

TEAM PRECISION PUBLIC COMPANY LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

AND THE SEPARATE FINANCIAL STATEMENTS

DECEMBER 31, 2021

518/3 อาคารมณีชาเซ็นเตอร์ นอช ชั้น 7

ถนนเพลินจิต แขวงลุมพินี

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DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS

สำนักงานใหญ่ เลขประจำตัวผู้เสียภาษี 0105556000751

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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, 2021, 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, 2021, 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, 2021, as described in Note 7 to the financial statements, the Company has allowance for diminution in inventories amount of Baht 46.88 million. According to Note 3.4, 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 3.1 sale of goods are recognized when the Company has transferred control over the goods to the customer.

As at December 31, 2021, as described in Note 25 to the financial statements, the Company has export sales amount of Baht 2,441.79 million accounted for 97.66% 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.

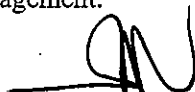
Those charged with governance are responsible for overseeing the Group's financial reporting process.

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, 2022

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
ASSETS					
Current Assets					
Cash equivalents	3.2 and 4	176,990,999	130,645,628	173,928,044	126,856,671
Trade and other current receivables	3.3 and 5	319,490,564	318,895,266	319,368,766	318,200,721
Current portion of receivables from debt composition	11	-	1,832,263	-	-
Short-term loans to related parties	3.3 and 6	-	-	-	-
Current contract assets		6,540,099	11,844,447	6,540,099	11,844,447
Inventories	3.4 and 7	901,640,246	490,250,614	901,477,947	490,243,513
Other current financial assets					
Receivables from selling forward exchange contract		-	933,035	-	933,035
Other current assets		1,944,558	1,474,560	1,944,558	1,474,560
Total Current Assets		1,406,606,466	955,875,813	1,403,259,414	949,552,947
Non-current Assets					
Investments in subsidiaries	3.6 and 9	-	-	9,788,311	9,788,311
Receivable from right assignment of accounts receivable	10	-	-	-	37,393,938
Long-term of receivables from debt composition	11	-	35,973,061	-	-
Property, plant and equipment	3.7 and 12	450,735,246	417,464,001	450,735,246	417,464,001
Right-of-use assets	3.8 and 13	368,113	4,434,487	368,113	4,434,487
Intangible assets	3.9 and 14	1,976,013	526,301	1,976,013	526,301
Other non-current assets					
Deposit assets		10,000	-	10,000	-
Withholding income tax		669,134	2,003,658	669,134	2,003,658
Others		57,378	1,773,105	57,378	1,773,105
Total other non-current assets		736,512	3,776,763	736,512	3,776,763
Total Non-current Assets		453,815,884	462,174,613	463,604,195	473,383,801
TOTAL ASSETS		1,860,422,350	1,418,050,426	1,866,863,609	1,422,936,748

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term loans from financial institutions	15	121,710,026	46,395,285	121,710,026	46,395,285
Trade and other current payables	16	553,467,685	375,611,843	552,430,910	374,601,935
Accrued interest expenses		17,534	889	17,534	889
Current contract liabilities		127,994,147	114,662,597	127,994,147	114,662,597
Current portion of long-term liabilities					
leases payable	3.8 and 17	137,090	1,409,577	137,090	1,409,577
Other current financial liabilities					
Payables from selling					
forward exchange contract		199,927	-	199,927	-
Total Current Liabilities		803,526,409	538,080,191	802,489,634	537,070,283
Non-current Liabilities					
Leases payable	3.8 and 17	51,518	188,608	51,518	188,608
Deferred tax liabilities	3.10 and 20	6,768,536	4,020,881	6,768,536	4,020,881
Non-current provisions for employee benefits	3.11 and 18	96,647,968	98,899,365	96,647,968	98,899,365
Other non-current liabilities		1,122,060	1,122,060	1,122,060	1,122,060
Total Non-current Liabilities		104,590,082	104,230,914	104,590,082	104,230,914
TOTAL LIABILITIES		908,116,491	642,311,105	907,079,716	641,301,197

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
<u>(CONTINUED)</u>					
Shareholders' Equity					
Share capital					
Authorized share capital					
		637,063,385	637,063,385	637,063,385	637,063,385
		637,063,385 ordinary shares of Baht 1 par value			
Issued and paid share capital					
		637,063,385	637,063,385	637,063,385	637,063,385
		637,063,385 ordinary shares at Baht 1 each			
		42,543,406	42,543,406	42,543,406	42,543,406
		Share premium on ordinary shares			
Retained earnings (deficits)					
Appropriated					
	19.2	63,706,339	63,706,339	63,706,339	63,706,339
		Legal reserve			
		160,516,080	(18,564,300)	163,219,943	(14,928,399)
		Unappropriated			
		48,476,649	50,990,491	53,250,820	53,250,820
		Other components of shareholders' equity			
		952,305,859	775,739,321	959,783,893	781,635,551
		Total Shareholders' Equity			
		1,860,422,350	1,418,050,426	1,866,863,609	1,422,936,748
		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Revenues					
Sales	25	2,500,244,232	1,866,830,734	2,500,244,232	1,866,830,734
Interest income		89,714	54,760	89,555	53,540
Other incomes					
Gain on exchange rate		7,322,168	14,826,782	7,207,924	14,975,036
Others		9,416,748	16,831,150	9,416,748	16,831,150
Total other incomes		16,738,916	31,657,932	16,624,672	31,806,186
Total Revenues		2,517,072,862	1,898,543,426	2,516,958,459	1,898,690,460
Expenses					
Cost of sales		2,162,121,855	1,696,885,894	2,162,531,100	1,697,408,801
Distribution cost		29,963,092	27,962,007	29,963,092	27,962,007
Administrative expenses		120,370,103	107,470,109	103,223,901	98,390,498
(Reversal) of loss on diminution inventory values		(4,083,200)	5,259,578	(4,083,200)	5,259,578
Bad debt		-	69,019,350	-	62,123,768
Loss on debt reduction	26	-	-	32,621,333	-
Loss on investments in dissolution subsidiaries	9	11,730	-	-	-
Loss from investments in associate	8	-	6,727,978	-	-
Directors' remuneration	19.1	2,702,500	1,365,000	2,702,500	1,365,000
Other (gain) loss					
(Gain) loss on measurement at fair value of selling forward exchange contracts		1,132,963	(933,035)	1,132,963	(933,035)
Total Expenses		2,312,219,043	1,913,756,881	2,328,091,689	1,891,576,617
Profit (loss) from operating activities		204,853,819	(15,213,455)	188,866,770	7,113,843
Finance income		1,150,824	1,593,679	740,401	755,496
Finance cost	23	(750,929)	(4,380,517)	(741,875)	(4,378,808)
Gain and reversal of impairment loss					
(impairment loss) in accordance with TFRS 9					
- Reversal (loss) on expected credit		(830,561)	(73,644)	14,625,819	(15,530,023)
- Loss from impairment of investments in subsidiaries	9	-	-	-	(33,634,060)
Share of loss from investments in associate used the equity method held by the subsidiary					
	8	-	(710,221)	-	-
Profit (loss) before Income Tax		204,423,153	(18,784,158)	203,491,115	(45,673,552)
Income Tax Revenues (Expenses)	3.12 and 20	(1,751,588)	2,602,268	(1,751,588)	2,602,268
Profit (loss) for the years		202,671,565	(16,181,890)	201,739,527	(43,071,284)

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

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TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	<i>NOTES</i>	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2021	2020	2021	2020
Other comprehensive income (loss)					
Components of other comprehensive income (loss)					
that will be reclassified to profit or loss :					
Translation of financial statement differences		(2,513,842)	842,456	-	-
Components of other comprehensive income					
that will not be reclassified to profit or loss :					
Actuarial gain from employee benefit plan		9,258,051	-	9,258,051	-
Components of income tax		(996,067)	-	(996,067)	-
Actuarial gain from employee benefit plan-net of tax		8,261,984	-	8,261,984	-
Other comprehensive income for the year-net of tax		5,748,142	842,456	8,261,984	-
Total comprehensive income (loss) for the years		208,419,707	(15,339,434)	210,001,511	(43,071,284)
Earnings (loss) Per Share	3.13				
Basic earnings (loss) per share		0.318	(0.025)	0.317	(0.068)
The number of ordinary shares used in computation (shares).		637,063,385	637,063,385	637,063,385	637,063,385

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

CONSOLIDATED

BAHT

	Issued and paid-up 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)	Total	
Beginning balances, January 1, 2020	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
Dividend payment				(31,853,169)	-	-	-	(31,853,169)
Profit for the year				202,671,565	-	-	-	202,671,565
Other comprehensive income loss				-	-	(2,513,842)	(2,513,842)	(2,513,842)
Translation of financial statement differences				8,261,984	-	-	-	8,261,984
Actuarial gain from employee benefit plan - net of tax				210,933,549	-	(2,513,842)	(2,513,842)	208,419,707
Comprehensive income (loss) for the year				160,516,080	53,250,820	(4,774,171)	48,476,649	952,305,859
Ending balances, December 31, 2021	637,063,385	42,543,406	63,706,339	160,516,080	53,250,820	(4,774,171)	48,476,649	952,305,859

NOTE

19.1

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, 2021

THE SEPARATE FINANCIAL STATEMENTS

BAHT

	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings (deficits)		Unappropriated	Other components of shareholders' equity	Total shareholders' equity
			Legal reserve	Unappropriated			
<i>NOTE</i>						Revaluation surplus on assets	
Beginning balances, January 1, 2020	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
Dividend payment				(31,853,169)		-	(31,853,169)
Profit for the year				201,739,527		-	201,739,527
Other comprehensive income				8,261,984		-	8,261,984
Actuarial gain from employee benefit plan - net of tax						-	
Comprehensive income for the year				210,001,511		-	210,001,511
Ending balances, December 31, 2021	637,063,385	42,543,406	63,706,339	163,219,943		53,250,820	959,783,893



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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/4)

FOR THE YEAR ENDED DECEMBER 31, 2021

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the years	202,671,565	(16,181,890)	201,739,527	(43,071,284)
ADJUSTMENTS TO RECONCILIATION PROFIT (LOSS) FOR THE YEARS				
TO NET CASH PROVIDED FROM (USED IN) OPERATION				
Income tax (revenues) expenses	1,751,588	(2,602,268)	1,751,588	(2,602,268)
Depreciation				
- Plant and equipment	49,248,538	49,286,323	49,248,538	49,286,323
- Right-of-use assets	1,135,553	1,353,992	1,135,553	1,353,992
Amortization of intangible assets	468,615	510,173	468,615	510,173
Difference from rental reduction	(1,211)	-	(1,211)	-
Loss from investments in associate	-	6,727,978	-	-
(Reversed) impairment loss according to TFRS 9				
- Accounts receivable	830,561	73,644	830,561	73,644
- Short-term loans to subsidiaries	-	-	(15,456,379)	15,456,379
- Loss from impairment of investments in subsidiaries	-	-	-	33,634,060
Increase in bad debt				
- Trade accounts receivables	-	62,123,768	-	62,123,768
- Short-term loans to associate	-	6,895,582	-	-
Loss on debt reduction from dissolution of subsidiaries				
- Short-term loans	18,011,962	-	18,011,962	-
- Receivable from right assignment of accounts receivable	14,537,835	-	14,537,835	-
- Accrued interest income	71,536	-	71,536	-
Share of profit on subsidiaries as at dissolution date	(15,056,572)	-	-	-
Loss on investments in dissolution subsidiaries	11,730	-	-	-
(Reversal) of loss on diminution inventory values	(4,083,200)	5,259,578	(4,083,200)	5,259,578
Loss on obsolete goods	9,084,143	3,092,872	9,084,143	3,092,872
Unrealized (gain) loss from selling forward exchange contracts	199,927	(933,035)	199,927	(933,035)
Share of loss from investments in associate	-	710,221	-	-
Unrealized gain on exchange rates	(9,057,958)	(6,150,367)	(8,737,361)	(4,205,768)
Gain on disposal of equipment	(322,631)	(592,064)	(322,631)	(592,064)
Interest expenses	750,929	4,380,517	741,875	4,378,808
Long-term employee benefits expenses	11,176,707	15,100,009	11,176,707	15,100,009
Profit from operation before changes in operating assets and liabilities items	281,429,617	129,055,033	280,397,585	138,865,187

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (2/4)

FOR THE YEAR ENDED DECEMBER 31, 2021

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2021	2020	2021	2020
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other current receivables	(2,959,543)	(11,530,342)	(2,731,633)	(10,277,597)
Contract assets	5,304,348	(8,543,367)	5,304,348	(8,543,367)
Receivable from right assignment of accounts receivable	25,198,075	-	25,198,075	69,395,134
Receivables from debt composition	-	70,238,626	-	-
Inventories	(416,390,575)	(28,479,170)	(416,235,377)	(28,301,267)
Receivables from selling forward exchange contract	933,035	-	933,035	-
Other current assets	(469,998)	(8,664)	(469,998)	(8,664)
Other non-current assets	1,715,727	805,998	1,715,727	805,998
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other current payables	195,642,275	39,085,426	194,986,222	38,165,709
Contract liabilities	13,331,550	79,535,972	13,331,550	79,535,972
Provision for long-term employee benefits	(4,170,053)	(828,978)	(4,170,053)	(828,978)
CASH PROVIDED FROM OPERATION	99,564,458	269,330,534	98,259,481	278,808,127
Interest expenses paid	(707,491)	(4,865,542)	(725,230)	(4,863,833)
Income tax expenses paid	(669,134)	(682,912)	(669,134)	(682,912)
Proceeds from withholding tax refund	2,003,658	714,409	2,003,658	714,409
Translation of financial statement differences	(1,347,412)	842,456	-	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	98,844,079	265,338,945	98,868,775	273,975,791
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to the subsidiaries	(742,492)	-	(742,492)	(9,200,661)
Purchase of building and equipment	(79,006,829)	(8,161,864)	(79,006,829)	(8,161,864)
Proceeds from disposal of equipment	1,576,545	622,893	1,576,545	622,893
Purchase of intangible assets	(1,918,327)	(140,000)	(1,918,327)	(140,000)
Payment deposit for assets	(10,000)	-	(10,000)	-
NET CASH USED IN INVESTING ACTIVITIES	(80,101,103)	(7,678,971)	(80,101,103)	(16,879,632)

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (3/4)

FOR THE YEAR ENDED DECEMBER 31, 2021

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in short-term loans from financial institutions	71,980,651	(186,331,056)	71,980,651	(186,331,056)
Repayment for leases payables	(1,383,805)	(1,741,268)	(1,383,805)	(1,741,268)
Repayment for assets acquisition payable	(23,859,353)	(3,724,592)	(23,859,353)	(3,724,592)
Dividend payment	(31,853,169)	-	(31,853,169)	-
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	14,884,324	(191,796,916)	14,884,324	(191,796,916)
INCREASE IN CASH AND CASH EQUIVALENTS				
BEFORE EXCHANGE RATE EFFECTS	33,627,300	65,863,058	33,651,996	65,299,243
EXCHANGE RATES EFFECTS ON CASH AND CASH EQUIVALENTS				
	13,419,377	(172,899)	13,419,377	(172,899)
NET INCREASE IN CASH AND CASH EQUIVALENTS	47,046,677	65,690,159	47,071,373	65,126,344
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	130,645,628	64,955,469	126,856,671	61,730,327
LESS CASH AND CASH EQUIVALENTS TRANSFERRED OUT FROM DISPOSAL OF SUBSIDIARY (SUPPLEMENTARY STATEMENT)	(701,306)	-	-	-
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	176,990,999	130,645,628	173,928,044	126,856,671
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	-	-
Increased vehicles from transferred right-of-use assets	2,906,260	-	2,906,260	-
Increase in equipment from deposits	-	19,000	-	19,000
Increase in equipment from assets payable	1,860,608	24,404,755	1,860,608	24,404,755
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
Effect of adjusted actuarial estimation from employee benefit plan				
- Increase in deferred tax liabilities	996,067	-	996,067	-
- Decrease in provision for long-term employee benefits	(9,258,051)	-	(9,258,051)	-
- Increase in retained earnings	8,261,984	-	8,261,984	-

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (4/4)

FOR THE YEAR ENDED DECEMBER 31, 2021

SUPPLEMENTARY STATEMENT

Disposal of investments in subsidiary

As of December 29, 2021, TPA Holding LLC, the Company's subsidiary, has registered for dissolution under foreign law.

Therefore, outstanding assets and liabilities as at January 1, 2021 are transferred out from the consolidation, as follows :

	<u>BAHT</u>
Cash equivalents	701,306
Trade and other current receivables	627,715
Receivables from debt composition	37,805,324
Trade and other current payables	(135,647)
Accrued interest expenses	(26,793)
Short-term loans from parent company	(15,456,379)
Payables from right assignment of accounts receivable	(37,393,938)
Translation of financial statement adjustment	(1,166,430)
Investments in subsidiary as January 1, 2021	(15,044,842)
Share of profits from subsidiary as at dissolution date	15,056,572
Investments in subsidiary as at dissolution date	<u>11,730</u>
Loss on investments as at dissolution date that are not refunded	11,730
<u>Add</u> loss on debt reduction of short-term loans to subsidiary and receivable from right assignment of accounts receivable	<u>32,621,333</u>
Total loss on investments in subsidiary	<u><u>32,633,063</u></u>



TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2021

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 Province, Thailand. - 152/8, 152/9, 152/15 Moo 3, Thunyaburi-Lumlukga Road, Tambol Rungsit, Amphur Thunyaburi, Pathumtani Province, Thailand.
Type of business and operations	1) Producing and assembling printed circuit and electronics circuit board. 2) Investing in its subsidiaries which carry on business according to Note 9 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 and new financial reporting standards and interpretations which are effective for fiscal periods 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. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.3 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2022

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

Management of group companies is evaluating the impact of such financial reporting standards 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
	2021	2020	
<u>SUBSIDIARIES</u>			
Team Precision (Europe) ApS	100.00	100.00	Denmark
*TPA Holding LLC	--	100.00	United States of America

* TPA Holding LLC registered its dissolution on December 29, 2021.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 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.

3.2 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.

3.3 A) Trade accounts receivable and allowance for expected credit loss

Trade accounts receivable are stated at the net realizable value, the Company provides allowance for expected credit loss 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 loss

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.

3.4 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.

3.5 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.

3.6 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 after deducting impairment of investment.

3.7 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 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

3.8 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.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use assets reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use assets from the commencement date to the end of the useful life of the underlying asset.

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.

3.9 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.

3.10 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.

3.11 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.

3.12 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.

3.13 Earnings (loss) per share

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

3.14 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.

3.15 Financial instruments

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 loss for trade accounts receivable. Therefore, every day at the end of the reporting period, the Group recognizes the allowance for anticipated credit loss 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 loss 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.

3.16 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 than 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 as 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.

3.17 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.

3.18 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.

3.19 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.

4. CASH EQUIVALENTS

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Bank deposits - Savings	176,726,571	104,222,003	173,663,616	100,433,046
- Current	264,428	26,423,625	264,428	26,423,625
Total cash equivalents	176,990,999	130,645,628	173,928,044	126,856,671

5. TRADE AND OTHER RECEIVABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
<u>Trade accounts receivable</u>				
Current	231,805,840	235,065,614	231,805,840	235,065,614
Overdue within 3 months	75,525,950	73,591,665	75,525,950	73,591,665
Over 3-6 months	100,435	32,192	100,435	32,192
Over 6-12 months	21,541	10,082	21,541	10,082
Total	307,453,766	308,699,553	307,453,766	308,699,553
<u>Less</u> : Allowance for expected credit loss	(904,205)	(73,644)	(904,205)	(73,644)
Trade accounts receivable-net	306,549,561	308,625,909	306,549,561	308,625,909
<u>Other current receivables</u>				
Accrued interest	--	648,103	--	26,637
Refundable value added tax	4,820,450	2,892,929	4,698,652	2,799,463
Others	8,120,553	6,728,325	8,120,553	6,748,712
Total other current receivables	12,941,003	10,269,357	12,819,205	9,574,812
Total trade and other current receivables	319,490,564	318,895,266	319,368,766	318,200,721

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited passed a resolution to liquidate TPA Holding LLC, the Company's subsidiary in the foreign countries which registered the dissolution under foreign law on December 29, 2021 and resolved to approve the reduction of accrued interest debt in the amount of USD 2,144 (Baht 0.07 million). (see also Note 10 to the financial statements)

6. SHORT-TERM LOANS TO RELATED PARTIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Team Precision America, LLC				
Beginning balances	--	6,895,582 (USD 212,500)	--	--
<u>Less</u> Bad debt	--	(6,895,582) (USD 212,500)	--	--
Ending balances	--	--	--	--
TPA Holding LLC				
Beginning balances	--	--	15,456,379 (USD 517,500)	6,819,699 (USD 227,500)
<u>Add</u> Increase during the year	--	--	742,492 (USD 22,000)	9,200,661 (USD 290,000)
Unrealized gain (loss) on exchange rates	--	--	1,813,091	(563,981)
	--	--	18,011,962 (USD 539,500)	15,456,379 (USD 517,500)
<u>Less</u> Allowance for expected credit loss	--	--	--	(15,456,379) (USD 517,500)
<u>Less</u> Loss on debt reduction	--	--	(18,011,962) (USD 539,500)	--
Ending balances	--	--	--	--
Total	--	--	--	--

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited resolved to reduce the short-term loan debt to TPA Holding LLC and on December 29, 2021, the Company recorded a loss on the reduction debt of USD 539,500 (Baht 18.01 million) which has already been shown in the 2021 financial statements. (see also Note 9 to the financial statements)

Short-term loans to related parties are unsecured loans and due to possibility of loss from not receiving therefore set aside the write-off bad debts the full amount.

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

7. INVENTORIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Finished goods	52,489,493	33,324,573	52,489,493	33,324,573
Work in process	54,730,709	68,928,009	54,730,709	68,928,009
Raw materials	813,959,293	410,813,669	813,796,994	410,806,568
Raw materials in transit	27,340,863	28,147,675	27,340,863	28,147,675
Total	948,520,358	541,213,926	948,358,059	541,206,825
<u>Less</u> : Allowance for diminution in inventory values	(46,880,112)	(50,963,312)	(46,880,112)	(50,963,312)
Inventories-net	901,640,246	490,250,614	901,477,947	490,243,513

8. LOSS ON INVESTMENTS IN ASSOCIATE

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 expected credit loss 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> Allowance for expected credit loss 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 year ended December 31, 2020 the amount of Baht 0.71 million (Before redemption).

9. INVESTMENTS IN SUBSIDIARIES

(BAHT)

SUBSIDIARY COMPANIES	% HOLDING		COST METHOD	
	2021	2020	2021	2020
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)
TPA Holding LLC	--	100	--	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	9,788,311

SUBSIDIARY COMPANIES	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2021	2020	2021	2020
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	--	--

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited passed a resolution to liquidate TPA Holding LLC, the Company's subsidiary in the foreign countries, the dissolution was registered under foreign law on December 29, 2021 and resolved to approve the reduction of short-term loans to subsidiaries, receivable from right assignment of account receivable and accrued interest of USD 539,500 (Baht 18.01 million), USD 435,726 (Baht 14.54 million) and USD 2,144 (Baht 0.07 million), respectively (see also Note 26 to the financial statements).

The Company has loss on investments in dissolution subsidiary, loss on debt reduction of short-term loans to subsidiary, receivable from right assignment of account receivable and accrued interest as follows :

(BAHT)

PARTICULARS	CONSOLIDATED	THE SEPARATE FINANCIAL STATEMENTS
Loss on investments in dissolution subsidiary	11,730	--
Loss on debt reduction to subsidiary	--	32,621,333

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, 2021 and 2020 have been translated into Baht, the details are as follows :

(MILLION BAHT)

Subsidiaries in the foreign countries	Total Assets		Revenues for the years ended	
	2021	2020	December 31	
	2021	2020	2021	2020
Team Precision (Europe) ApS	8.93	9.02	42.69	52.90
TPA Holding LLC.	--	39.13	--	--

10. RECEIVABLE FROM RIGHT ASSIGNMENT OF ACCOUNTS RECEIVABLE

(BAHT)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS		INTEREST RATE PER ANNUM	
	2021	2020	2021	2020
TPA Holding LLC				
Beginning balance	37,393,938 (USD 1,251,998)	--		
<u>Add</u> Increase during the year	--	108,043,950 (USD 3,500,000)		
<u>Less</u> Received during the year	(25,198,075) (USD 816,272)	(69,395,134) (USD 2,248,002)		
Unrealized gain (loss) on exchange rates	2,341,972	(1,254,878)		
<u>Less</u> Loss on debt reduction	(14,537,835) (USD 435,726)	--		
Ending balance	--	37,393,938 (USD 1,251,998)	2.00	2.00
Beginning accrued interest balance	26,637	--		
<u>Add</u> Increase during the year	740,401	755,496		
<u>Less</u> Received during the year	(695,502)	(728,859)		
<u>Less</u> Loss on debt reduction	(71,536)	--		
Accrued interest at the ended of years	--	26,637		

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited passed a resolution to liquidate TPA Holding LLC, the Company's subsidiary in the foreign countries, the dissolution was registered under foreign law on December 29, 2021 and resolved to approve the reduction of receivable from right assignment of account receivable and

accrued interest of USD 435,726 (Baht 14.54 million) and USD 2,144 (Baht 0.07 million), respectively.

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.

11. RECEIVABLE FROM DEBT COMPOSITION

(BAHT)

PARTICULARS	CONSOLIDATED	
	2021	2020
Team Precision America, LLC		
Beginning balance	37,805,324 (USD 1,258,621)	--
<u>Add</u> Increase during the year	--	108,043,950 (USD 3,500,000)
<u>Less</u> Settlement during the year	(26,796,810) (USD 781,113)	(70,238,626) (USD 2,241,379)
Unrealized gain on exchange rates	4,260,806	--
<u>Less</u> Loss on debt reduction	(15,269,320) (USD 477,508)	-- --
Ending balance	--	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	1,150,824	1,595,728
Accrued interest income	--	648,103

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited passed a resolution to liquidate TPA Holding LLC, the Company's subsidiary in the foreign countries, the dissolution was registered under foreign law on December 29, 2021 and resolved to approve the reduction of receivable from debt composition of USD 477,508 (Baht 15.27 million).

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 also Note 10 to the financial statements).

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, 2021 and 2020, the subsidiary has already received the principal payment of USD 0.78 million (Baht 26.80 million) and USD 2.24 million (Baht 70.24 million), respectively.

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.
- The accrued interest must be paid in full before payment of principal.

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.

NOTES TO THE FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)										Total	
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction			
Cost												
January 1, 2020	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		
Increase	--	--	810,775	66,209,835	620,600	2,785,460	--	2,355,937	8,084,830	80,867,437		
Disposal / Unused	--	--	(84,800)	(4,185,417)	(3,094,740)	--	--	(1,266,419)	--	(8,631,376)		
Transferred in (out)	--	--	--	691,093	--	--	--	--	(691,093)	--		
Transfer from right-of-use assets	--	--	--	--	7,000,120	--	--	--	--	7,000,120		
December 31, 2021	61,683,434	8,356,558	276,372,711	833,225,250	26,552,048	77,744,463	44,438,997	70,404,755	8,686,207	1,407,464,423		
Accumulated depreciation												
January 1, 2020	--	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		
Depreciation for the year 2021	--	26,789	9,371,071	33,967,588	646,117	3,097,148	18,819	2,121,006	--	49,248,538		
Disposal / Unused	--	--	(84,797)	(3,884,691)	(2,185,738)	--	--	(1,222,236)	--	(7,377,462)		
Transfer from right-of-use assets	--	--	--	--	4,093,860	--	--	--	--	4,093,860		
December 31, 2021	--	8,309,945	153,597,639	668,470,698	22,605,630	60,222,319	43,165,105	66,921,366	--	1,023,292,702		

NOTES TO THE FINANCIAL STATEMENTS

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)											Total		
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction					
<u>Additional appraisal value</u>														
December 31, 2020	66,563,525	--	--	--	--	--	--	--	--	--	--	--	--	66,563,525
December 31, 2021	66,563,525	--	--	--	--	--	--	--	--	--	--	--	--	66,563,525
<u>Net book value</u>														
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
December 31, 2021	128,246,959	46,613	122,775,072	164,754,552	3,946,418	17,522,144	1,273,892	3,483,389	8,686,207					450,735,246

The Company has depreciation of plant and equipment presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020, as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Cost of sales	47,623,564	47,281,870
Distribution cost	153,234	153,408
Administrative expenses	1,471,740	1,851,045
Total	49,248,538	49,286,323

13. RIGHT-OF-USE ASSETS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
At cost	
As at January 1, 2020	--
Increased in right-of-use assets from transferring	6,527,698
Increased in right-of-use assets from impact due to TFRS 16 : Lease adoption	1,047,204
As at December 31, 2020	7,574,902
Adjustment beginning balance	441,835
Transferred to fixed assets	(7,000,120)
Ending balance, December 31, 2021	1,016,617
Accumulated depreciation	
As at January 1, 2020	--
Increase from the transfer	1,786,423
Depreciation for the year 2020	1,353,992
As at December 31, 2020	3,140,415
Adjustment beginning balance	441,835
Depreciation for the year 2021	1,135,553
Transferred to fixed assets	(4,093,860)
Difference from rental reduction	24,561
As at December 31, 2021	648,504
Net book value	
As at December 31, 2020	4,434,487
As at December 31, 2021	368,113

The Company has depreciation right-of-use assets presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020 as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Cost of sales	491,833	619,593
Administrative expenses	643,720	734,399
Total	1,135,553	1,353,992

The Company has expenses relating to leases presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020 as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Depreciation right-of-use assets	1,135,553	1,353,992
Interest expenses of lease liabilities	40,184	110,222
Expenses relating to leases of low-value assets	423,081	451,050

14. INTANGIBLE ASSETS

(BAHT)

Computer software	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS				
	JAN 1, 2020	INCREASE	DEC 31, 2020	INCREASE	DEC 31, 2021
Cost	32,536,224	140,000	32,676,224	1,918,327	34,594,551
Less Accumulated amortization	(31,639,750)	(510,173)	(32,149,923)	(468,615)	(32,618,538)
Net book value			526,301		1,976,013
Amortization for the year			510,173		468,615

The Company has amortization intangible assets presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Cost of sales	446,152	485,962
Administrative expenses	22,463	24,211
Total	468,615	510,173

15. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Short-term loans from financial institutions	--	30,000,000
Trust receipt	121,710,026	16,395,285
Total	121,710,026	46,395,285

As at December 31, 2021, short-term loans from financial institutions bear interest at 1.85% - 1.95% per annum. (Year 2020 : 1.95% - 2.23%)

16. TRADE AND OTHER CURRENT PAYABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Trade accounts payables	524,087,526	324,984,809	523,379,094	324,423,593
Accrued expenses	20,128,170	16,592,779	20,128,170	16,592,779
Assets payable	1,953,047	23,859,353	1,953,047	23,859,353
Others	7,298,942	10,174,902	6,970,599	9,726,210
Total	553,467,685	375,611,843	552,430,910	374,601,935

17. LEASE LIABILITIES

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Liabilities under the lease agreement as at January 1, in accordance with the former financial reporting standards	1,644,005	2,405,295
The impact due to TFRS 16 : Lease adoption as at January 1, 2020	--	1,090,200
<u>Less</u> Payment during the years	(1,423,989)	(1,851,490)
<u>Less</u> Decrease from rental reduction	(25,850)	--
Liabilities under lease agreement at the ended of years	194,166	1,644,005
Deferred interest as at January 1, in accordance with the former financial reporting standards	45,820	113,046
The impact due to TFRS 16 : Lease adoption as at January 1, 2020	--	42,996
<u>Less</u> Interest expenses during the years	(40,184)	(110,222)
<u>Less</u> Decrease from rental reduction	(78)	--
Deferred interest as at the ended of years	5,558	45,820
Lease liabilities	188,608	1,598,185
<u>Less</u> Current portion of lease liabilities	(137,090)	(1,409,577)
Lease liabilities - net	51,518	188,608

The Company has interest expenses on lease liabilities presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020, amount Baht 0.04 million and Baht 0.11 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.

18. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Defined benefit obligation		
Beginning balances	98,899,365	84,628,334
<u>Add</u> Current service cost	10,245,154	12,781,129
Interest cost	931,553	2,318,880
<u>Less</u> Actuarial gain from employee benefit plans (recognized in other comprehensive income)	(9,258,051)	--
<u>Less</u> Employee benefits paid during the year	(4,170,053)	(828,978)
Ending balances	96,647,968	98,899,365

The Company has provision for long-term employee benefits presented in the statements of comprehensive income for the years ended December 31, 2021 and 2020, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Cost of sales	7,633,434	8,888,365
Distribution cost	927,751	970,853
Administrative expenses	2,615,522	5,240,791
Total	11,176,707	15,100,009

Principal actuarial assumptions at the calculation date were as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Discount rate	1.05%	2.75%
Future salary increase rate	1-3%	1-5%
Disability rate	5%	5%
Staff turnover rate	0-49%	0-53%

Sensitivity analysis of key assumptions in calculation

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Discount rate		
Decrease 1 percent	8,037,382	7,954,165
Increase 1 percent	(7,068,191)	(6,988,170)
Salary increase rate		
Decrease 1 percent	(7,305,648)	(8,598,402)
Increase 1 percent	8,162,351	9,678,285
Turnover rate		
Decrease 1 percent	2,031,992	1,921,038
Increase 1 percent	(7,396,025)	(7,459,400)

19. **DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION**

19.1 **Dividend payment and directors' remuneration**

On February 22, 2021, the Board of Directors' Meeting was held and approved a resolution not paying dividend. On April 23, 2021, the Ordinary General Shareholders' Meeting No.1/2021 was held and approved a resolution not paying dividends, and approved to pay directors' remuneration at maximum Baht 2.73 million.

On August 10, 2021, the Board of Directors' Meeting No.5/2021 was held and has approved a resolution to pay an interim dividend at Baht 0.05 per share to the shareholders of 637,063,385 shares, totaling Baht 31,853,169.25. The dividend payment was made on September 7, 2021.

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.

19.2 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.

At present, the Company has fully set up for legal reserve.

20. INCOME TAXES

Corporate income taxes of the Company for the years ended December 31, 2021 and 2020, 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 21 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, 2021 and 2020, consist :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Corporate income tax for the years	--	--
Amortization and reversal of temporary differences assets/liabilities on temporary differences	1,751,588	(2,602,268)
Income tax expenses (revenues)	1,751,588	(2,602,268)

As at December 31, 2021 and 2020, the deferred tax assets/liabilities arose from the following temporary differences :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Income tax rate 20%		
Temporary differences in the statements of comprehensive income		
Allowance for expected credit loss	--	34,369
Provision for diminution in inventories	6,332,591	24,738,060
Loss on deteriorated goods	1,789,135	1,457,097
Receivable of the selling forward exchange contracts	--	(297,532)
Payables of the selling forward exchange contracts	48,573	--
Depreciation rate different from tax rates	(66,919,386)	(45,700,861)
Provision for long-term employee benefits	83,061,260	44,388,939
Other	21,631	85,128
Total	24,333,804	24,705,200
Temporary differences in the other comprehensive income		
Recognized in other component of shareholders' equity		
Revaluation surplus on assets	(66,563,525)	(66,563,525)
Temporary differences in the retained earnings		
Provision for long-term employee benefits	(4,155,285)	--
Total	(46,385,006)	(41,858,325)
Income tax rate 10% (BOI-50% of normal tax rate)		
Temporary differences in the statements of comprehensive income		
Allowance for expected credit loss	--	39,275
Provision for diminution in inventories	6,842,813	26,225,252
Loss on deteriorated goods	2,073,087	1,635,775
Receivable of the selling forward exchange contracts	--	(510,855)
Payables of the selling forward exchange contracts	61,421	--
Depreciation rate different from tax rates	(2,198,879)	(1,596,549)
Provision for long-term employee benefits	19,928,939	17,627,257
Other	27,352	87,684
Total	26,734,733	43,507,839

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Temporary differences in the retained earnings		
Provision for long-term employee benefits	(1,650,102)	--
Total	25,084,631	43,507,839
Deferred tax liabilities calculated		
From income tax rate 20%	(9,277,000)	(8,371,665)
From income tax rate 10% (BOI-50% of normal tax rate)	2,508,464	4,350,784
Total deferred tax liabilities	(6,768,536)	(4,020,881)

21. PROMOTIONAL PRIVILEGES

Team Precision Public Company Limited was granted the promotional certificates from the Board of Investment 8 promotional certificates as follows :

1.Promotional certificates Nos.	2. Effective dates of Promotional Certificates	3. The promotional privileges for manufacturing of	4. Expiry dates according to items 5.1 and 5.3
1759/2539 November 12, 1996	December 1, 1996	Component or accessories used with electronics products	November 30, 2004
1760/2543 October 4, 2000	November 10, 2004	Printed circuit board assembly (PCBA)	November 9, 2012
1696/O./2546 (Replace No. 1057/2534) March 21, 1991	November 13, 1990	Production or assemble electronics products	--
1218(2)/2550 March 6, 2007	July 6, 2007	Printed circuit board assembly (PCBA) and electronics products	July 5, 2012
1355(1)/2553 March 24, 2010	February 17, 2011	Medical products electronic products	February 16, 2019
		Printed circuit board assembly (PCBA)	February 16, 2016
1356(1)/2553 March 24, 2010	February 23, 2011	Electronic products for industrial	February 22, 2019
		Printed circuit board assembly (PCBA)	February 22, 2019
59-1112-0-00-1-0 July 4, 2016	August 2, 2021	Electronic products, part and/or electronic equipment, component or accessories used with electronics products	August 1, 2029 or tax value not over Baht 159.40 million
59-1186-0-00-1-0 July 26, 2016	August 2, 2021	Medical products, electronic products, part and/or electronic equipment, component or accessories used	August 1, 2029 or tax value not over Baht 356.60 million

5. Important privileges which are granted

- 5.1 Exemption from corporate income tax on net profit of promotional operations for 8 years. (Exemption promotional certificates No.1218(2)/2550 and 1355(1)/2553 specifically printed circuit board assembly (PCBA) received 5 years). Where by the promotional certificates No.59-1112-0-00-1-0 and 59-1186-0-00-1-0 have limited amount for corporate income tax exemption maximum of Baht 159.40 million and Baht 356.60 million, respectively. In this regard, the corporate income tax exemption for net profit from the promoted business is not more than 100 percent of the total investment, excluding the cost of land and working capital, for 8 years starting from the date of earning from the promoted business.
- 5.2 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption of 5.1 for 5 years expired of the promotional certificates No.1355(1)/2553 specifically medical products and electronic products and 1356(1)/2553 specifically electronic products for industrial.
- 5.3 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1, Income tax is calculated during the exemption income tax period of each card.
- 5.4 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit incurred since the exemption from corporate income tax was expired within 5 years, by which can be deducted from net profit of any year or several years.

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

The Company has sales both local and oversea for the years ended December 31, 2021 and 2020, according to Note 25 to the financial statements.

22. EXPENSES BY NATURE

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
(Increase) decrease in the changes of finished goods and work in process	(4,967,620)	(903,096)	(4,967,620)	(903,096)
Raw material and consumables used	1,793,620,345	1,333,371,209	1,794,029,591	1,333,894,117
Director and management benefit expenses	36,806,417	31,843,356	36,806,417	31,843,356
Employee benefit expenses	284,446,137	256,595,433	284,446,137	256,595,433
Depreciation and amortization expenses	50,852,706	51,150,488	50,852,706	51,150,488

23. FINANCE COST

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Interest expense on lease liabilities	40,184	110,222	40,184	110,222
Other finance cost	710,745	4,270,295	701,691	4,268,586
Total	750,929	4,380,517	741,875	4,378,808

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, 2021 and 2020, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :

(THOUSAND)

PARTICULARS	Foreign currencies		Converted to Baht	
	2021	2020	2021	2020
<u>CONSOLIDATED</u>				
ASSETS				
USD	13,231	10,409	439,901	310,898
EUR	3	--	108	--
TOTAL			440,009	310,898
LIABILITIES				
Portion due within one year				
USD	16,088	9,750	540,440	294,505
EUR	274	73	10,482	2,726
DKK	5	--	26	--
JPY	121,855	65,000	35,374	19,141
TOTAL			586,822	316,372
<u>THE SEPARATE</u>				
<u>FINANCIAL STATEMENTS</u>				
ASSETS				
USD	13,151	12,179	437,216	363,748
LIABILITIES				
Portion due within one year				
USD	16,321	9,715	545,253	293,474
EUR	97	72	3,720	2,684
DKK	86	95	445	477
JPY	121,855	65,000	35,874	19,141
TOTAL			585,292	315,776

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, 2021 and 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, 2021			
USD	519.26	17,358.89	May 2022

(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, 2021 and 2020, follows :

(MILLION BAHT)

PARTICULARS	CONSOLIDATED					
	2021			2020		
	Local	Oversea	Total	Local	Oversea	Total
Sales revenues	58.45	2,441.79	2,500.24	66.71	1,800.12	1,866.83
Cost of sales	(50.56)	(2,111.56)	(2,162.12)	(60.65)	(1,636.23)	(1,696.88)
Distribution cost	(0.25)	(29.71)	(29.96)	(0.33)	(27.63)	(27.96)
Profit by segment	7.64	300.52	308.16	5.73	136.26	141.99
Profit (loss) for the year			202.67			(16.18)
Property, plant and equipment			450.74			417.46

26. DEBT REDUCTION TO SUBSIDIARIES

On December 29, 2021, the Board of Directors of the Company has resolution to approve the reduction of short-term loans to subsidiary, receivable from right assignment of account receivable and accrued interest of USD 539,500 (Baht 18.01 million), USD 435,726 (Baht 14.54 million) and USD 2,144 (Baht 0.07 million), respectively, the details are as follows :

Short-term loans to subsidiary

PARTICULARS	BAHT
Balance as at January 1, 2021	15,456,379
	(USD 517,500)
<u>Add</u> Increase during the year	742,492
	(USD 22,000)
Unrealized gain on exchange rates	1,813,091
	18,011,962
	(USD 539,500)
<u>Less</u> Loss on debt reduction	(18,011,962)
	(USD 539,500)
Balance as at December 31, 2021	--

Receivable from right assignment of account receivable

PARTICULARS	BAHT
Balance as at January 1, 2021	37,393,938
	(USD 1,251,998)
<u>Less</u> Received during the year	(25,198,075)
	(USD 816,272)
Unrealized gain on exchange rates	2,341,972
	14,537,835
	(USD 435,726)
<u>Less</u> Loss on debt reduction	(14,537,835)
	(USD 435,726)
Balance as at December 31, 2021	--
Accrued interest beginning balance	26,637
<u>Add</u> Increase during the year	740,401
<u>Less</u> Received during the year	(695,502)
<u>Less</u> Loss on debt reduction	(71,536)
Accrued interest ending balance	--

27. 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 9	Subsidiary
2) TPA Holding LLC	See Note 9	Subsidiary (Discontinued on December 29, 2021)
3) Team Precision America, LLC	See Note 8	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	
	2021	2020	2021	2020
Trade accounts receivables				
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	958,989	1,336,289	958,989	1,336,289
Other current receivables				
- TPA Holding LLC	--	--	--	26,637
Total trade and other current receivables	958,989	1,336,289	958,989	1,362,926

(BAHT)

THE STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Receivable from debt composition				
- Team Precision America, LLC (See Note 11)	--	37,805,324	--	--
Short-term loans to related parties				
- TPA Holding LLC (See Note 6)	--	--	--	15,456,379
- Team Precision America, LLC (See Note 6)	--	6,895,582	--	--
Less Bad debt	--	(6,895,582)	--	--
Less Allowance for expected credit loss	--	--	--	(15,456,379)
Total short-term loans to related parties	--	--	--	--
Receivable from right assignment of accounts receivable				
- TPA Holding LLC (See Note 10)	--	--	--	37,393,938
Trade accounts payables				
- Team Precision (Europe) ApS	--	--	5,333,556	5,569,042
Current contract liabilities				
- Finest Med Design Co., Ltd.	70,859	70,859	70,859	70,859

(BAHT)

THE STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
Sales				
- Team Precision America, LLC	--	35,287,159	--	35,287,159
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	15,051,615	3,670,761	15,051,615	3,670,761
Total Sales (Mutual agreement)	15,051,615	38,957,920	15,051,615	38,957,920
Financial income				
- TPA Holding LLC (Mutual agreement)	--	--	740,401	755,496

(BAHT)

THE STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
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	--	--	42,691,228	52,898,286
- Team Precision America, LLC	--	512	--	--
Total Purchase of goods and raw materials (Mutual agreement)	--	512	42,691,228	52,898,286
Other expenses				
- Energy Innovation Co., Ltd. (Mutual agreement)	233,171	236,563	233,171	236,563

28. COMMITMENT AND CONTINGENT LIABILITIES

As at December 31, 2021 and 2020, the Company has commitment and contingent liabilities as follows :

(MILLION)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Letters of credit		
- USD	0.06	0.07
- JPY	--	65.00
- BAHT	--	1.21
Letters of guarantee from commercial bank		
- BAHT	5.60	7.50

As at December 31, 2021 and 2020, the Company has credit lines of letters of credit and trust receipt within Baht 428 million and Baht 533 million, respectively.

29. 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, 2021 and 2020, are Baht 4.25 million and Baht 4.43 million, respectively.

30. 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 :

30.1 Accounting policies and procedures

- Accounting policies are disclosed in Note 3 to the financial statements.

30.2 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.

30.3 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.

30.4 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.

30.5 Determination of fair values

As at December 31, 2021 and 2020, the Group had the assets and liability 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, 2021			
	Level 1	Level 2	Level 3	Total
Liability measured at fair value				
Financial liability measured at fair value through profit or loss				
Payables of the selling forward exchange contracts	--	199,927	--	199,927

(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
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31. 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.

32. EVENT AFTER THE REPORTING PERIOD

On February 22, 2022, the Board of Directors' Meeting No.1/2022 was held and passed a resolution to pay the dividends for the year 2021 to the shareholders of 637,063,385 shares at Baht 0.11 per share, totaling Baht 70,076,972.35 by fixing the payment date for dividend on May 17, 2022. The Company will request for the approval to pay the dividend in the annual general meeting of shareholders.

33. RECLASSIFICATION

The Group certain accounting transactions in the financial statements for the year 2020, has been reclassified to conform to the financial statements for the year 2021. The reclassifications had no effect to previously reported loss or shareholders' equity.

34. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 22, 2022.