
- Disclose benefits from private businesses or other businesses including any subject that appear to interfere with the interests of the company.
- Do not use legal gaps for the benefit of personal unlawful

2. Business ethics of employees

It is an official standard provision regarding to employee’s behavior which is an important part of ethics and practices that the company expects employees to treat customers, suppliers, creditors, competitors, stakeholders and others in doing business as well.

The ethical requirements of employees are as follows

- Relationship with customers
- Relationships with suppliers and partners including creditors
- Relationships with shareholders and financial groups
- Relationships with employees
- Relationships with other people
- Policies violation
- Complaints

8.6.2 Communication through various communication channel to disclose business ethics to employees, stakeholders such as announcements, via electronic media within the company and public relations to stakeholders that are public.

8.6.3 The monitoring of compliance with the criteria will be reviewed by the senior executives for appropriateness. In case of violation, the employees will be subject to disciplinary action according to the procedures determined by the company.

8.6.4 The company require the company secretary / Internal Audit Department to serves as the complaints of corporate governance and business ethics.

8.7 Audit Fee

Team Precision and its subsidiaries paid the audit fee as follows:

Audit Fee	Team Precision (Thailand)	Team Precision (Denmark)	TPA Holding LLC (USA)
Audit Fee	Baht 1,065,000	DKK 64,525	USD 10,300
Other Fees	-	-	-

* Excluding the service fee of the compliance with Board of Investment’s privilege condition by Baht 30,000 per license

8.8 Whistle Blowing Policy

The stakeholders may inform the inappropriate behavior of the organization’s officers by sending the letter or e-mail directly to the Investor Relation Department or Internal Audit Department which reports to the Audit Committee at 152/8 Moo 3 Tanyaburi–Lumlookka Rd., Rangsit, Tanyaburi, Pathumthani 12110 or email address: ir@teampcba.com or intaudit@teampcba.com. And provide protection to those who claim not to have been done at a fair and retention of personal information such as confidential. In case of the Company performs investigation and finds the issue(s) then Company shall immediately take corrective action and punish disciplinary penalty.

Moreover, the Company provides the channel for the stakeholders to complain the illegal & unethical behaviors of the top executive and the inappropriate financial report to Audit Committee. In order to present the Company’s fairness and transparency, stakeholders can directly communicate to Chairman of Audit Committee as above address or E-mail address: chairmanac@teampcba.com

8.9 Sucession Plan for Chief Executive Officer

The Company has arranged for key positions, such as Chief Executive Officer for preparing the readiness in executive development for work succession.

Social Responsibility**Performing the business with good governance**

With a commitment to be a leading organization in performing the business in order to build the reliability for the shareholders and stakeholders of all parties concerned about the business operation to increase the value of the organization and to promote the sustainable growth, the Company has focused on the importance of performing the business with good governance.

The Company adheres to the principle of performing the business with good governance and promotes the employees of all levels to perform their duties carefully and honestly by adhering to the rules and regulations, guidelines and disciplines towards all groups of stakeholders such as the shareholders, customers, business counterparts and competitors with fairness and not to seek for an interest for their own which shall be in conflict with the interest of the Company, including the confidentiality of performing the business towards the stakeholders, as well as, the commitment to the business counterparts for the fair business operation.

The Company has provided the rules, regulations and practice guidelines with an objective to prevent a corruption or an impact towards the decision making in practice which may cause a reciprocal benefit or unfairness to other parties concerned.

Furthermore, the Company had designated the guidelines of performing the duties for the management and the employees thru the Company's vision, mission and fair business operation, as well as, an anticipated goal and responsibilities towards the stakeholders.

Anti-Corruption

The Company had participated to be a member of Private Sector Collective Action Coalition against Corruption (CAC) to announce our intention of anti-corruption on April 9, 2013.

Team Precision PCL is committed to winning business through honest competition. Bribery harms not only our Company, but also the communities where we do business. For these reasons, Team Precision PCL has a zero-tolerance approach to bribery and corruption wherever it operates. This applies to all officers, directors, employees and temporary employees, and all intermediaries, agents and third parties who perform services for or on behalf of Team Precision or its subsidiaries, and bribery by strictly complying as follows:

- Communicating with the business counterparts about the confirmation and realization of anti-corruption and managing to provide a channel of acknowledgement of the policy and information regarding the equal and fair procurement. Besides, it is an opportunity to build an understanding in the work implementation method and mutual business operation. As for a procurement of products and services, the guidelines had been designated that 2-3 standard and quality manufacturers or distributors of the products and services are required to be selected for the procurement. Also, the Company has opened a channel of complaint for the business counterparts in case they do not receive the fairness in doing the business with the Company or being threatened or requested for the bribery from the Company's staffs; for example, a communication channel thru email, etc.
- Owing to the Company's Work Rules and Regulations and the practice, the guidelines had been precisely designated for the employees not to accept any gifts or gratuities for any other benefits from a person in charge of doing the business with the organization, either a business counterpart, a subcontractor or a contractor in order to prevent a problem of non-transparency, a corruption and unfairness in business operation including a transaction with the government which requires to be done correctly and straightforwardly when contacting the government officials or government agencies by avoiding a conduct which may convince the government or the government officials to perform inappropriately.

The labor practice

For the business has been performed in compliance with the laws and in consistent to the commitment with the business counterparts in order for the fair business operation. The Company shall apply the principle of justice in administration management of the wages, benefits and other employment conditions. Also, the Company shall recognize the right and freedom of the employee gathering, not to exercise the forced labor or child labor and shall perform to provide the equal opportunity for all employees, the good working environment, an arrangement of an activity giving an opportunity for the employees to participate in building the good relationship and harmony among the employees and towards the organization, a recruitment without a sexual discrimination and the right of believing in religion, etc. In this connection, the Company shall focus on taking care of the employees fairly with dignity as a part of the Company by complying with the Labor Protection Act and Thai labor standard including the laws and other rules and regulations concerned as follows:

For employment, an appointment, transfer and payment of remuneration shall be performed with fairness by considering the qualifications, education, experience, physical condition and other provisions required for a particular position. Besides, the Company has provided a Provident Fund in order to promote the employees to have the savings and the Company shall contribute the same rates as those of the employees.

For welfare, the medical treatment and occupational safety shall be regarded as the Company's responsibility to look after the welfares of the employees and to maintain the working condition to be proper, safe and hygienic. Also, the Company shall strictly adhere to comply with the labor laws and significantly consider the good welfares for the employees.



Annual Physical examination for all employees

Awareness and preparedness training to employees.

Company pay attention to provide training of emergency preparedness and response to Contract service vendor for life safety and serious injure avoidance.



First aids and serious injure avoidance



Basic firefighting training and emergency respond team

For lodging a complaint

The Company had designated to allow an employee to lodge a complaint to the Company regarding an unfair treatment, inappropriate conduct or negligence of the Work Rules and Regulations or a contract or an agreement mutually prepared by having the guidelines for a complainant to follow according to the process or complaint procedure designated by the Company in the Company’s Work Rules and Regulations.

Respect of Human Right

The Company had designated in the Work Rules and Regulations in order to prevent not to express an impolite manner, an abuse or a sexual harassment and had designated the disciplinary measure for the violation by announcing for acknowledgement and opening a channel for receiving the complaints. Besides, the Company has promoted “Breast Feeding Mother” in order to build an immunity to the children by arranging an area for the employees who are the mothers so that they can pump their breasts and have their milk stored in a place provided by the Company which is under the supervision of a nurse team of the Company.

Customer Responsibility

The Company is aware of an importance of the satisfaction of the business counterpart that it affects the success of the business. The Company, therefore, has the intent to seek for a method to respond the customer need more efficiently and effectively by practicing the following guidelines:

- Deliver the quality products and services according to the customer’s requirement.
- Provide the accurate, adequate and updated information to the customers so that they will know the products and services without being exaggerated misleading the customers about the quality, quantity or any conditions of such products or services.

- Contact the customer with commitment in order to receive trust from the customers and provide a systemized complaint procedure for the customers about the quality, quantity and safety of the products including the quick response or delivery and implementation.

The Company has annually considered and reviewed the complaints significantly incurred from the manufacture of the Company's products by having an Executive Meeting or the Management Review. Moreover, the Company has arranged a Customer Satisfaction Survey or Customer Satisfaction Index (CSI) in order to respond and improve the customer satisfaction and the Company's service, as well as, provide the accurate and adequate information to the customers in order to be useful for the administration management of either a manufacturer, customers and business counterparts.

Environmental Conservation

The Company has foreseen an importance of the preparation of social and environmental management system in order to accelerate the working procedure of the Company thru the standard of administration management and to allow the social and environmental management of several contexts to consistently become a part of the daily activity implementation plan of the employees of all levels. Presently, the Company has obtained the certification of environmental management system standards as follows:

- **ISO14001** – Environmental management system standard
- **ISO45001** – Health and occupational safety management standard

Inspection of Environmental Condition

The Company shall strictly comply with the environmental laws and provisions of the government sector constantly and continuously by monitoring the working environment either air, dust or noise whether they meet all the standard criteria which will not affect or destroy the environment and resources of the community,



Environmental impact inspection in manufacturing area and Work station

Energy Conservation

The Company had combined the principle of social responsibility with the business in order to create the Green Business and utilize as the direction of business implementation in the future by focusing on the implementation of energy conservation and promoting the efficient resources utilization. As a result, the Company had designated the guidelines for energy management and committed to sustainable development by communication with the employees of the organization to understand, as well as, implementation of inspection, monitoring and improving the implementation projects, including promoting the training for the employees to have the knowledge and awareness of the importance of energy conservation which the Company has implemented an energy conservation including the safety and health of the Company's employees, as well as, the visitors visiting or having the business with the Company. Also, the Company has utilized as the guideline of business implementation and continuous improvement; for example,

- Resources and energy conservation by an efficient utilization, prevention of pollution and control of emission to have the least impact towards the environment.
- Arrangement of the work place, provision of safety gears and prevention of any accident or incident.
- Compliance with the laws, provisions, rules and regulations, provisions of labor standard and labor law concerned including supporting the customer's provision regarding the occupational health, safety, environment and social and labor responsibility.
- Plant Chiller Improvement in supporting of energy consumption project

10. Internal control and risk management**10.1 Summary of the Company's Board of Directors concerning the internal control system of the Company**

The Company's Board of Directors had evaluated the internal control system from the Evaluation Report of the Auditing Committee and had summarized that the Company has adequate and appropriate internal control system owing to the evaluation of 5 components which are the internal control system of the organization, risk assessment, operational control, information systems and data communication and monitoring system.

The Risk Management Committee agreed to establish a working risk management in order to manage and hedge the risk arising from overdue receivables and inventories of the Company. So that the risk in such matters are regulated in a reasonable time.

In addition, the Company's Auditor did not have any observation concerning the internal control system regarding the preparation and proposal of the consolidated Financial Statements including risk assessment due to the presentation of the data contradicts to the matters of fact which is the subject matter of the Financial Statements as shown on the Independent Auditor's report dated 22th February 2021.

10.2 Internal Auditing Manager and Corporate Governance Manager

Mr. Boonchoke Somsuksawaskul has been approved by the Auditing Committee to assume a position of the Manager of Internal Auditing Department of the Company in order to perform the tasks of auditing the internal control system and monitoring the result of work performance in accordance with the stipulated system, regulations and practice.

The Auditing Committee is of an opinion that he is qualified to perform the duty as assigned and capable to manage auditing the Company's internal control system efficiently.

However, the consideration and approval to appoint, discharge and transfer the Internal Auditing Manager of the Company shall obtain the consent of the Auditing Committee.

11. Connected Transaction

The Company has transactions with related companies which are related by holding shares, or subsidiary director by Company's executive, or co-directors as disclosed in note to financial statements No.26. And there are loan between Company and subsidiaries. The calculation is based on the trading price of its normal business agreement.

The Policy of Connected Transactions

If there are any connected transactions with connected parties which may lead to conflict, those transactions must be approved by the Board of Directors with prior approval by Audit Committee, and according to regulations by the Stock Exchange of Thailand. Thus, if there are any directors related to that considered matter, they have to inform the Board of Directors, and cannot express their opinion as well as cannot vote for that matter. Furthermore, to consider for approval any related party transactions, the Company will specify to process transparently for the ultimate benefit of the company as they do with third parties.

12. Financial Highlights

Mr. Apiruk Ati-anuwat, Certified Public Accountant Registration No. 5202 from Dr.Virach & Associates Office Co., Ltd , had express an opinion on these financial statements as at December 31,2020 and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as follows:

In their opinion of audit's report the financial statements referred to above present fairly, in all material respects, the financial position of Team Precision Public Company Limited and its subsidiaries and of Team Precision Public Company Limited as at December 31, 2020, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Financial summary of Team Precision Public Company Limited and Subsidiary

Description	Audited (Unit: Thousand Baht)		
	2020	2019	2018
Current assets	955,876	1,027,035	1,281,132
Investments in subsidiaries		7,438	19,967
Property, plant and equipment – net	417,464	438,937	462,715
Non current assets	44,710	5,530	3,622
Total Assets	1,418,050	1,478,940	1,767,436
Current liabilities	538,080	594,434	906,691
Non Current liabilities	104,231	93,427	77,453
Total Liabilities	642,311	687,861	984,144
Paid-up capital	637,063	637,063	637,063
Premium on common stocks	42,543	42,543	42,543
Retained earnings	45,142	61,325	52,128
Other components of shareholders' equity	50,991	50,148	51,558
Shareholders' Equity	775,739	791,079	783,292

Description	Audited (Unit: Thousand Baht)		
	2020	2019	2018
Revenue from sales	1,866,831	2,153,400	1,918,758
Other income	34,239	38,648	10,714
Total Revenues	1,901,070	2,192,048	1,929,472
Cost of sales	1,696,886	2,027,408	1,747,328
Loss on dimution inventory values	5,260	1,096	4,921
Selling ,administrative expenses and directors	212,617	143,973	143,681
Finance Costs	4,381	9,060	3,956
Total Expenses	1,919,144	2,181,537	1,899,886
Share of loss from investments in associate hold by subsidiary	(710)	(12,529)	13,685
Income tax expenses	2,602	9,616	1,239
Net Profit (Loss)	(16,182)	7,598	14,662

Financial Ratio

Liquidity Ratio:		2020	2019	2018
Current Ratio	Times	1.78	1.73	1.41
Quick Ratio	Times	0.84	0.92	0.80
Operating Cash Flow Ratio	Times	0.47	0.20	-0.53
Receivable Turnover	Times	4.70	3.92	4.54
Collection Period	Days	76.65	91.92	79.29
Inventory Turnover	Times	3.21	3.69	4.11
Sales Period	Days	112.13	97.47	87.65
Account Payable Turnover	Times	4.65	4.66	4.95
Payable Payment Period	Days	77.50	77.18	72.71
Cash Cycle	Days	111.27	112.20	94.23

Profitability Ratio:		2020	2019	2018
Gross Profit Margin	%	9.10	5.85	8.93
Profit Margin	%	-0.87	0.35	0.76
Return on Equity	%	-2.07	0.97	1.97

Efficiency Ratio:		2020	2019	2018
Return on Assets	%	-1.12	0.47	1.06
Return on Fixed Assets	%	8.15	14.62	17.03
Total Assets Turnover	Times	1.29	1.33	1.38

Financial Policy Ratio:		2020	2019	2018
Debt to Equity Ratio	Times	0.83	0.87	1.26
Interest Coverage Ratio	Times	60.98	16.19	-75.13

Share Information:		2020	2019	2018
Book Value per Share	Baht	1.22	1.24	1.23
Earnings per Share	Baht	-0.03	0.01	0.02
Cash Dividend per Share *	Baht	-	-	-
Stock Dividend per Share *	Baht	-	-	-
Par Value	Baht	1.00	1.00	1.00

*Cash & Stock Dividend based on the rate of announcement in a year

13. Management Discussion and Analysis:MD&A
Revenue

Team Precision Public Company Limited and subsidiaries (“the Company”) had operation for the year 2020 by total revenue from sales of 1,867 million Baht which decreased by 13% from those previous year from some customers in Europe and Asia which have been affected by Covid -19 pandemic.

Transaction	2020		2019		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Sales						
Europe	559	30	828	38	(268)	(33)
USA	870	47	851	40	19	2
Asia	438	23	474	22	(36)	(8)
Total sales	1,867	100	2,153	100	(286)	(13)
Other income:						
Gain on exchange rate	16	48	22	56	(6)	(27)
Others	18	52	17	44	-	-
Total Other incomes	34	100	39	100	(6)	(15)
Total income	1,901		2,192		(292)	(13)

Other income in year 2020 and 2019 were 34 million Baht and 39 million Baht, respectively. In 2020, it was gain on exchange rate 16 million Baht. The remaining other incomes were selling raw material & indirect supply left over from production, gain from sold fixed asset and interest and other services.

Cost of sales and gross margin

The cost of sales (excluding loss from diminution in inventories value) in year 2020 and 2019 were 1,697 million Baht and 2,027 million Baht, respectively. The gross margin in year 2020 was 9% of sales. In the third and fourth quarters, the Company’s operating results improved due to increased sales from the first half of the year with higher gross margins and our effort to continuously control manufacturing expenses within the budget.

Loss on diminution in inventories values

In year 2020 and 2019, the Company loss on diminution in inventory values by 5 million Baht and 1 million Baht respectively due to company policy.

Selling expenses

For the selling expenses in year 2020 and 2019 were 28 million Baht and 31 million Baht, respectively. The majority expenses were employee benefit expenses, export handling expenses.

Administrative expenses

For the administrative expenses in year 2020 and 2019 were 107 million Baht and 112 million Baht, respectively. The majority expense were employee benefit expenses with the amount of 63 million Baht and 71 million Baht, respectively. The remaining expenses were legal consultant, depreciation, electrical and office expenses.

Net profit (loss)

The Company had the net loss for the year 2020 of (16) million baht compared with the net profit of 7.6 million Baht for the year 2019. This is due to bad debts from the associate receivables and loss from investment in the associate in the United States amounting to 62 million baht and 7 million baht respectively.

Comparison of Financial Position for year 2020 vs 2019
Total Assets

As at December 31, 2020 and 2019, the Company recorded total asset of 1,418 million Baht and 1,479 million Baht, respectively and decreased of 61 million Baht or equivalent to 4 %. The majority changes were due to trade accounts receivable, land and other particulars as follows;

Trade accounts receivable

As at December 31, 2020 and 2019, our net trade accounts receivable amounted to 309 million Baht and 461 million Baht, respectively. This decrease was 152 million Baht

Comparison of trade accounts receivable aging

Accounts receivable	31/12/2020		31/12/2019		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Current	235	76	332	72	(97)	(29)
Overdue within 3 months*	74	24	84	18	(10)	(11)
Over 3-6 months*	0.03		45	10	(45)	(100)
Over 6-12 months	0.01		0.08		(0.07)	
Total	309	100	461	100	152	(32)
Less: Allowance for doubtful accounts	(0.07)		-	-	(0.07)	
Trade accounts receivable-net	309	100	461	100	152	(32)

* The amount of 74 million Baht was overdue within 3 months. The Company has collected this debt payment in February 2021.

Other receivables

As at December 31, 2020 and 2019 our other receivables amounted to 10 million Baht. The mainly driven by prepaid expenses and recoverable expenses.

Inventories

Inventory	2020		2019		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Raw materials	411	87	405	84	6	1
Work in process	69	14	67	14	2	2
Finished goods	33	7	34	5	(1)	(2)
Raw materials in transit	28	2	10	5	18	180
Total	541	110	516	108	25	5
Less Allowance for diminution in inventory values	(51)	(10)	(46)	(8)	(5)	(11)
Inventories-net	490	100	470	100	20	4

As of December 31, 2020 and 2019 total net inventories were 490 million Baht and 470 million Baht, respectively. The increase in inventory was slightly 4%. The Company continues to manage inventories with strategy by having a low level of inventory but still support continuous orders and production. The Company has created relationships and regular negotiations with suppliers.

The Company sets up the allowance for diminution in inventory values by considering the current condition of inventories.

Non-current assets

As of December 31, 2020 and 2019, the total non-current assets were 462 million Baht and 452 million Baht, respectively. The increase in non-current assets was slightly 2%. The majority reasons were an increase of receivable debt composition by 36 million baht and reduction of machine and equipment by 22 million baht.

Source of Funds
Liabilities

As of December 31, 2020 and 2019, the total liabilities were 642 million Baht and 688 million Baht, respectively, and decreased 46 million Baht. The majority particulars were the trade accounts payables, short-term loans from financial institutions and advance receipts. Details were as follows;

Short-term loans from financial institutions

As at December 31, 2020 and 2019, the short-term loans from financial institutions were 46 million Baht and 233 million Baht, respectively and decreased of 187 million Baht due to repayment loans from financial institutions.

Trade and other accounts payables

Accounts Payables	2020		2019		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Trade accounts payables	325	87	304	94	21	7
Accrued expenses	17	5	9	3	8	89
Assets payables	24	6	4	1	20	500
Others	10	2	7	2	3	43
total	376	100	324	100	52	16

As at December 31, 2020, the trade account payables increased of 21 million Baht due to increased purchasing orders for raw materials to support customer orders in the next year. The assets payables increased of 20 million Baht due to the purchase of new machine and equipment.

Non-current liabilities

As at December 31, 2020 and 2019, the non-current liabilities were 104 million Baht and 93 million Baht, respectively. In 2020, deferred tax of 4 million Baht, and non-current provision for employee benefits by 99 million Baht which was increased 13 million Baht.

Shareholders' Equity

As at December 31, 2020 and 2019, total shareholders' equity were 776 million Baht and 791 million Baht, respectively. Therefore, the meeting of the Board of Directors held on February 22, 2021 approved the omission of dividend payment for the year 2020.

Cash Flow Liquidity

Cash flow from operating activities of the Company in year 2020 and 2019 were 265 million Baht and 150 million Baht, respectively. An increase of 115 million Baht from previous year. The majority of increase or decrease activities were from trade account receivable, receivable from debt composition, inventories, trade accounts payable and contract liabilities.

Cash flow used in investing activities of the Company in year 2020 and 2019 were (8) million Baht and (27) million Baht, respectively which was decreased from the previous year due to a reduction of purchasing of machine and equipment.

Cash flow used in financing activities of the Company in year 2020 and 2019 were (192) million Baht and (151) million Baht, respectively. The reasons were more repayment for short-term loans from financial institutions before the maturity date.

The Company had cash and cash equivalents in the amount of 131 million Baht at year-end 2020, which is enough to pay the debt and operating in the year 2021. However, the Company still has the credit facilities of working capital from the financial institutions which could sustain in our operation without any obstacle.

Commitment and Contingent Liabilities

The Company opened a letter of credit of 20 million Baht for machine and equipment and 1 million Baht for raw materials as of December 31, 2020. The Company has credit lines of letter of credit and trust receipt within 533 million Baht for the purchase of raw materials to support production.

Factors may affect Future Operation or Financial Position

Regarding uncertainty from the situation of Coronavirus Disease 2019 (Covid-19) pandemic which depends on the lead time of enhancing the preventive measures on Covid -19 pandemic in each country including Trade War and Tech War. These are the challenge for the global economy that need to be monitored. The Company, as a provided of manufacturing and handling service, is aware of the effect from the possible uncertainty in end customer's demand which affects the Company's production order. Finally, the Company would maintain continuously its excellence in quality standard of product and service as well as cost control management to encourage its competitiveness in global market, to maintain existing customer base with higher satisfaction, and to penetrate new market for future expansion.

14. Investment information for investors

Investors can search for more information from Company's Report Form 56-2 at www.set.or.th or Company's website at <http://www.teampcba.com>

Responsibility of the Board of Directors to the Financial Statements

The Board of Directors is responsible for the consolidated statement of financial statements of the Company and its subsidiaries, including financial information that appeared in the annual report. Those financial statements have been prepared in all material respects in accordance with Thai Financial Reporting Standards. The appropriate accounting policies are applied consistently with adequate disclosure of material information in the notes to the financial statements for shareholders and investors.

The Board of Directors has assigned the Audit Committee which is composed of all independent directors to review the quality of financial statements and the effectiveness of the internal control system to ensure that accounting records are booked properly and accurately in order to safeguard the Company's assets. The opinions of the Audit Committee have been reported in the annual report.

The Board of Directors is of the opinion that the overall internal control systems of the Company can be regarded as "satisfying". Therefore, the Board is confident that the Company's financial statements as of 31 December 2020 reliable and are audited in accordance with Thai Standards on Auditing by the Company's auditor; so they reflect the financial position, financial performance and cash flows of the Company as required by Thai Financial Reporting Standards.



Mr.Chakkaphant Manutsathit
Chairman of the Board



The Audit Committee of Team Precision Public Company Limited is comprised of three independent directors. The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good corporate governance by actively creating awareness and providing advice to management on sound risk management and internal control practices.

For the year 2020, the Audit Committee held four meetings to review the Company's financial statements which had been certified by the external auditor and to discuss other related activities of the Company in compliance with the rules and regulations of the Stock Exchange of Thailand as well as good internal control practices.

In such meetings, the Audit Committee met independently with the management and the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. The Audit Committee also verified and accepted every quarterly financial statements and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective action plans were established to eliminate or reduce the associated risks.

The Internal Auditor serves to identify and verify internal control weaknesses within the Company by carrying out audit activities systematically. The reports on compliance with good internal control practice and procedures with recommendations were discussed with the relevant management team to incorporate their agreed action plans and submitted to the Audit Committee. Furthermore, the Internal Auditor has held regular meetings with the Audit Committee to give updates on audit results. The Audit Committee is fully committed to ensure that both corrective and preventive actions are taken in an effective and timely manner.

The Board of Directors with the Audit Committee approved the policy and reports for related party transactions in 2020.

The Audit Committee provided the following opinions:

1. The Company's financial reports 2020 are accurate, complete and reliable
2. The Company's assets are safeguarded, proper accounting records are maintained, and resources are utilized effectively and efficiently.
3. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's business.
4. Mr.Apiruk Ati-anuwat of Dr.Virach & Associates Office Co., Ltd, the Company's auditor, is suitable and provided appropriate services
5. The related transactions arising in 2020 were rational and made for the optimal benefits of the Company
6. In 2020, the number of the audit Committee meetings, and the attendance of such meetings by each committee member were as follows;

Mr.Chai	Jroongtanapibarn	Chairman	4/4
Mr.Pirom	Chamsai, Ph.D.	Member	4/4
Mr.Monkhol	Kittipoomvong	Member	4/4
7. Audit Committee performed its duties in accordance with its charter, approved by the Board of Directors.

Accordingly, the Audit Committee has recommended to the Board of Directors that Dr.Virach Aphimeteetamrong, Certified Public Accountant No.1378 or Mr. Chaiyakorn Aunpitipongsa, Certified public Accountant No 3196 or Mr.Apirak Ati-anuwat, Certified Public Accountant No 5202 or Dr.Preecha Suan, Certified public Accountant No 6718 or Miss.Kornkaew Dabkaew, Certified Public Accountant No 8463 of Dr.Virach & Associates Office Co.,Ltd., be re-appointed as the Company's auditor for the fiscal year ending 31 December 2021. The re-appointment of the auditor and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 23 April 2021.

Mr.Chai Jroongtanapibarn
Chairman of the Audit Committee
24 February 2021

AUDITOR'S REPORT**To The Shareholders of
Team Precision Public Company Limited****Opinion**

I have audited the accompanying consolidated financial statements of Team Precision Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2020, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Team Precision 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 Precision Public Company Limited and its subsidiaries and of Team Precision Public Company Limited as at December 31, 2020, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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.

1. The completeness of allowance for diminution in inventories

As at December 31, 2020, as described in Note 8 to the financial statements, the Company has allowance for diminution in inventories amount of Baht 50.96 million. According to Note 4.4, the Company has provided allowance for diminution in inventories by considering the current condition of inventories whether it is deteriorated or obsolete, which may result the completeness of recording allowance for diminution in inventories.

I have audited the accuracy and completeness of inventories data to be set up the allowance for diminution in inventories and the accounting policy of allowance for diminution in inventories including the valuation of inventories which stated at cost or net realizable value, whichever is the lower. All audited to ensure the allowance for diminution in inventories are properly recorded and complete.

Based on our testing, in my opinion, allowance for diminution in inventories are properly recorded and complete.

2. The completeness of the revenue recognition from export sales

According to Note 4.1 sale of goods are recognized when the Company has transferred control over the goods to the customer.

As at December 31, 2020, as described in Note 25 to the financial statements, the Company has export sales amount of Baht 1,800.12 million accounted for 96.43% of total sales, which is significant to the financial statements. Due to the term of transferring the control to customer is different. Therefore, the revenues recognition from export sale from many condition terms may have effect to the accuracy and completeness of revenues recognition.

I have assessment and testing of revenue recognition system, cut-off and examine the accuracy of related supporting documents of the revenues from export. All audited to ensure the revenue recognition from export sales are properly recorded and complete.

Based on our testing, the result is satisfactory, and I found no material misstatement.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report, but does not include the financial statements and my auditor's report thereon. The annual report 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, 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 judgment 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 our 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.



(Mr. Apiruk Ati-anuwat)

Certified Public Accountant Registration No. 5202

Dr. Virach & Associates Office Co., Ltd.
Bangkok : February 22, 2021

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
ASSETS					
Current Assets					
Cash equivalents	4.2 and 5	130,645,628	64,955,469	126,856,671	61,730,327
Trade and other current receivables	4.3 and 6	318,895,266	480,293,397	318,200,721	480,232,789
Current portion of receivables from debt composition	12	1,832,263	-	-	-
Short-term loans to related parties	4.3 and 7	-	6,895,582	-	6,819,699
Current contract assets		11,844,447	3,301,080	11,844,447	3,301,080
Inventories	4.4 and 8	490,250,614	470,123,894	490,243,513	470,294,696
Other current financial assets					
Receivables from selling forward exchange contract		933,035	-	933,035	-
Other current assets		1,474,560	1,465,896	1,474,560	1,465,896
Total Current Assets		955,875,813	1,027,035,318	949,552,947	1,023,844,487
Non-current Assets					
Investments in associate	4.5 and 9	-	7,438,199	-	-
Investments in subsidiaries	4.6 and 10	-	-	9,788,311	43,422,371
Receivable from right assignment of accounts receivable	11	-	-	37,393,938	-
Long-term of receivables from debt composition	12	35,973,061	-	-	-
Property, plant and equipment	4.7 and 13	417,464,001	438,936,809	417,464,001	438,936,809
Right-of-use assets	4.10 and 14	4,434,487	-	4,434,487	-
Intangible assets	4.8 and 15	526,301	896,474	526,301	896,474
Other non-current assets					
Withholding income tax		2,003,658	2,035,155	2,003,658	2,035,155
Others		1,773,105	2,598,103	1,773,105	2,598,103
Total other non-current assets		3,776,763	4,633,258	3,776,763	4,633,258
Total Non-current Assets		462,174,613	451,904,740	473,383,801	487,888,912
TOTAL ASSETS		1,418,050,426	1,478,940,058	1,422,936,748	1,511,733,399

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2020	2019	2020	2019
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
Current Liabilities					
Short-term loans from financial institutions	16	46,395,285	233,397,497	46,395,285	233,397,497
Trade and other current payables	17	375,611,843	324,185,475	374,601,935	323,350,736
Accrued interest expenses		889	485,914	889	485,914
Current contract liabilities		114,662,597	35,126,625	114,662,597	35,126,625
Current portion of long-term liabilities					
leases payable	4.10 and 18	1,409,577	1,238,605	1,409,577	1,238,605
Total Current Liabilities		538,080,191	594,434,116	537,070,283	593,599,377
Non-current Liabilities					
Leases payable	4.10 and 18	188,608	1,053,644	188,608	1,053,644
Deferred tax liabilities	4.9 and 21	4,020,881	6,623,149	4,020,881	6,623,149
Non-current provisions for employee benefits	4.11 and 19	98,899,365	84,628,334	98,899,365	84,628,334
Other non-current liabilities		1,122,060	1,122,060	1,122,060	1,122,060
Total Non-current Liabilities		104,230,914	93,427,187	104,230,914	93,427,187
TOTAL LIABILITIES		642,311,105	687,861,303	641,301,197	687,026,564
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
(CONTINUED)					
Shareholders' Equity					
Share capital					
Authorized share capital					
637,063,385 ordinary shares of Baht 1 par value		637,063,385	637,063,385	637,063,385	637,063,385
Issued and paid share capital					
637,063,385 ordinary shares at Baht 1 each		637,063,385	637,063,385	637,063,385	637,063,385
Share premium on ordinary shares		42,543,406	42,543,406	42,543,406	42,543,406
Retained earnings (deficits)					
Appropriated					
Legal reserve	20.2	63,706,339	63,706,339	63,706,339	63,706,339
Unappropriated		(18,564,300)	(2,382,410)	(14,928,399)	28,142,885
Other components of shareholders' equity		50,990,491	50,148,035	53,250,820	53,250,820
Total Shareholders' Equity		775,739,321	791,078,755	781,635,551	824,706,835
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,418,050,426	1,478,940,058	1,422,936,748	1,511,733,399

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2020	2019	2020	2019
Revenues					
Sales	25	1,866,830,734	2,153,400,568	1,866,830,734	2,153,400,568
Interest revenue		54,760	124,782	53,540	121,035
Other incomes					
Gain on exchange rate		15,759,817	22,194,279	15,908,071	22,200,341
Others		16,831,150	16,328,484	16,831,150	16,326,590
Total other incomes		32,590,967	38,522,763	32,739,221	38,526,931
Total Revenues		1,899,476,461	2,192,048,113	1,899,623,495	2,192,048,534
Expenses					
Cost of sales		1,696,885,894	2,027,407,995	1,697,408,801	2,027,791,814
Distribution costs		27,962,007	31,212,131	27,962,007	31,212,131
Administrative expenses		107,470,109	111,753,574	98,390,498	110,982,930
Bad debt	11	62,123,768	49,510	62,123,768	49,510
Loss on diminution inventory values		5,259,578	1,095,581	5,259,578	1,095,581
Loss from investments in associate	9	6,727,978	-	-	-
Directors' remuneration	20.1	1,365,000	2,730,000	1,365,000	2,730,000
Total Expenses	23	1,907,794,334	2,174,248,791	1,892,509,652	2,173,861,966
Profit (loss) from operating activities		(8,317,873)	17,799,322	7,113,843	18,186,568
Finance income		1,593,679	-	755,496	-
Finance costs		(4,380,517)	(9,060,272)	(4,378,808)	(9,060,272)
Profit and reversal of impairment loss					
(impairment loss) in accordance with TFRS 9					
- Reversal (loss) on expected credit		(6,969,226)	1,772,075	(15,530,023)	1,772,075
- Loss from impairment of investments in subsidiaries	10	-	-	(33,634,060)	-
Share of loss from investments in associate					
used the equity method					
held by the subsidiary	9	(710,221)	(12,528,669)	-	-
Profit (loss) before Income Tax		(18,784,158)	(2,017,544)	(45,673,552)	10,898,371
Income Tax Revenues	4.12 and 21	2,602,268	9,615,714	2,602,268	9,615,714
Profit (loss) for the years		(16,181,890)	7,598,170	(43,071,284)	20,514,085

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	STATEMENTS			
<i>NOTES</i>	2020	2019	2020	2019
Other comprehensive income :				
Components of other comprehensive income that will be reclassified to profit or loss				
Translation of financial statement differences	842,456	188,507	-	-
Total comprehensive income (loss) for the years	<u>(15,339,434)</u>	<u>7,786,677</u>	<u>(43,071,284)</u>	<u>20,514,085</u>
Earnings (loss) Per Share	4.13			
Basic earnings (loss) per share	(0.025)	0.012	(0.068)	0.032
The number of ordinary shares used in computation (shares).	637,063,385	637,063,385	637,063,385	637,063,385

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

CONSOLIDATED

BAHT

	Issued and paid share capital	Share premium on ordinary shares	Retained earnings (deficits)		Other components of shareholders' equity			Total shareholders' equity
			Legal reserve	Unappropriated	Revaluation surplus on assets	Other comprehensive income (loss) Translation of financial statement differences	Total	
Beginning balances, January 1, 2019	637,063,385	42,543,406	62,793,000	(10,665,170)	54,848,749	(3,291,292)	51,557,457	783,292,078
Comprehensive income for the year				7,598,170	-	188,507	188,507	7,786,677
Revaluation surplus on asset decreased								
from land exchange - net of tax				1,597,929	(1,597,929)	-	(1,597,929)	-
Total comprehensive income (loss) for the year				9,196,099	(1,597,929)	188,507	(1,409,422)	7,786,677
Legal reserve			20.2	913,339	(913,339)	-	-	-
Ending balances, December 31, 2019	637,063,385	42,543,406	63,706,339	(2,382,410)	53,250,820	(3,102,785)	50,148,035	791,078,755
Comprehensive income (loss) for the year				(16,181,890)	-	842,456	842,456	(15,339,434)
Ending balances, December 31, 2020	637,063,385	42,543,406	63,706,339	(18,564,300)	53,250,820	(2,260,329)	50,990,491	775,739,321

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020
THE SEPARATE FINANCIAL STATEMENTS

		BAHT					
		Issued and paid share capital	Share premium on ordinary shares	Retained earnings (deficits)		Other components of shareholders' equity	Total shareholders' equity
				Legal reserve	Unappropriated	Revaluation surplus on assets	
<i>NOTES</i>							
	Beginning balances, January 1, 2019	637,063,385	42,543,406	62,793,000	6,944,210	54,848,749	804,192,750
	Comprehensive income for the year				20,514,085	-	20,514,085
	Revaluation surplus on asset decreased from land exchange - net of tax				1,597,929	(1,597,929)	-
	Total comprehensive income for the year				22,112,014	(1,597,929)	20,514,085
	Legal reserve			913,339	(913,339)	-	-
	Ending balances, December 31, 2019	637,063,385	42,543,406	63,706,339	28,142,885	53,250,820	824,706,835
	Comprehensive loss for the year				(43,071,284)	-	(43,071,284)
	Ending balances, December 31, 2020	637,063,385	42,543,406	63,706,339	(14,928,399)	53,250,820	781,635,551

20.2

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/3)
FOR THE YEAR ENDED DECEMBER 31, 2020

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the years	(16,181,890)	7,598,170	(43,071,284)	20,514,085
ADJUSTMENTS TO RECONCILIATION PROFIT (LOSS) FOR THE YEARS TO NET CASH PROVIDED FROM (USED IN) OPERATION				
Income tax revenues	(2,602,268)	(9,615,714)	(2,602,268)	(9,615,714)
Depreciation				
- Plant and equipment	49,286,323	57,822,035	49,286,323	57,822,035
- Right-of-use assets	1,353,992	-	1,353,992	-
Amortization of intangible assets	510,173	655,471	510,173	655,471
Loss from investments in associate	6,727,978	-	-	-
(Reversed) impairment loss according to TFRS 9				
- Accounts receivable	73,644	(1,772,075)	73,644	(1,772,075)
- Short-term loans to associate	6,895,582	-	-	-
- Short-term loans to subsidiaries	-	-	15,456,379	-
- Loss from impairment of investments in subsidiaries	-	-	33,634,060	-
Increase in bad debt	62,123,768	49,510	62,123,768	49,510
Loss on diminution inventories values	5,259,578	1,095,581	5,259,578	1,095,581
Loss on obsolete goods	3,092,872	-	3,092,872	-
Share of loss from investments in associate	710,221	12,528,669	-	-
Unrealized gain from selling forward exchange contracts	(933,035)	-	(933,035)	-
Unrealized gain on exchange rates	(6,150,367)	(2,104,329)	(4,205,768)	(1,562,305)
Gain on disposal of equipment	(620,089)	(182,368)	(620,089)	(182,368)
Loss from unused equipment	28,025	60,923	28,025	60,923
Gain on property exchange	-	(212,000)	-	(212,000)
Gain on land expropriation	-	(2,246,552)	-	(2,246,552)
Amortization of withholding tax	-	15	-	15
Interest expenses	4,380,517	9,060,272	4,378,808	9,060,272
Long-term employee benefits expenses	15,100,009	26,735,007	15,100,009	26,735,007
Profit from operation before changes in operating assets and liabilities items	129,055,033	99,472,615	138,865,187	100,401,885

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (2/3)
FOR THE YEAR ENDED DECEMBER 31, 2020

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other current receivables	(11,530,342)	148,645,994	(10,277,597)	148,815,233
Contract assets	(8,543,367)	-	(8,543,367)	-
Receivable from right assignment of accounts receivable	-	-	69,395,134	-
Receivables from debt composition	70,238,626	-	-	-
Inventories	(28,479,170)	66,172,433	(28,301,267)	65,244,371
Other current assets	(8,664)	4,317,072	(8,664)	4,257,031
Other non-current assets	805,998	(1,352,958)	805,998	(1,352,958)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other current payables	39,085,426	(156,589,847)	38,165,709	(156,119,600)
Contract liabilities	79,535,972	-	79,535,972	-
Other current liabilities	-	(375,690)	-	(375,690)
Other non-current liabilities	-	1,122,060	-	1,122,060
Provision for long-term employee benefits	(828,978)	(1,324,269)	(828,978)	(1,324,269)
CASH PROVIDED FROM OPERATION	269,330,534	160,087,410	278,808,127	160,668,063
Interest expenses paid	(4,865,542)	(9,058,193)	(4,863,833)	(9,058,193)
Income tax expenses paid	(682,912)	(2,035,155)	(682,912)	(2,035,155)
Proceeds from withholding tax refund	714,409	876,252	714,409	876,252
Translation of financial statement differences	842,456	188,507	-	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	265,338,945	150,058,821	273,975,791	150,450,967
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to the subsidiaries	-	-	(9,200,661)	-
Purchase of building and equipment	(8,161,864)	(31,814,369)	(8,161,864)	(31,814,369)
Proceeds from disposal of land and equipment	622,893	2,008,700	622,893	2,008,700
Proceeds from expropriation of land	-	2,633,452	-	2,633,452
Purchase of intangible assets	(140,000)	(32,500)	(140,000)	(32,500)
NET CASH USED IN INVESTING ACTIVITIES	(7,678,971)	(27,204,717)	(16,879,632)	(27,204,717)

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)
FOR THE YEAR ENDED DECEMBER 31, 2020

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in short-term loans from financial institutions	(186,331,056)	(146,712,579)	(186,331,056)	(146,712,579)
Repayment for leases payables	(1,741,268)	(1,822,610)	(1,741,268)	(1,822,610)
Repayment for assets acquisition payable	(3,724,592)	(2,748,648)	(3,724,592)	(2,748,648)
NET CASH USED IN FINANCING ACTIVITIES	(191,796,916)	(151,283,837)	(191,796,916)	(151,283,837)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
BEFORE EXCHANGE RATE EFFECTS	65,863,058	(28,429,733)	65,299,243	(28,037,587)
EXCHANGE RATES EFFECTS ON CASH AND CASH EQUIVALENTS	(172,899)	(2,830,747)	(172,899)	(2,830,747)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	65,690,159	(31,260,480)	65,126,344	(30,868,334)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	64,955,469	96,215,949	61,730,327	92,598,661
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	130,645,628	64,955,469	126,856,671	61,730,327
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
NON-CASH FLOWS ITEMS COMPRISE :				
Transfer trade receivables to debtors from assignment of rights in debt collection	108,043,950	-	108,043,950	-
Transfer debtors from assignment of rights in debt collection to receivable for debt composition agreement	108,043,950	-	-	-
Increase in vehicles from financial leases payable	-	566,548	-	566,548
Increase in equipment from deposits	19,000	-	19,000	-
Increase in equipment from assets payable	24,404,755	3,724,592	24,404,755	3,724,592
Transfer vehicles to right-of-use assets	4,741,275	-	4,741,275	-
Increase in right-of-use assets from the impact due to TFRS 16 : Lease adoption	1,047,207	-	1,047,207	-
Increase in non-current assets from transferring				
- Increase in assets deposits from other receivables	-	19,000	-	19,000
Revaluation surplus on assets decrease from exchange land	-	(1,997,411)	-	(1,997,411)
Allocate legal reserve	-	913,339	-	913,339

Notes to the financial statements form an integral part of these statements.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. GENERAL INFORMATION

Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
Company and factory Location	- 198 Moo 13, Tambol Dong Khee-Lek, Amphur Muang Prachinburi, Prachinburi Provice, Thailand. - 152/8, 152/9, 152/15 Moo 3, Thunyaburi-Lumlukga Road, Tambol Rungsit, Amphur Thunyaburi, Pathumtani Provice, Thailand.
Type of business and operations	1) Producing and assembling printed circuit and electronics circuit board. 2) Investing in its associate and subsidiaries which carry on business according to Notes 9 and 10 to the financial statements.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1 The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission. Except the financial statements of overseas subsidiaries are prepared in accordance with Accounting Standards of the countries where the subsidiaries are located. The preparation of the consolidated financial statements have been adjusted to conform with the accounting policies of the Company.

2.2 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and financial reporting standards interpretations that are effective for fiscal periods beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. Except, the new financial reporting standards involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

Thai Accounting Standard (TAS)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (TFRS)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (TFRIC)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The effects of the adoption of these accounting standards are described below

Classifications and measurement of financial assets and financial liabilities

The date of initial application, the Group recognizes the cumulative effect by adjusting the carrying amount. Therefore, the comparative information was not restated

- Recognition of credit losses - The Group recognized an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit - impaired event to have occurred. The Group applies simplified approach to consider impairment of trade receivables. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings as at January 1, 2020.

- Recognition of derivatives and hedge accounting - The Group is to initially recognize derivative at their fair value on the contract date and subsequently measure them at their fair value at the end of each reporting period. Changes in the fair value of derivatives are recognized in profit or loss. The Group applies hedge accounting for mostly derivatives all of the Group's hedging relationships existing before TFRS 9 adoption, that are eligible under TFRS 9 requirements, remain eligible to be treated as hedging relationships for the derivatives designed as hedging instruments under fair value hedge, the Group recognized changes in the fair value of these derivatives in profit or loss and changes in the fair value of hedged items as part of book value of hedged items. Gain and losses arising on fair value hedges are recognized in profit or loss.

Cumulative effect from changes in accounting policies due to the adoption of new financial reporting standards presented in Note 3 to the financial statements.

TFRS 16 Leases

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption and the comparative information was not restated. The Group recognized lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at January 1, 2020, and recognize assets equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statements of financial position immediately before the date of initial application and lease liabilities measured at the original book value before the date of initial applied since the commence date.

Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standards presented in Note 3 to the financial statements.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

Management of group companies is evaluating the impact of such financial reporting standards and financial reporting standard interpretations on the financial statements in the year when they are adopted.

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

- 2.5 These consolidated financial statements included the financial statements of Team Precision Public Company Limited with its subsidiaries and the equity in associate as follows :

COMPANIES	% HOLDING		ESTABLISHED IN
	2020	2019	
<u>SUBSIDIARIES</u>			
Team Precision (Europe) ApS	100.00	100.00	Denmark
TPA Holding LLC	100.00	100.00	United States of America
<u>ASSOCIATE HELD BY TPA HOLDING LLC</u>			
Team Precision America, LLC	--	20.00	United States of America

- 2.6 Inter-company balances and significant transactions of the Company and its subsidiaries have been eliminated from the consolidated financial statements.

3. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 2.2 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16 Leases. The cumulative effect of initially applying, the Group recognizes the cumulative effect by adjusting the carrying amount. Therefore, the comparative information was not restated.

The impacts on the beginning balances of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows :

	(BAHT)		
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS		
	Dec. 31, 2019	The impact of Financial Reporting Standards No. 16 Leases	Jan. 1, 2020
Statements of financial position			
Assets			
Other non-current assets			
Property, plant and equipment	438,936,809	(4,741,275)	434,195,534
Right-of-use assets	--	5,788,479	5,788,479
Liabilities			
Current Liabilities			
Current portion of long-term leases liabilities	1,238,605	488,317	1,726,922
Other non-current liabilities			
Financial leases payable-Net from current portion of long-term liabilities	1,053,644	558,887	1,612,531

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

Revenue from product sales is recognized when the Company has transferred control over the goods to the customer. Revenues from the sales are stated at the invoiced without VAT and after discount.

Interest income is recognized on an accrual basis based on the effective rate method.

Other income and expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and fixed deposit at financial institutions due not more than 3 months from the acquisition date with no obligation.

4.3 A) Trade accounts receivable and allowance for expected credit

Trade accounts receivable are stated at the net realizable value, the Company provides allowance for expected credit that may arise from collection of receivables by considering the aging of debt according uses the simplified approach.

B) Short-term loans and allowance for expected credit

Short-term loans are stated at the net realizable value, the Company provides allowance for expected credit loss that may arise from collection by considering the credit risk analysis.

4.4 Inventories

Inventories are stated at cost or net realizable value, whichever is the lower. Cost is determined by the weighted average method.

The Company set up provision for diminution in value of inventories whenever the goods are obsolete and deteriorated by considering the current condition of inventories.

4.5 Investments in associate

Associate is company in which the group of the Company has significant influence and power to participate in determining the financial and operating policies of the associate but not up to the level of governing such policies. Investments in associate for the separate financial statements are presented by the cost method and the consolidation are presented by the equity method.

4.6 Investments in subsidiaries

Subsidiaries are companies in which the group of the Company has power to govern the financial and operating policies. The Company included the subsidiaries in the consolidated financial statements since the date that the group Company has power to govern until the date of the power to govern is ended. The investments in subsidiaries for the separate financial statements are presented by the cost method.

4.7 Property, plant and equipment

Land is stated at appraisal value and the Company has the policy to appraise its values in every 3-5 years by the independent appraiser. During this period, if there is any factor which materially affects to the value of assets, the Company will reappraise the value by an expert in that year. The revaluation surplus on assets is recorded in revaluation surplus on assets in the statements of comprehensive income in other components of equity and transferred to the retained earnings when disposal.

In 2018, the Company has appraised its land by the independent appraiser by comparing market information (Market Approach) in determination fair value.

Plant and equipment are stated at cost. Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

	<u>Years</u>
Land improvement	5
Buildings and improvement	5-30
Machinery and equipment	5-10
Computer and accessories	3
Others	5

4.8 Intangible assets

Intangible assets mean acquired right for using computer software which are capitalized based on the acquiring costs incurred and bring to use as intended. These costs are amortized by the straight-line method through the estimated useful life of 3-10 years.

4.9 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realized in future period when the income is realized, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or additional tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilize these assets/liabilities.

As each statement of financial position date, the Company reviews and adjusts the carrying amount of deferred tax assets/liabilities 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 assets or deferred tax liabilities to be utilized.

4.10 Leases

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, the recognized right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Leases liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate.

Short-term lease and lease of low-value assets

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

4.11 Employee benefits

Short-term employee benefits

The Company and its subsidiaries recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Long-term employee benefits

Defined contribution plan

The Company provides a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. Such provident fund is contributed by payments from employees and the Company. Contributions to the provident fund are charged to the operations in the incurred year.

Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

4.12 Income tax expenses (revenues)

Income tax expenses (revenues) are calculated from profit/loss for the year consist of current tax and deferred tax. Income tax expenses (revenues) recognized in statements of comprehensive income unless part of transaction recorded in shareholders' equity recorded directly to equity.

4.13 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the annual net profit (loss) by the number of weighted average common stocks held by outsiders during the year.

4.14 Foreign currency transactions

Foreign currency transactions incurred during the year are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statements of financial position are converted to Baht at the rate of exchange in effect on that date.

Gains and loss on exchange rates included in the calculation performance.

For preparation of the consolidated financial statements, the financial statements of the subsidiaries denominated in foreign currencies are converted to Baht based on the following exchange rates:

- Assets and liabilities were translated by the average exchange rate at the end of the year.
- Shareholders' equity and depreciation were translated by the exchange rate in effect on the transaction dates.
- Revenues and expenses were translated by the average exchange rate for the year.

The translation of financial statement differences in foreign currencies was shown in other comprehensive income.

4.15 Financial instruments

Accounting policies adopted since January 1, 2020.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss 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 amortized cost

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

Financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to impairment gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognized in profit or loss. These financial assets include derivatives, equity investments which the Group has not irrevocably elected to classify at fair value through other comprehensive income and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the method gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process in determining amortized cost, takes into account any fees or costs that are an integral part amortization is included in finance cost in profit or loss.

The Group may elect to measure financial liabilities at fair value through profit or loss if doing so eliminates, or significantly reduces a recognition inconsistency.

Impairment of financial assets

The Group uses the simplified approach to compute expected credit losses for trade accounts receivable. Therefore, every day at the end of the reporting period, the Group recognizes the allowance for anticipated credit losses over the life of the trade receivables based on credit loss data from past experience updated with forward-looking information about the receivable and the economic environment.

The Group uses the credit risk analysis to compute expected credit losses for short-term loan. By referring to the significance of the borrower's operating results that are happening or expected to occur this significantly changes the ability of the borrower to meet the entity's debt obligations.

Offsetting of financial instruments

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

Accounting policies adopted before January 1, 2020

Allowance for doubtful accounts

The Company provided allowance for doubtful accounts for the estimated losses that may be incurred from the uncollected accounts receivable.

4.16 Derivatives and hedge accounting

The Group derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognized in profit or loss. Derivatives are carried as financial assets when the fair value is greater zero and as financial liabilities when the fair value is less than zero

Hedge accounting

For the purpose of hedge accounting, The Group hedges are classified follow :

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

Fair value hedges

The change in the fair value of a hedging instrument is recognized in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortized cost, is amortized through profit or loss over the remaining term of the hedge using the effective interest method. The amortization may begin as soon as an adjustment exists or no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

4.17 Fair value measurement

Fair value is the amount for which an asset could be exchange, or a liabilities settled between knowledgeable, willing parties in an arm's length transaction. 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 technique that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categorize 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.

The carrying amount of cash and cash equivalents, other current financial assets, trade receivables, amounts due from related parties, trade payables, accounts payable-plant and equipment, amounts due to related parties are assumed to approximate their fair value due to the short maturities of these instruments.

4.18 Presentation currency

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest Baht unless otherwise stated.

4.19 Significant accounting judgments and estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use judgments on various estimates and assumptions that will affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance expected credit loss, provision for diminution in inventories, provision for diminution in investment, depreciation of plant and equipment, depreciation of right-of-use asset, revaluation surplus on assets, amortization of intangible assets and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

5 CASH AND CASH EQUIVALENTS

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Bank deposits - Savings	104,222,003	64,889,821	100,433,046	61,664,679
- Current	26,423,625	65,648	26,423,625	65,648
Total cash equivalents	130,645,628	64,955,469	126,856,671	61,730,327

6 TRADE AND OTHER RECEIVABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
<u>Trade accounts receivable</u>				
Current	235,065,614	332,320,799	235,065,614	332,320,799
Overdue within 3 months	73,591,665	83,789,779	73,591,665	83,789,779
Over 3-6 months	32,192	45,072,082	32,192	45,072,082
Over 6-12 months	10,082	79,360	10,082	79,360
Total	308,699,553	461,262,020	308,699,553	461,262,020
<u>Less</u> : Allowance for expected credit loss	(73,644)	--	(73,644)	--
Trade accounts receivable-net	308,625,909	461,262,020	308,625,909	461,262,020
<u>Other current receivables</u>				
Recoverable expenses	650,811	8,881,339	650,811	8,881,339
Refundable value added tax	2,892,929	2,764,766	2,799,463	2,704,158
Others	6,725,617	7,385,272	6,124,538	7,385,272
Total other current receivables	10,269,357	19,031,377	9,574,812	18,970,769
Total trade and other current receivables	318,895,266	480,293,397	318,200,721	480,232,789

On June 19, 2020, the Company has transferred the right to collect payment in the receivables of Team Precision America, LLC to TPA Holding LLC (see Note 11).

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Team Precision America, LLC				
Beginning balances	6,895,582 (USD 212,500)	6,895,582 (USD 212,500)	--	--
<u>Less</u> Allowance for expected credit loss	(6,895,582) (USD 212,500)	--	--	--
Ending balances	--	6,895,582 (USD 212,500)	--	--
TPA Holding LLC				
Beginning balances	--	--	6,819,699 (USD 227,500)	7,344,792 (USD 227,500)
<u>Add</u> Increase during the year	--	--	9,200,661 (USD 290,000)	--
Unrealized loss on exchange rates	--	--	(563,981)	(525,093)
	--	--	15,456,379 (USD 517,500)	6,819,699 (USD 227,500)
<u>Less</u> Allowance for expected credit loss	--	--	(15,456,379) (USD 517,500)	--
Ending balances	--	--	--	6,819,699 (USD 277,500)
Total	--	6,895,582	--	6,819,699

Short-term loans to related parties are unsecured loans. The Company and subsidiary (TPA Holding LLC) have set aside the allowance for doubtful accounts on loans due to possibility of loss from not to receive the full refund.

Short-term loans to related parties no interest is charged between them.

8. INVENTORIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Raw materials	410,813,669	404,986,097	410,806,568	405,156,899
Work in process	68,928,009	66,958,745	68,928,009	66,958,745
Finished goods	33,324,573	34,390,741	33,324,573	34,390,741
Raw materials in transit	28,147,675	9,492,045	28,147,675	9,492,045
Total	541,213,926	515,827,628	541,206,825	515,998,430
<u>Less</u> : Allowance for diminution in inventory values	(50,963,312)	(45,703,734)	(50,963,312)	(45,703,734)
Inventories-net	490,250,614	470,123,894	490,243,513	470,294,696

9 INVESTMENTS IN ASSOCIATE

(BAHT)

ASSOCIATE	% Holding (Held by TPA HOLDING LLC)		COST METHOD		CONSOLIDATED (Equity Method)	
	2020	2019	2020	2019	2020	2019
Team Precision America, LLC	--	20	--	33,652,266 (USD 1,077,200)	--	7,438,199 (USD 253,450)

ASSOCIATE	TYPE OF BUSINESS	PAID – UP SHARE CAPITAL	
		2020	2019
Team Precision America, LLC	Design and distribution part of electronics circuits board and printed circuits	--	USD 1,062,844

On February 24, 2020, the Board of Directors of Team Precision Public Company Limited and TPA Holding LLC (a subsidiary company) passed a resolution to approve for TPA Holding LLC to exercise of the Exit Option to sell all of 20% of the shares in Team Precision America, LLC. (Associate) to Technology Partners America, LLC (Former shareholders) at original cost in accordance with the terms of the Joint Venture. However, since the said resale rights have not been paid, and the shares have not yet been transferred back therefore TPA Holding LLC (a subsidiary company) has recorded as accounts receivable from the resale of investment amounting to USD 1,077,200 (Baht 33.65 million). Gain from the redemption of investments by the amount of USD 846,451 (Baht 26.92 million). However, since subsidiary company expected the loss from not paying back, then it set aside of the full allowance for doubtful debt in the 2020 financial statements.

The subsidiary company has not recorded accounting for using the equity method on February 24, 2020.

Summary of changes

PARTICULARS	BAHT
Receivable from redemption of investment at original cost	33,652,267
<u>Less</u> Allowance for expected credit loss	(33,652,267)
Receivable from redemption of investment - net	--
Redemption price for investment at original cost	33,652,267
<u>Less</u> Book value amount at the date of disposal	(6,727,978)
Gain on sales of investments	26,924,289
<u>Less</u> Doubtful account from disposal investments in associate	(33,652,267)
Loss from disposal of investments in associate	(6,727,978)

The share of loss from investments for using the equity method which are recorded in the consolidated statements of comprehensive income for the years ended December 31, 2020, and 2019 the amount of Baht 0.71 million (Before redemption) and Baht 12.53 million, respectively.

Summarized financial information of associate

Financial information of the associate is summarized, as follow :

(MILLION BAHT)

Company	Statements of financial position As at December 31, 2019		Statements of income ended December 31, 2019	
	Total assets	Total liabilities	Total revenues	Net loss
Team Precision America, LLC	147.61	239.69	452.45	(60.63)

10 INVESTMENTS IN SUBSIDIARIES

(BAHT)

SUBSIDIARY COMPANIES	% HOLDING		COST METHOD	
	2020	2019	2020	2019
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)
TPA Holding LLC	100	100	33,634,060 (USD 1,077,300)	33,634,060 (USD 1,077,300)
<u>Less</u> Allowance for diminution in investments values – TPA Holding LLC			(33,634,060)	--
TOTAL			9,788,311	43,422,371

SUBSIDIARY COMPANIES	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2020	2019	2020	2019
Team Precision (Europe) ApS	Trading electronics components and distributing electronics products	DKK 500,000	DKK 500,000	--	--
TPA Holding LLC	Investment	USD 1,077,300	USD 1,077,300	--	--

Financial statements of subsidiaries in the foreign countries

The financial statements of the Company's subsidiaries in the foreign countries were audited by other certified public accountants, and were used to prepare consolidated financial statements for the years ended December 31, 2020 and 2019 have been translated into Baht, the details are as follows

(MILLION BAHT)

Subsidiaries in the foreign countries	Total Assets		Revenues for the years ended December 31	
	2020	2019	2020	2019
Team Precision (Europe) ApS	9.02	6.77	52.90	70.24
TPA Holding LLC.	39.13	14.50	--	--

TPA Holding LLC (a subsidiary company) entered into a composition agreement with Team Precision America, LLC. It has a principal of USD 3.50 million (Baht 108.04 million). As at December 31, 2020, the balance is USD 1.26 million (Baht 37.81 million). See Note 12.

11 RECEIVABLE FROM RIGHT ASSIGNMENT OF ACCOUNTS RECEIVABLE

(BAHT)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS	INTEREST RATE PER ANNUM
TPA Holding LLC		
Beginning balance as at January 1, 2020	--	
<u>Add</u> : Increase during the year	108,043,950 (USD 3,500,000)	
<u>Less</u> : Received during the year	(69,395,134) (USD 2,248,002)	
Unrealized loss on exchange rates	(1,254,878)	
Ending balance as at December 31, 2020	37,393,938 (USD 1,251,998)	2.00
Interest income	755,496	
Accrued interest income	28,686	

On June 19, 2020, Board of Directors of Team Precision Public Company Limited resolved to approve the assignment of all rights to receive payments in trade receivables between the Company and Team Precision America, LLC in the total of USD 5.50 million (Baht 170.50 million) to TPA Holding LLC (a subsidiary) in the amount of USD 3.50 million (Baht 108.04 million). The repayment is due on June 1, 2025, in which the Company will become a creditor of the subsidiary and the subsidiary will become a creditor under the composition agreement to Team Precision America, LLC. Team Precision Public Company Limited has recorded bad debt in the amount of USD 2 million (Baht 61.77 million) in the financial statements for the year 2020.

12 RECEIVABLE FROM DEBT COMPOSITION

(BAHT)

PARTICULARS	CONSOLIDATED
Team Precision America, LLC	
Beginning balance as at January 1, 2020	--
<u>Add</u> Increase during the year	108,043,950 (USD 3,500,000)
<u>Less</u> Settlement during the year	(70,238,626) (USD 2,241,379)
Ending balance as at December 31, 2020	37,805,324 (USD 1,258,621)
<u>Less</u> Current portion of receivables from debt composition	(1,832,263) (USD 61,000)
Long - term receivables from debt composition	35,973,061 (USD 1,197,621)
Interest income	1,595,728
Accrued interest income	648,103

On June 19, 2020, TPA Holding LLC (a subsidiary company) has the assignment of all rights to receive payments in trade receivables Team Precision America, LLC. It has a principal of USD 3.50 million (Baht 108.04 million) of Team Precision Public Company Limited (see Note 11).

On June 19, 2020, TPA Holding LLC (a subsidiary company) entered into a composition agreement with Team Precision America, LLC. It has a principal of USD 3.50 million (Baht 108.04 million) with the payment details as follows :

- 1) Principal payment of USD 2.50 million (Baht 77.17 million) by
 - Principal payment of USD 2 million is due on February 28, 2021.
 - Principal payment of USD 0.50 million is due on April 30, 2025.
 As at December 31, 2020, the subsidiary has already received the principal payment of USD 2.24 million (Baht 70.24 million).
- 2) Principal payment of USD 1 million (Baht 30.87 million) is to be completed by April 30, 2025, in installments as follows :
 - payment of principal and interest of USD 10,000 per month from April 2021 to March 2022.
 - payment of principal and interest of USD 26,161.71 per month during April 2022 to March 2025.
- 3) The interest rate at 2 percent per annum (In case of breach of settlement agreement the interest rate at 7 percent per annum).

In accordance with the settlement agreement, the right of a subsidiary to own the Team Precision America, LLC shares will be released upon full repayment

13. Property, plant and equipment

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)									
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total
Cost										
January 1, 2019	59,860,924	8,356,558	256,125,199	744,343,483	32,995,529	62,144,453	44,419,997	68,125,316	20,354,952	1,296,726,411
Increase	--	--	2,025,907	14,617,768	566,549	11,549,390	--	2,160,601	5,185,294	36,105,509
Increase from exchange	2,832,000	--	--	--	--	--	--	--	--	2,832,000
Decrease from exchange	(622,589)	--	--	--	--	--	--	--	--	(622,589)
Decrease from expropriation	(386,901)	--	--	--	--	--	--	--	--	(386,901)
Disposal / Unused	--	--	--	(2,063,318)	(4,236,262)	--	--	(1,616,709)	--	(7,916,289)
Transferred in (out)	--	--	17,262,920	--	--	1,625,160	--	566,872	(19,454,952)	--
December 31, 2019	61,683,434	8,356,558	275,414,026	756,897,933	29,325,816	75,319,003	44,419,997	69,236,080	6,085,294	1,326,738,141
Increase	--	--	--	30,385,433	600,000	--	--	872,803	708,383	32,566,619
Disposal / Unused	--	--	--	(22,042,124)	(1,372,050)	(360,000)	--	(793,646)	--	(24,567,820)
Transferred in (out)	--	--	232,710	5,268,497	--	--	19,000	--	(5,501,207)	19,000
Transfer to right-of-use assets	--	--	--	--	(6,527,698)	--	--	--	--	(6,527,698)
December 31, 2020	61,683,434	8,356,558	275,646,736	770,509,739	22,026,068	74,959,003	44,438,997	69,315,237	1,292,470	1,328,228,242
Accumulated depreciation										
January 1, 2019	--	8,184,088	126,360,842	586,707,368	22,970,658	52,683,501	42,571,548	63,093,852	--	902,571,857
Depreciation for the year 2019	--	69,742	8,849,779	41,590,854	2,102,139	2,086,636	367,751	2,755,134	--	57,822,035
Disposal / Unused	--	--	--	(2,038,419)	(2,424,892)	--	--	(1,565,724)	--	(6,029,035)
December 31, 2019	--	8,253,830	135,210,621	626,259,803	22,647,905	54,770,137	42,939,299	64,283,262	--	954,364,857
Depreciation for the year 2020	--	29,326	9,100,744	34,164,666	561,954	2,715,033	206,987	2,507,613	--	49,286,323
Disposal / Unused	--	--	--	(22,036,668)	(1,372,045)	(359,999)	--	(768,279)	--	(24,536,991)
Transfer to right-of-use assets	--	--	--	--	(1,786,423)	--	--	--	--	(1,786,423)
December 31, 2020	--	8,283,156	144,311,365	638,387,801	20,051,391	57,125,171	43,146,286	66,022,596	--	977,327,766

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)									
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total
Additional appraisal value										
January 1, 2019	68,560,936	--	--	--	--	--	--	--	--	68,560,936
Decrease from exchange	(1,997,411)	--	--	--	--	--	--	--	--	(1,997,411)
December 31, 2019	66,563,525	--	--	--	--	--	--	--	--	66,563,525
December 31, 2020	66,563,525	--	--	--	--	--	--	--	--	66,563,525
Net book value										
December 31, 2019	128,246,959	102,728	140,203,405	130,638,130	6,677,911	20,548,866	1,480,698	4,952,818	6,085,294	438,936,809
December 31, 2020	128,246,959	73,402	131,335,371	132,121,938	1,974,677	17,833,832	1,292,711	3,292,641	1,292,470	417,464,001

In 2019, the Company has exchanged land and expropriated, resulting in gain from exchanged land and expropriated of Baht 0.21 million and Baht 2.24 million, respectively.

The Company has depreciation of plant and equipment presented in the statements of comprehensive income for the years ended December 31, 2020 and 2019, as follows :
(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Costs of sales	47,281,870	54,604,709
Distribution costs	153,408	135,548
Administrative expenses	1,851,045	3,081,778
Total	49,286,323	57,822,035

14. RIGHT-OF-USE ASSETS

As at December 31, 2020, the Company has right-of-use assets as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Net book value as at January 1, 2020	
Increased in right-of-use assets from transferring	
- At Cost	6,527,698
- Accumulated depreciation	(1,786,423)
Net	4,741,275
Increased in right-of-use assets from impact due to TFRS 16 : Lease adoption	1,047,204
Total impact due to TFRS 16 : Lease adoption as at January 1, 2020	5,788,479
<u>Less</u> Depreciation for the year	(1,353,992)
Net book value as at December 31, 2020	4,434,487

The Company has depreciation right-of-use assets presented in the statements of comprehensive income for the year ended December 31, 2020 as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Costs of sales	619,593
Administrative expenses	734,399
Total	1,353,992

15. INTANGIBLE ASSETS

(BAHT)

Computer software	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS				
	JAN 1, 2019	INCREASE	DEC 31, 2019	INCREASE	DEC 31, 2020
Cost	32,503,724	32,500	32,536,224	140,000	32,676,224
<u>Less</u> Accumulated amortization	(30,984,279)	(655,471)	(31,639,750)	(510,173)	(32,149,923)
Net book value			896,474		526,301
Amortization for the year			655,471		510,173

The Company has amortization intangible assets presented in the statements of comprehensive income for the years ended December 31, 2020 and 2019, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Costs of sales	485,962	559,627
Administrative expenses	24,211	95,844
Total	510,173	655,471

16. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Short-term loans from financial institutions	30,000,000	--
Trust receipt	16,395,285	233,397,497
Total	46,395,285	233,397,497

As at December 31, 2020 short-term loans from financial institutions bear interest at 1.95% - 2.23% per annum. (The year 2019 : 3.12% - 4.05% per annum)

17. TRADE AND OTHER CURRENT PAYABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Trade accounts payables	324,984,809	304,277,461	324,423,593	303,776,371
Accrued expenses	16,592,779	8,948,260	16,592,779	8,614,611
Assets payable	23,859,353	3,724,592	23,859,353	3,724,592
Others	10,174,902	7,235,162	9,726,210	7,235,162
Total	375,611,843	324,185,475	374,601,935	323,350,736

18. LEASE LIABILITIES

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Liabilities under the lease agreement as at January 1, 2020, in accordance with the former financial reporting standards	2,405,295	3,804,546
The impact due to TFRS 16 : Lease adoption as at January 1, 2020	1,090,200	--
<u>Add</u> Increase during the years	--	358,654
<u>Less</u> Payment during the years	(1,851,490)	(1,757,905)
Liabilities under lease agreement at the ended of years	1,644,005	2,405,295
Deferred interest as at January 1, 2020, in accordance with the former financial reporting standards	113,046	256,236
The impact due to TFRS 16 : Lease adoption as at January 1, 2020	42,996	--
<u>Add</u> Increase deferred interest during the years	--	31,318
<u>Less</u> Interest expenses during the years	(110,222)	(174,508)
Deferred interest as at the ended of years	45,820	113,046
Lease liabilities	1,598,185	2,292,249
<u>Less</u> Current portion of lease liabilities	(1,409,577)	(1,238,605)
Lease liabilities - net	188,608	1,053,644

The Company has interest expenses on lease liabilities presented in the statements of comprehensive income for the years ended December 31, 2020 and 2019, amount Baht 0.11 million and Baht 0.17 million, respectively.

Liabilities under financial leases are fixed for monthly payment which will be finished within 2023.

The portion of liabilities under financial leases due within one year was shown under current liabilities.

19. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Defined benefit obligation		
Beginning balances	84,628,334	59,217,596
<u>Add</u> Current service cost	12,781,129	10,250,517
Interest cost	2,318,880	2,026,056
Past service cost	--	14,458,434
<u>Less</u> Employee benefits paid during the year	(828,978)	(1,324,269)
Ending balances	98,899,365	84,628,334

The Company has provision for long-term employee benefits presented in the statements of comprehensive income for the years ended December 31, 2020 and 2019, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Costs of sales	8,888,365	15,799,409
Distribution costs	970,853	1,882,850
Administrative expenses	5,240,791	9,052,748
Total	15,100,009	26,735,007

In 2019, the new Labor Protection Act, announced in the Government Gazette on April 5, 2019, has imposed additional compensation rates in the case of employers terminating employment. For employees who have worked for 20 years or more to have the right received compensation of not less than the final last 400 days. The Company has recorded the impact of such changes (past service cost) in the financial statements for the year 2019. Principal actuarial assumptions at the calculation date were as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Discount rate	2.75%
Future salary increase rate	1-5%
Disability rate	5%
Staff turnover rate	0-53%

Sensitivity analysis of key assumptions in calculation

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Discount rate		
Decrease 1 percent	7,954,165	7,161,954
Increase 1 percent	(6,988,170)	(6,268,997)
Salary increase rate		
Decrease 1 percent	(8,598,402)	(6,901,403)
Increase 1 percent	9,678,285	7,754,338
Turnover rate		
Decrease 1 percent	1,921,038	1,872,253
Increase 1 percent	(7,459,400)	(6,703,986)

20. DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION

a. Dividend payment and directors' remuneration

On February 24, 2020, the Board of Directors' Meeting was held and approved a resolution not paying dividend. On April 27, 2020, the Ordinary General Shareholders' Meeting No.1/2020 was held and approved a resolution not paying dividends, and approved to pay directors' remuneration at maximum Baht 1.36 million.

On February 27, 2019, the Board of Directors' Meeting was held and approved a resolution not paying dividend. On April 26, 2019, the Ordinary General Shareholders' Meeting No.1/2019 was held and approved a resolution not paying dividends, and approved to pay directors' remuneration at maximum Baht 2.73 million.

b. Legal reserve

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set aside a portion not less than 5% of annual net profit for legal reserve until this reserve is not less than 10% of authorized capital. Such reserve is not allowed to pay for dividend.

In the year 2020, the Company has fully set up for legal reserve.

In the year 2019, the Company has allocated legal reserve of Baht 0.91 million.

21. INCOME TAXES

Corporate income taxes of the Company for the years ended December 31, 2020 and 2019, are calculated from the accounting profit (loss) and adjusted with some other revenues and expenses which are exempted from income tax or being disallowable expenses in tax computation purposes.

Non-BOI business operation or non-taxable privileges, the tax computation was calculated at the rate of 20 percent.

BOI business operation income tax is calculated according to the privileges which are granted (see also Note 22 to the financial statements).

Corporate income taxes of the overseas subsidiaries have been calculated by applying those statutory rates.

Income taxes expenses (revenues) recognized in the statements of comprehensive income for the years ended December 31, 2020 and 2019, consist :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Corporate income tax for the years	--	--
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(2,602,268)	(9,615,714)
Income tax revenues	(2,602,268)	(9,615,714)

As at December 31, 2020 and 2019, the deferred tax assets/liabilities arose from the following temporary differences :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Income tax rate 20%		
Temporary differences in the statements of comprehensive income		
Allowance for doubtful accounts	34,369	--
Provision for diminution in inventories	24,738,060	24,696,956
Loss on obsolete goods	1,457,097	1,307,157
Receivable of the selling forward exchange contracts	(297,532)	--
Depreciation rate different from tax rates	(45,700,861)	(44,991,132)
Provision for long-term employee benefits	44,388,939	37,853,699
Other	85,128	129,579
	24,705,200	18,996,259
Temporary differences in the other comprehensive income		
Recognized in other component of shareholders' equity		
Revaluation surplus on assets	(66,563,525)	(66,563,525)
Total	(41,858,325)	(47,567,266)
Income tax rate 10% (BOI-50% of normal tax rate)		
Temporary differences in the statements of comprehensive income		
Allowance for doubtful accounts	39,275	--
Provision for diminution in inventories	26,225,252	18,639,208
Loss on obsolete goods	1,635,775	873,348
Receivable of the selling forward exchange contracts	(510,855)	--
Depreciation rate different from tax rates	(1,596,549)	(583,871)
Provision for long-term employee benefits	17,627,257	9,891,466
Other	87,684	82,889
Total	43,507,839	28,903,040
Deferred tax liabilities calculated		
From income tax rate 20%.	(8,371,665)	(9,513,453)
From income tax rate 10% (BOI-50% of normal tax rate)	4,350,784	2,890,304
Total deferred tax liabilities	(4,020,881)	(6,623,149)

22. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520 (1977), the Company was granted some promotional privileges from the Board of Investment as follows :

1. Promotional certificates Nos.	1759/2539	1760/2543	1696/O./2546 (Replace No. 1057/2534)	1218(2)/2550	1355(1)/2553	
2. Date of promotional certificates	12/11/1996	04/10/2000	21/03/1991	06/03/2007	24/3/2010	
3. Date of generating income	01/12/1996	10/11/2004	13/11/1990	06/07/2007	17/2/2011	
4. The promotional privileges for manufacturing of	component or accessories used with electronics products	printed circuit board assembly (PCBA)	production or assemble electronics products	printed circuit board assembly (PCBA) and electronics products	medical products, electronic products	printed circuit board assembly (PCBA)
5. Important privileges and benefits which are granted :						
5.1 Exemption from corporate income tax on net profit from promotional operations commencing from the generating revenue date.	8 years (expired on Nov. 30, 2004)	8 years (expired on Nov. 9, 2012)	--	5 years (expired on Jul.5, 2012)	8 years (expired on Feb. 16, 2019)	5 years (expired on Feb. 16, 2016)
5.2 Allowance to deduct from taxable income at 5% of the increment in export of previous year, commencing from the generating revenue date	10 years (expired on Nov. 30, 2006)	10 years (expired on Nov. 9, 2014)	10 years (expired on Nov. 12, 2000)	--	--	--
5.3 Allowance of reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax is ended.	5 years (expired on Nov. 30, 2009)	5 years (expired on Nov. 9, 2017)	--	--	5 years (will be expired on Feb. 16 2024)	--
5.4 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1	8 years (expired on Nov. 30, 2004)	8 years (expired on Nov. 9, 2012)	--	5 years (expired on Jul. 5, 2012)	8 years (expired on Feb. 16, 2019)	5 years (expired on Feb. 16, 2016)

PROMOTIONAL PRIVILEGES (continued)

1. Promotional certificates Nos.	1356(1)/2553		59-1112-0-00-1-0	59-1186-0-00-1-0
2. Date of promotional certificates	24/3/2010		4/7/2016	26/7/2016
3. Date of generating income	23/2/2011		--	--
4. The promotional privileges for manufacturing of	electronic products for industrial	printed circuit board assembly (PCBA)	electronic products, part and/or electronic equipment, component or accessories used with electronics products	medical products, electronic products, part and/or electronic equipment, component or accessories used
5. Important privileges and benefits which are granted :				
5.1 Exemption from corporate income tax on net profit from promotional operations commencing from the generating revenue date.	8 years (expired on Feb. 22, 2019)	8 years (expired on Feb. 22, 2019)	8 years or tax value not over Baht 159.40 million	8 years or tax value not over Baht 356.60 million
5.3 Allowance of reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax is ended.	5 years (will be expired on Feb. 22, 2024)	--	5 years	5 years
5.4 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1	8 years (expired on Feb. 22, 2019)	8 years (expired on Feb. 22, 2019)	8 years	8 years

As a promoted industry, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

23. EXPENSES BY NATURE

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
(Increase) decrease in the changes of finished goods and work in process	(903,096)	1,724,817	(903,096)	1,724,817
Raw material and consumables used	1,333,371,209	1,542,850,827	1,333,894,117	1,543,234,647
Director and management benefit expenses	31,843,356	35,679,999	31,843,356	35,679,999
Employee benefit expenses	256,595,433	299,816,095	256,595,433	299,816,095
Depreciation and amortization expenses	51,150,488	58,477,506	51,150,488	58,477,506
Bad debt	62,123,768	49,510	62,123,768	49,510
Loss on diminution inventory values	5,259,578	1,095,581	5,259,578	1,095,581
Loss from disposal of investments in associate	6,727,978	--	--	--
Other expenses	161,625,620	234,554,456	152,546,008	233,783,811
TOTAL	1,907,794,334	2,174,248,791	1,892,509,652	2,173,861,966

24. FOREIGN CURRENCY TRANSACTIONS

24.1 The Company has a policy to cover foreign exchange exposure of assets and liabilities in foreign currencies whereby the Company will deposit money received from sales in foreign currencies with bank for payment of expenses and creditors in foreign currencies. As at December 31, 2020 and 2019, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :

(THOUSAND)

PARTICULARS	Foreign currencies		Converted to Baht	
	2020	2019	2020	2019
CONSOLIDATED				
ASSETS				
USD	10,409	14,975	310,898	448,899
EUR	--	10	--	318
TOTAL			310,898	449,217
LIABILITIES				
Portion due within one year				
USD	9,750	16,258	294,505	493,123
EUR	73	78	2,726	2,674
JPY	65,000	--	19,141	--
TOTAL			316,372	495,797
THE SEPARATE FINANCIAL STATEMENTS				
ASSETS				
USD	12,179	15,115	363,748	453,086
LIABILITIES				
Portion due within one year				
USD	9,715	16,216	293,474	491,840
EUR	72	77	2,684	2,645
DKK	95	103	477	470
JPY	65,000	--	19,141	--
TOTAL			315,776	494,955

24.2 The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

As at December 31, 2020, the Company has entered into Selling Forward Exchange Contracts with the local commercial bank for hedging against any risk in exchange rate fluctuation which might affect to Baht received from export trade accounts receivable that can be summarized as follow :

(THOUSAND)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS		
	Foreign currency	Fair value in Baht	Settlement date
As at December 31, 2020			
USD	367.53	11,038.84	March 2021
	403.20	12,110.26	May 2021
	700.00	21,024.28	June 2021

25. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate business of producing and assembling printed circuit and electronics circuit board, and in geographical areas, Thailand and overseas. Both local and export sales for the years ended December 31, 2020 and 2019, follows :

(MILLION BAHT)

PARTICULARS	CONSOLIDATED					
	2020			2019		
	Local	Oversea	Total	Local	Oversea	Total
Sales revenues	66.71	1,800.12	1,866.83	82.98	2,070.42	2,153.40
Cost of sales	(60.65)	(1,636.23)	(1,696.88)	(78.14)	(1,949.27)	(2,027.41)
Selling expenses	(0.33)	(27.63)	(27.96)	(0.41)	(30.80)	(31.21)
Profit by segment	5.73	136.26	141.99	4.43	90.35	94.78
Profit (loss) for the year			(16.18)			7.60
Property, plant and equipment			417.46			438.94

26. TRANSACTIONS WITH RELATED PARTIES

The Company has certain transactions with its related parties which are related through the shareholding or having co-management or co-directors. Therefore, the effects of these transactions were reflected in the accompanying financial statements on the mutual agreement and in normal business.

RELATED PARTIES	TYPE OF BUSINESS	RELATIONSHIP
1) Team Precision (Europe) ApS	See Note 10	Subsidiary
2) TPA Holding LLC	See Note 10	Subsidiary
3) Team Precision America, LLC	See Note 9	Associate (Exercise of right to sell shares investments on February 24, 2020)
4) Energy Innovation Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder
5) Alpine Technology Manufacturing (Thailand) Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder and director
6) Finest Med Design Co., Ltd.	Design and distribution part of electronics circuits board and printed circuits	Major shareholder is shareholder and director

The significant related accounting transactions are as follows :

(BAHT)

THE STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Trade accounts receivables				
- Team Precision America, LLC	--	175,192,182	--	175,192,182
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	1,336,289	--	1,336,289	--
Other current receivables				
- TPA Holding LLC	--	--	26,637	--
- Team Precision America, LLC	--	46,159	--	46,159
Total trade and other current receivables	1,336,289	175,238,341	1,362,926	175,238,341

(BAHT)

THE STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Receivable from debt composition				
- Team Precision America, LLC (See Note 12)	37,805,324	--	--	--
Short-term loans to related parties				
- TPA Holding LLC (See Note 7)	--	--	15,456,379	6,819,699
- Team Precision America, LLC (See Note 7)	6,895,582	6,895,582	--	--
Less : Allowance for expected credit loss	(6,895,582)	--	(15,456,379)	--
Total short-term loans to related parties	--	6,895,582	--	6,819,699
Receivable from right assignment of accounts receivable				
- TPA Holding LLC (See Note 11)	--	--	37,393,938	--
Trade accounts payables				
- Team Precision (Europe) ApS	--	--	5,569,042	3,517,746
Current contract liabilities				
- Team Precision America, LLC	--	342,650	--	342,650
- Finest Med Design Co., Ltd.	70,859	70,859	70,859	70,859
Total current contract liabilities	70,859	413,509	70,859	413,509

(BAHT)

THE STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Sales				
- Team Precision America, LLC	35,287,159	212,360,226	35,287,159	212,360,226
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	3,670,761	--	3,670,761	--
Total Sales (Mutual agreement)	38,957,920	212,360,226	38,957,920	212,360,226
Financial income				
- TPA Holding LLC (Mutual agreement)	--	--	755,496	--

THE STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019	2020	2019
Other income				
- Alpine Technology Manufacturing (Thailand) Co., Ltd. (Mutual agreement)	180,000	180,000	180,000	180,000
Purchase of goods and raw materials				
- Team Precision (Europe) ApS	--	--	52,898,286	70,240,039
- Team Precision America, LLC	--	40,266,917	--	40,266,917
Total Purchase of goods and raw materials (Mutual agreement)	--	40,266,917	52,898,286	110,506,956
Other expenses				
- Energy Innovation Co., Ltd. (Mutual agreement)	236,563	230,969	263,563	230,969

27. COMMITMENT AND CONTINGENT LIABILITIES

As at December 31, 2020 and 2019, the Company has commitment and contingent liabilities as follows

:

(MILLION)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2020	2019
Letters of credit		
- USD	0.07	0.01
- JPY	65.00	--
- BAHT	1.21	--
Letters of guarantee from commercial bank		
- BAHT	7.50	5.12

As at December 31, 2020 and 2019, the Company has credit lines of letters of credit and trust receipt within Baht 533 million and Baht 317 million, respectively.

28. PROVIDENT FUND

The Company has set up and registered Provident Fund in accordance with the Provident Fund Act, B.E. 2530 (1987), in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation. The fund is partly contributed by the employees and another part by the Company at the rate 3% of their basic salaries. Hereby, the Company has appointed the SCB Asset Management Company Limited to be the fund manager.

Provident fund contributions made by the Company for the employees and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2020 and 2019, are Baht 4.43 million and Baht 4.95 million, respectively.

29. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company and its subsidiaries have information relating to financial instruments both in and off statements of financial position as follows :

29.1 Accounting policies and procedures

- Accounting policies are disclosed in Note 4 to the financial statements.

29.2 Risk from breach of contracts

- Due to the contracting party does not follow the requirement in the contract which caused damage to the Company and subsidiaries.
- Risk from the customers who do not open the bank's letter of credit. In order to reduce such risk, the Company has the policy to provide credit carefully. Moreover, the Company has the policy to analyze regularly the customers' financial position.
- The Company has credit risk with respect to the trade accounts receivable due to the majority of sales are supplied to limited number of customers. In order to reduce such risk, the Company has the policy to increase its production capacity to meet other customers' requirement and to expand wider base of customers to meet the proper customers' proportion.
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

29.3 Risk relating to interest rate

Risk from the fluctuation in interest rate may have negative effect to the Company for the current and the following years. The Company expects that it can manage the contingent risk, due to the Company has set up a plan and follow up the situation closely.

29.4 Risk from exchange rate

The Company and its subsidiaries have risk from the fluctuation in foreign exchange rates, due to some debtors and creditors arisen from trading in foreign currencies. The Company will provide the forward exchange contract in case of Baht currency is highly fluctuated and it is appropriate for the situation.

29.5 Determination of fair values

As at December 31, 2020, the Group had the assets that were measured at fair value were disclosed using different levels of inputs as follows :

	(BAHT)			
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Financial assets measured at fair value through profit or loss				
Receivables of the selling forward exchange contracts	--	933,035	--	933,035

30 CAPITAL MANAGEMENT

The objectives of the Company in capital management are to maintain its ability to continue as a going concern and to maintain appropriate capital structure for return to the shareholders and other stakeholders.

31 RECLASSIFICATION

The Company certain accounting transactions in the financial statements for the year ended December 31, 2019, have been adjusted and reclassified to conform with the current year classifications. The reclassifications had no effect to previously reported financial performance or shareholders' equity. The reclassifications are as follows :

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	RECLASSIFIED	PREVIOUS CLASSIFICATION	RECLASSIFIED	PREVIOUS CLASSIFICATION
Statements of financial position				
Assets				
Trade and other current receivables	480,293,397	474,206,995	480,232,789	474,206,995
Current contract assets	3,301,080	--	3,301,080	--
Other current assets				
Refundable value added tax	--	2,247,873	--	2,187,265
Others	1,465,896	8,605,505	1,465,896	8,605,505
Liabilities and shareholders' equity				
Trade and other current payables	324,185,475	355,012,888	323,350,736	354,178,149
Current contract liabilities	35,126,625	--	35,126,625	--
Other current liabilities	--	4,299,212	--	4,299,212
Statements of comprehensive income				
Financial income	124,782	--	121,035	--
Other income	38,522,763	38,647,545	38,526,931	38,647,966
Administrative expense	111,753,574	110,031,009	110,982,930	109,260,365
Bad debt	49,510	--	49,510	--
Reversal loss on expected credit	(1,772,075)	--	(1,772,075)	--

32 COVID-19 PANDEMIC

COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. The Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets and provisions for liabilities.

33 FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 22, 2021.

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