



Team Precision
Public Company Limited
บริษัท ทีมเพรซิชั่น จำกัด (มหาชน)

2016 ANNUAL REPORT

รายงานประจำปี 2559





ISO 9001 Quality Management Systems



ISO TS16949 Quality Management Systems – Particular requirement for automotive production and relevant service part organizations



ISO 13485 Quality Management Systems – Medical devices Requirements for regulatory purposes



ISO 14001 Environmental Management



OHSAS 18001 Occupational Health and Safety Management Systems

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

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Dear Shareholders,
Team Precision Public Pcl.



We had gone through tremendous changes in 2016. The first half of 2016 was a challenging period for us. Nevertheless, it showed the spirit of all TEAM's employee in working together to continue improving the operation even in the difficult time. The effort started to show positive result in the second half of the year and should continue to bear fruit into the future. 2016 reports loss of 8.72 million baht which had recovered greatly from the loss in 2015 of 109.74. million baht. However, our financial position remained strong with positive cash flow from operation of 65.77 million baht and low debt to equity ratio of 0.44.

The global economy and the changes in political landscape both domestic and international are playing an important role to international trades and have impacted our stakeholders especially our customers who mostly has high inventory in the first half of the year. However, the situation has improved in the last quarter of the year which we believe will continue into the following year. The effect of the bad debt from last year had made us more focused in term of cost saving, cost cutting and streamlining our operation. This has made us operate more efficiently while enhancing our competitiveness in the market and maintaining our high standard of services and quality to our customers. In 2016 we had played a proactive role and take part in customer's Business Continuity Plan (BCP). This year we are proud to successfully help our customer in recovering their production due to a sudden stoppage in their factory. Within a short lead time, we were able to fulfill customer order and deliver the service. This had demonstrated our service mind, flexibility, eagerness and determination in adapting to customer's problem from uncertainty, successfully delivering the solution to create a stronger long lasting partnership with our customers.

I believed that 2016 has made us stronger and well prepared for the future. I would personally like to thank all employee who continue to play a tremendous contribution in streamlining our operation and making it even more efficient. Their teamwork, spirit, dedication, and positive attitude is unmatched. Going through various events in 2016, our teamwork is unshaken but yet stronger and we continue to thrive for new opportunities, better serve our customers and eventually provide more value adding to our shareholders.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chakkaphant Manutsathit'.

Mr.Chakkaphant Manutsathit
Chairman of Board of Directors

1. Policy and Overview Business Operations

History

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

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

The company has two subsidiary companies.

2006	Establishment of companies in Denmark .To conduct a procurement on October 31, 2006. Shareholding in 100 percent of shares
2008	Establishment in Singapore. To conduct a procurement on August 1, 2008. Shareholding in 100 percent of shares
2016	Team Precision (Singapore) PTE LTD. has registered the dissolution under the laws of foreign country on November 28,2016.

1.1 Vision ,Business goals and Strategies

Vision

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

Business Goals

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

Strategies for sustainable growth

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

Company Values

Passion + Integrity + Team Synergy + Initiation = Performance

Passion

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

Integrity

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

Team Synergy

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

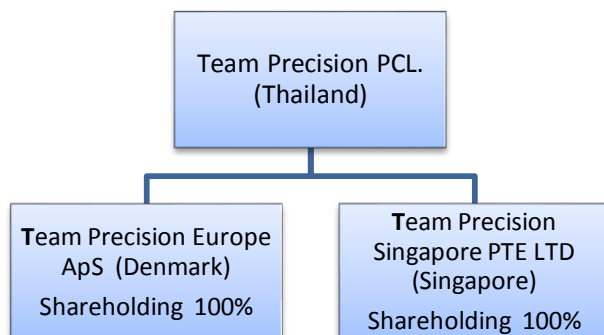
Initiation

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

1.2 Changes and Developments

-None-

1.3 The shareholding structure of the Group.



Subsidiary Business :Trading of electronic components and electronic products.

1.4 Relationship with the Group's largest shareholder

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

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

*** See details and relationship characteristics in Note 22 to the financial statements

2. Characteristics of Business

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

The Company continues to receive accreditations as follows:

1. International Standard of Quality (ISO 9001:2008)
2. Environmental Management System Certification (ISO:14001:2004)
3. Occupational Health Safety Certification (OHSAS:18001:2007)
4. Automotive Production Quality Management System Certification (ISO/TS:16949:2009)
5. Medical Equipment Industry (ISO:13485:2003)

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

Products and Services

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

2.1 Products and Services

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

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

Category	2016		2015		2014	
	Mio. Baht	%	Mio. Baht	%	Mio. Baht	%
Industrial Control	663	59	735	57	849	49
Telecommunications	100	9	50	4	261	15
Automotive	157	14	147	11	180	10
Medical	169	15	295	23	430	25
Other	31	3	58	5	18	1
Total Revenue	1,120	100	1,285	100	1,738	100

Industrial Control

The Company has manufactured the components of several industrial products such as cooling control products, snowplow control unit, radioactive detector and security system.

Medical

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

Automotive

Car radio control, leather upholstery, electronic , sensor system.

Telecommunications

Wireless networking equipment

Consumer

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

Specialty Products

Sound localization in a large conference room. Sounds electronic devices

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

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

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

Nature of customers and target customers

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

Distribution and distribution channel

The Company shall mostly sell the products directly to the foreign customers including the indirect export totally more than 90 % of the total sales. The remaining is sold to the domestic customers.

(B) Industrial condition and competition

In the Year 2016, the electricity and electronics industry is increase by 6.46% over the previous year. The electronics industry grew by 1.55% yoy. Electronic products increased by Monolithic IC and other ICs increased by 4.58% and 5.35% yoy, respectively. Development of high technology products. Including as part of the Smartphone and Tablet, which has increased demand.

In the year 2017, the electricity and electronics industry is expected to increase by 2.3% compared to the previous year. The electricity industry is expected to increase by 2.2 percent compared to the previous year due to the recovery of the domestic market and the recovery of the economy as a result of the economic recovery. For the industry Electronic production will increase by 2.4% over the previous year as IC is a key component in the development of high technology products. Source of data: Office of Industrial Economics

2.3 Procurement of products or services

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

Raw materials and distributor of raw materials

The main raw materials used in manufacture are electronic components such as Printed Circuit Board (PCB), Integrated Circuit (IC), Diode, Resistor, Capacitor, etc. including electric cable accessories, plastic components, steel and other components used in assembly of finished products. Those raw materials are 70% imported from abroad and the remaining 30% are purchased domestically. In this regard, the Company shall procure the raw materials or cooperate with the customers in procurement of the raw materials by purchasing the raw materials from the domestic companies and abroad all over the world, as well as, having an affiliated company in Singapore assisting in procurement of the raw materials. As a result, the Company is able to compare the prices of the raw materials around the world in order to propose the best prices to the customers before deciding to purchase.

Problems of raw materials

The main cost of Company's business is raw materials which are necessary to have good quality as required by the customers. The Company, therefore, has a risk in acquiring the raw materials to be available for the production and delivery to customers according to the specified schedules. Besides, the Company still has a risk of price negotiation and the volume of each purchase may affect the price of a raw material. Since most of distributors of electronic components are in abroad, the Company had established 2 offices for procurement of raw materials in Denmark and Singapore in order to enhance the capability in procurement of raw materials and implementation of controlling the cost, quality and delivery closely with the distributors. Furthermore, the Company had made the agreements with the distributors of important raw materials in utilizing the Vendor Management Inventory System (VMI) for sourcing the raw materials. This system had enhanced the efficiency in responding the customer needs on time and had increased the efficiency of warehouse management as well.

Environmental impact

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

Department of Welfare & Labor Protection ,Ministry of Labor:

- 2008 :Bronze Award for Zero Accident campaign in 2008 – Prachinburi Plant
- 2009 :Bronze Award for Zero Accident campaign in 2009 – Prachinburi Plant
:Excellence Safety, Health & Environment in Workplace 2009
(Regional Level) – Prachinburi Plant
- 2010 :Bronze Award for Zero Accident campaign in 2010 – Prachinburi Plant /Rangsit Plant
:Excellence Safety, Health & Environment in Workplace 2010
(National Level) – Prachinburi Plant
- 2011 :Excellence Safety, Health & Environment in Workplace 2011
(National Level) – Prachinburi Plant
:Bronze Award for Zero Accident campaign in 2011 - Rangsit factory
- 2012 :Excellence Safety, Health & Environment in Workplace 2012
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2012 - Rangsit factory
- 2013 :Excellence Safety, Health & Environment in Workplace 2013
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2013 - Rangsit factory
- 2014 :Excellence Safety, Health & Environment in Workplace 2014
(National Level) – Prachinburi Plant /Rangsit Plant
: Recognition Award-Silver medal in 2014 Rangsit factory
- 2015 :Excellence Safety, Health & Environment in Workplace 2015
(National Level) – Prachinburi Plant /Rangsit Plant
:Bronze Award for Zero Accident campaign in 2015 - Prachinburi factory
- 2016 :Excellence Safety, Health & Environment in Workplace 2016
(National Level) 7th Year consecutive – Prachinburi Plant
Anti Drug Project certificate inworkplave – Prachinburi Labor Protection Office
:Bronze Award for Zero Accident campaign in 2016- Prachinburi factory

Department of Alternative Energy Development and Efficiency ,Ministry of Energy

- 2013 Energy Saving Award, Complimentary award 2013 – Prachinburi factory
Award of appreciation for energy conversation from the “Reduction of the use of Cooling Fan of Cooling Tower Project”

Green Automotive Parts Industry Project

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

Department of Disease Control , Ministry of Public Health

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

2.4 Work has not been delivered.

-None-

3. Risk Assessment

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

1. Business risk

Since the Company has mainly operated the business with the oversea customers of which the total export is more than 90%, there were risks of the changes of several factors of customers' market conditions in 2016 of both external factors such as economic situation, politics and trading policy of each country including the global or regional economic situation and internal factors of the customers such as the merger, the change of procurement policy or the change of the selling products. These factors have caused an uncertain volume of demand of the products. The Company, therefore, has implemented a risk distribution policy by diversified manufacturing industry and market distribution to many regions in order to reduce an impact which may incur from those factors, as well as, to reduce the business risk. The Company has implemented such policy continuously. Besides, there is a risk of uncertainty; for example, operating the business by relying on the sales to the big customers is also considered as a significant business risk. The Company, therefore, has implemented the marketing administration management in order to expand the new customer base constantly.

2. Risk of natural disaster

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

3. Risk of exchange rate

The revenues of the Company are from the sales of the products and the purchase of the raw materials is mainly in foreign currency, especially in US Dollar. The Company, therefore, has managed the risk of exchange rate by Natural Hedge system and has utilized other financial instruments to reduce the risk.

4. Risk of debt collection from customer

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

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

However, as for a customer whom is considered to have a risk factor of payment, the Company shall make an agreement with the customer for hedging on a case by case basis such as to make an advance payment before product delivery or to arrange a Letter of Credit or a Stand-by Letter of Credit or a Bank Guarantee as applicable.

5. Risk of quality labor supply

Due to the adjustment of the industrial sector in Thailand was improved and the production of several companies had been moved to Prachinburi Province (after the flood crisis in 2011) where the Company's plant is located, the demand of labor force has been increased, as well as, there is a competition of the rates of labor wages. The Company has realized the risk of the labor supply and the labor cost control. The Company, therefore, has foreseen the importance of personnel development and the welfare and benefits by

- Providing the basic training and skill development by establishment of a Technical Training Center which has the training room and actual practice for the new employees and continuously develop the personnel to have more multi-skills.
- Participating in the Wages and Benefits Survey of electronics industry group and determining the appropriate remuneration including the welfare and benefits in order to motivate and retain the personnel to work in long term for the Company.
- Improving the production process continuously in order to enhance the efficiency of production process of both labor and machinery oriented by applying the principles of Lean and Six Sigma which the Company had studied about Toyota Production System in 2013 and had applied for implementation.
- Recruit Myanmar workers (MOU) with appropriate number to address the problem of insufficient workers in long term period

6. Risk of raw material supply

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

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

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

7. Risk of production

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

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

Apart from taking care of the readiness of the machineries, the Company has also emphasized on the procedure of production control to comply with the international standard by annually monitoring the standard systems continuously either a particular product standard such as ISO16949 for the automotive products, ISO13485 for medical instruments and safety and environmental standards which are ISO14000 and OHSAS18000 in order to build the confidence to the customers and to reduce the risk of production process.

4. General information and other important information

Company Name : Team Precision Public Company Limited
Registration : 0107543000058

1. Company Name	Team Precision Public Company Limited	Subsidiary	
		Team Precision (Europe) ApS	Team Precision (Singapore)PTE LTD
2. Address	198 Moo 13, Suwansorn Road,Dong-Khee-Lek Muang Prachinburi, Prachinburi 152/8, 152/9, 152/15 Moo 3, Rangsit Tanyaburi, Patumthani	Noddehegnet 8, 6400 Sonderborg, Denmark	196 Pandan Loop # 04-20 Pantech Business Hub, Singapore.
3. Type of main business	Electronics Manufacturing Printed Circuit Board Assembly	Business Trading of electronic components and electronic products	Business Trading of electronic components and electronic products
4. Share Capital Paid up Capital	637,063,385 shares, par value 1 baht 637,063,385 Baht	500 shares, par value 1,000 DKK DKK 500,000	200,000 shares, par value 1 SGD SGD 200,000
5. Telephone	Prachinburi (037) 403 336-40 Fax (037) 403 345 Patumthani (02) 577 2350 Fax (02) 577 2355 (02) 577 1705	Tel. (45) 7342 3232 Fax (45) 7342 6800	Tel. (65) 6773 6908 Fax (65) 6773 6208
Reference persons			
Auditors		Share Registrar	
1) Dr.Virach Aphimeteetamrong, Certified Public Accountant Registration No.1378 and/or		Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand. Telephone (66 2) 009 9000 Fax (66 2) 009 9991	
2) Mr. Chaikorn Unpitipongsa Certified Public Accountant Registration No.3196 and/or			
3) Mr. Apiruk Ati-Anuwat Certified Public Accountant Registration No.5202			
4) Mr.Preecha Suan Certified Public Accountant Registration No.6718			
518/3 Panunee Building, 7 th Floor,Ploenchit Road Lumpinee District, Patumwan, Bangkok 10330 Telephone/Fax 02-252-2860, 02-255-2518			

Other important information
-None-

5. Shareholder

Securities and Shareholder Information

5.1 Number of registered capital and paid-up capital

- (1) The company has registered capital and paid up 637.06 million baht Divided into 637.06 million shares par value 1 baht (as of March 10,2017)

5.2 Shareholder

- (1) List of major shareholders

(A) Name list of top 10 shareholders as of the latest closed registration (as of March 10, 2017)

Name		Shares	%
Mr. Supachak	Manutsathit	95,400,000	14.97
Mr. Anant	Manutsathit	85,588,288	13.43
Mr. Wutiporn	Manutsathit	51,000,000	8.00
Mr. Atthapol	Manutsathit	51,000,000	8.00
Mr. Chakkaphant	Manutsathit	46,288,615	7.27
Ms. Manutsaporn	Manutsathit	46,000,000	7.22
Ms. Patharawadee	Manutsathit	32,017,173	5.02
Ms. Patharawan	Manutsathit	32,000,000	5.02
Mrs. Malipa	Manutsathit	12,000,000	1.88
Mr. Weerawat	Sirayopas	11,374,161	1.78

Source of data : Thailand Securities Depository Co., Ltd

(B) Major shareholders of behavior influence the management or operating policies of the company significantly

(None)

5.3 Issuing other securities

(None)

6. The Dividend Policy

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

Details of dividend payment during 5 years

Dividend detail	2012	2013	2014	2015	2016
Dividend payment date	May 15, 2013	-	May 13, 2015	-	-
Number of shares	637,063,385	637,063,385	637,063,385	637,063,385	637,063,385
Dividend per share	0.05	-	0.05	-	-
Dividend Payment	31,853,169	-	31,853,169	-	-
- BOI	31,853,169		31,853,169		
- NON-BOI					
Stock Dividend per share					
- Baht	-	-	-	-	-
Total Dividend	31,853,169	-	31,853,169		
Net profit (Separate FS)	31,316,688	2,549,715	56,693,342	(92,493,682)	(5,950,979)
Dividend/Net profit	102%	-	56%	-	-

7. Managerial Structure

7.1 The Board of Director

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

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

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

7.1.1 Name of member of the Board of Directors as of Dececmber 31,2016.

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

*** Authorized directors to act on behalf of Company :Mr. Chakkaphant Manutsathit Mrs.Malipa Manutsathit and Mrs.Suratn Petchmunee

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

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

The 2016 attendance of each member of the Board of the Company can be summarized as follows:

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

7.2 The Management Team

7.2.1 Name of the members of the Management Team

1. Mr. Chakkaphant	Manutsathit	Chief Executive Officer
2. Mrs.Malipa	Manutsathit	Chief Information Officer
3. Mrs.Suratn	Petchmunee	Company Secretary/Compensation & Benefit Director /Finance Director (acting)
4.Mr. Manolo	Villaluz Momongan	Supply Chain Management / Marketing Director
5.Mr. Passagon	Buathong	Business Development Director
6.Mr. Wattana	Dechbun	Human Resources Director
7.Mr. Aviroot	Kongcharoen	Corporate Quality Assurance Director

Board of Directors



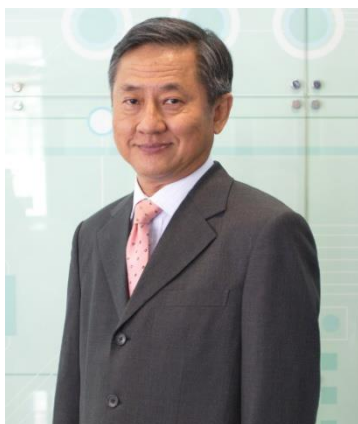
Mr. Chakkaphant Manutsathit
Chairman of the Board of Directors



Mr. Chai Jroongtanapibarn
Independent Director



Mr. Piromi Chamsai, Ph.D
Independent Director



Mr. Monkhol Kittipoomvong
Independent Director



Mrs. Malipa Manutsathit
Director



Mrs. Suratn Petchmune
Director



Mr. Chakkaphant Manutsathit
Chief Executive Officer



Mrs. Malipa Manutsathit
Chief Information Officer



Mrs. Suratan Petchmunee
Company Secretary/
Compensation & Benefits
Director/ Finance Director
(Acting)



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



Mr. Passagon Buathong
Business Development
Director



Mr. Wattana Dechbun
Human Resource
Director



Mr. Aviroot Kongcharoen
Corporate Quality
Assurance Director

Detail of Company Directors and Management

Mr.Chai Jroongtanapibarn	Age 63 years	: Independent Director/ Chairman of the Audit Committee/ Nomination and Remuneration Committee/Risk Management Committee
Share Ratio (%)	:	0.23% or 1,497,062 shares
Relationship with Management	:	None
Highest Education	:	Master Degree of Accounting, Thammasat University
Working Experiences		
2007- Present	:	Independent Director/ Audit Committee, Siam Food Products Pcl.
2006- Present	:	Independent Director/ Audit Committee, Oishi Group Pcl.
2005- Present	:	Chairman of the Board of Directors/Independent Director/Chairman of the Audit Committee,Thai Metal Trade Pcl.
2003- Present	:	Independent Director,Siam Future Development Plc.
2002- Present	:	Independent Director/Chairman Audit Committee,Major Cineplex Group Pcl.
2000- Present	:	Independent Director/Chairman of the Audit Committee, Team Precision Pcl.
1982 – 1997	:	Executive Director and Chief Financial Officer Minor Group.
Related Training Program held by IOD		
DCP -Director Certification Program 2003		
ACP -Audit Committee Program 2005		

Mr.Monkhol Kittipoomvong	Age 64years	: Independent Director/ Audit Committee/ Chairman of the Risk Management Committee/ Nomination and Remuneration Committee
Share Ratio (%)	:	0.96% or 6,136,625 shares
Relationship with Management	:	None
Highest Education	:	MBA Finance and Business Economics ,The University of Toledo, Ohio, United States
Working Experiences		
2015 – Present	:	Independent Director/ Audit Committee / Nomination and Remuneration Committee/ Chairman of Risk Management Committee, Team Precision Pcl.
2001 – 2014	:	President ,Krungsri Securities Public Company Limited.
Related Training Program held by IOD		
DCP -Director Certification Program 2001		

Mr. Pirom Chamsai, Ph.D.	Age 62 years	: Independent Director/ Audit Committee / Chairman of the Nomination and Remuneration Committee/ Risk Management Committee
Share Ratio (%)	:	0.09% or 590,000 shares
Relationship with Management	:	None
Highest Education	:	Doctor of Engineering (Geotechnique) Ecole Centrale des Arts & Manufactures (French Government Scholarship)
Working Experiences		
2015 – Present	:	Independent Director , Premier Technology Pcl.
2014 – Present	:	Chairman of The Executive Board of Directors, Consulting And Management 49 Limited.
2013 – 2013	:	Managing Director,Thai Flim Industries Pcl.
2007 – Present	:	Lecturer, Faculty of Fine Arts, Bangkok University
2000 – Present	:	Independent Director/Audit Committee /Chairman of Nomination and Remuneration /Risk Management Committee, Team Precision Pcl.
Related Training Program held by IOD		
DAP- Director Accreditation Program 2005		DCP- Director Certification Program 2007
ACP -Audit Committee Program 2005		RCC- Role of Compensation Committee 2007

Mr.Chakkaphant Manutsathit	Age 63 years	: Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee
Share Ratio (%)	:	7.27% or 46,288,615 shares
Relationship with Management	:	Spouse of Mrs.Malipa Manutsathit
Highest Education	:	Master of Business Administration, University of Queensland Australia
Working Experiences		
2010 – Present	:	Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.
2009 – 2010	:	Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.
2000 – 2008	:	Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee, Team Precision Pcl.
1995 – Present	:	Director, Alpine Technology Manufacturing (Thailand) Co., Ltd.
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003		RCP- Role of Chairman Program 2007
DCP- Director Certification Program 2003		RCC -Role of Compensation Committee 2007

Mrs.Malipa Manutsathit	Age 62 years	: Chief Information Officer / Director /Nomination and Remuneration Committee /Risk Management Committee
Share Ratio (%)	:	1.88% or 12,000,000 shares
Relationship with Management	:	Spouse of Mr.Chakkaphant Manutsathit
Highest Education	:	Master of Commerce (Management Information System), University of New South Wales Australia
Working Experiences		
2002 – Present	:	Director, Energy Innovation Co.,Ltd.
2000 – Present	:	Chief Information Officer / Director /Nomination and Remuneration Committee /Risk Management Committee, Team Precision Pcl.
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003		ACP -Audit Committee Program 2007
DCP -Director Certification Program 2007		

Mrs.Suratn Petchmunee	Age 56 years	: Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director
Share Ratio (%)	:	0.67%or 4,238,789 shares
Relationship with Management	:	None
Highest Education	:	Master of Business Administration, University of Eastern Asia
Working Experiences		
2012 – Present	:	Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director ,Team Precision Pcl.
2009 – 2011	:	Company Secretary /Director, Team Precision Pcl.
2000 – 2008	:	Finance Director/ Director , Team Precision Pcl.
Related Training Program held by IOD		
DAP -Director Accreditation Program 2003		CSP - Company Secretary Program 2009
DCP- Director Certification Program 2007		EMT -Effective Minute Taking 2009
ACP- Audit Committee Program 2007		

Mr.Manolo Villaluz Momongan	Age 51 years	: Supply Chain Management Director / Marketing Director
Share Ratio (%)	:	None
Relationship with Management	:	None
Highest Education	:	Master's degree in Management for Executives and Managers (Most Outstanding Graduate) University of San Jose Recoletos, Philippines
Working Experiences		
2008 – Present	:	Supply Chain Management Director /Marketing Director, Team Precision Pcl.
2004 – 2008	:	Supply Chain Management Director, Celestica Philippines
1991 – 2004	:	Production Control Manager, NEC Technologies Philippines
Related Training Program held by IOD		
- None -		

Mr. Passagon Buathong	Age 46 years : Business Development Director
Share Ratio (%)	: None
Relationship with Management	: None
Highest Education	: Ph.D (Candidate) Dhurakij Pundit University (International College)
Working Experiences	
2010 – Present	: Business Development Director, Team Precision Pcl.
2008 – 2009	: Senior Contract & Negotiation Manager, Huawei Technologies (South East Asia) Company Limited
2004 – 2008	: Senior Program and Business Development Manager, Pemstar (Thailand) Company Limited
Related Training Program held by IOD	
- None -	

Mr. Wattana Dechbun	Age 55 years : Human Resources Director
Share Ratio (%)	: None
Relationship with Management	: None
Highest Education	: Political Science, Chulalongkorn University
Working Experiences	
2015 – Present	: Human Resources Director, Team Precision Pcl.
2014 – 2014	: Human Resources Senior Department Manager, Team Precision Pcl.
2011 – 2013	: Human Resources Department Manager, Western Digital Thailand Co.Ltd.
2009 – 2011	: Human Resources Department Manager, Prukha Real Estate Pcl.
Related Training Program held by IOD	
- None -	

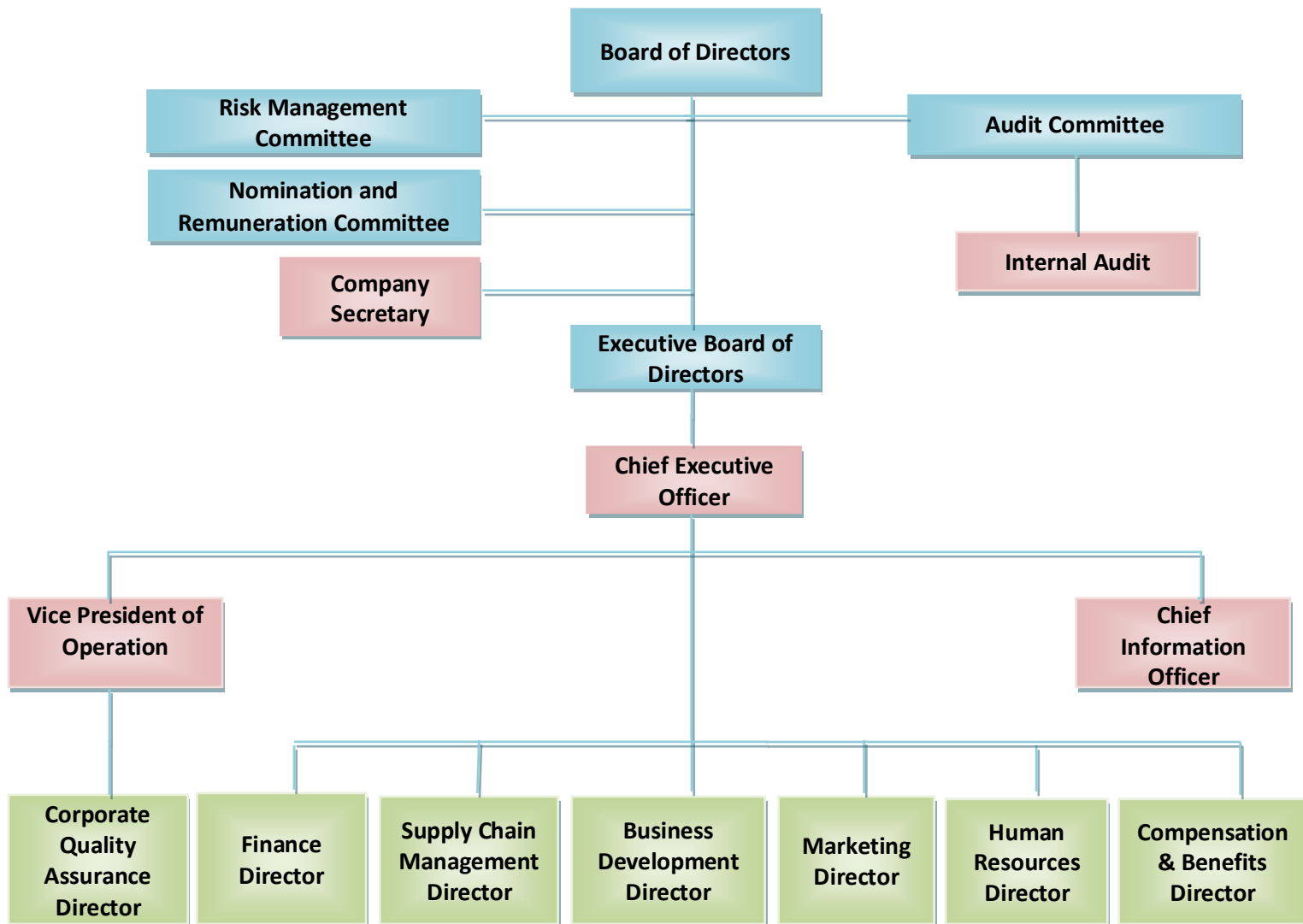
Mr. Aviroot Kongcharoen	Age 46years : Corporate Quality Assurance Director
Share Ratio (%)	: None
Relationship with Management	: None
Highest Education	: Bachelor of Science, Chulalongkorn University
Working Experiences	
2015 – Present	: Corporate Quality Assurance Director, Team Precision Pcl.
2007 – 2014	: Corporate Quality Assurance Senior Department Manager , Team Precision Pcl.
2004 – 2007	: Senior Quality and Reliability Assurance Department Manager, Stars Microelectronics (Thailand) Pcl.
2004	: Assist Quality Engineering Manager, SVI Pcl.
Related Training Program held by IOD	
- None	

Changes in Shareholdings of directors and executives

Name		Holdings	10 March 2017	11 March 2016	Increase/ Decrease(Net)
Mr. Chakkaphant	Manutsathit	Direct	46,288,615	46,288,615	-
Mr. Pirom	Chamsai, Ph.D.	Direct	590,000	190,000	400,000
Mr. Chai	Jroongtanapibarn	Direct	1,497,062	1,497,062	-
Mr.Monkhol	Kittipoomvong	Direct	6,136,625	6,136,625	-
Mrs.Malipa	Manutsathit	Direct	12,000,000	12,000,000	-
Mrs.Suratn	Petchmunee	Direct	4,238,789	4,238,789	-
		Total	70,751,091	70,351,091	400,000

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

Organization Structure



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

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

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

7.3 Company Secretary

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

7.4 Remuneration for Directors and Executives of the Company

The remuneration policy

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

7.4.1 Remuneration in the form of money

(A) Remuneration of Director

Name		Position	2016	
			Remuneration	Compensation
1. Mr.Chakkaphant	Manutsathit	Chairman of The Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee	195,000	-
2. Mrs.Malipa	Manutsathit	Director / Nomination and Remuneration Committee / Risk Management Committee	165,000	-
3. Mrs.Suratn	Petchmune	Director / Company Secretary	165,000	-
4. Mr.Chai	Jroongtanapibarn	Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee / Risk Management Committee	245,000	-
5..Mr.Monkhol	Kittipoomvong	Independent Director/ Audit Committee / Nomination and Remuneration Committee / Chairman of Risk Management Committee	215,000	-
6.Mr.Pirom	Chamsai, Ph.D.	Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee	215,000	-
Tototal Remuneration ***			1,200,000	-

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

All directors were willing to receive one-half of the remuneration fee from the resolutions of the Annual General Meeting of Shareholders 1/2016.

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

Year	Total Executive	Amount (Baht)
2016	8	30,955,254
2015	8	35,314,783

7.4.2 Other remunerations

1. Provident fund

The Company contributes to the provident funds of executives and employees at a rate of 3% of monthly salary to serve as welfare in case of death, disability, resignation, or retirement depending on the period being employed with the Company.

The Company established Employee 's Choice Structure to allow employees to choose the fund policies that fit their own funds. There were five plans consisting of

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

y

Employee members may as well change their policies by two times per year.

2. Long term Employee Benefits

The Company had provision for compensations on employees' retirement at the year ended December 31, 2016 totaling 52.92 Million Baht. The principle assumptions and calculation is performed by a qualified actuary using the Projected Unit Credit Method.

3. Group Accident Insurance

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

7.5 Employee

The existing executive and staffs was 1,061 persons as of December 31, 2016 and recognized compensation and benefit expenses (salary, provident fund ,bonus,social security etc) for employees totaling 288.08 Million Baht.

Personnel development policy

As far as the organizational quality is concerned the Company has a firm policy to continuously develop skills, knowledge, and ability for all of its employees. The Company aims at enhancing their potential, and competitiveness to satisfy the customer's needs. And in order for the Company's Annual Personnel Training and Development Plan to be in line with skill requirements and needs of each work unit the Company always makes certain of providing employees the following programs: work orientation for newly recruited working members, basic production knowledge, on-job- training, hygiene and safety training as well as management skill training for employees at supervising level.

Employees are either given training within the Company with experts of particular areas being invited to widen their skills and knowledge scope or sent to other institutions for outside training. In 2016 ,the rate of employees trained for skilled labor reached 80% of the total company staff.

8. Corporate Governance

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

8.1 Policy on corporate governance

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

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

1. Rights of Shareholders

In 2016 the Company had a total of one shareholder meeting, with one annual ordinary meeting taking place at the Company. The Company uses a Record date method to gather a list of shareholders who are entitled to attend the meeting. Thailand Securities Depository Co., Ltd has been assigned to be organizer and the Company had submitted the Notice of AGM Meeting along with supporting information for various agenda for acknowledge 14 days in advance before the meeting. Each agenda included the opinion of the Board of Directors and explained to shareholders for voting method, voting count and card in the meeting.

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

2. Equitable Treatment to Shareholders

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

- 2.1 Provide a shuttle service to facilitate shareholders who wish to attend annual general meeting ("AGM") from the Stock Exchange of Thailand Building.
- 2.2 Give the equal right to vote to the shareholders and the voting procedures are not complicated.
- 2.3 Attach the Proxy type B including instruction with the invitation letter in order to shareholders who could not attend AGM to give the power to independent director or other person to attend and vote in the meeting.
- 2.4 Give opportunity with the equal right to shareholders in auditing the Company's business performance inquiry and recommendation expression. All inquiries and recommendations were also welcome through e-mail address: ir@teampcba.com.
- 2.5 Shareholders who lately attend in the meeting will be allowed.
- 2.6 Allow shareholders to have their rights to propose an agenda and nominee of director advance for 2017 Annual General Meeting of Shareholders. The criteria to exercise their rights had been announced through SET and Company's website at <http://www.teampcba.com>
- 2.7 In the 2016 AGM, total of six directors attended the meeting. The chairman gave the shareholders to offer their expressions and questions. And the meeting are recorded accurately and completely for further audit by shareholders.
- 2.8 Company proceeded the meeting according to the agenda and had no additional agenda without prior notification to shareholders.
- 2.9 The Company has implemented barcode system to use in register. Recorded vote and the voting results show at the end of each agenda by providing third-party inspectors to examine, in cooperation with the vote counting.

- 2.10 Disclosure resolution of Annual General Meeting of Shareholders and the voting results through dissemination of information system of The Stock Exchange of Thailand within the next working day from the date of the meeting.
- 2.11 Prepare and submit resolution of the Annual General Meeting of Shareholders to the relevant regulatory authorities. Such report has been published on the Company's website within the duration not exceeding 14 days from the date of the meeting.

3. Rights of Stakeholders

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

- **Employee:** The company treats all employee on a fair and equitable basis of employment equity and all applicants without discrimination based on race, color, religion, nationality, sex, age, disability, marital status, sexual orientation, which we will follow the law, human rights and employment, all applicable not to perform illegal discrimination in various aspects of an employment, including recruitment, hiring, compensation. promotion or termination of employment.
- **Occupational Health, Safety and Environmental:** Company has been aware of the importance of hygiene and safety practices of employees. As well as the prevention of environmental impact, the company has a policy to guide the implementation of the system as effectively and efficiently as follows.
 - Continuous improvement in Health, Safety and Environmental management system, processes, products and services. In accordance with the requirements of the standard OHSAS 18001 and ISO 14001.
 - Commitment to abide by laws and regulations of Occupational Health Safety and Environment related to the business operations of the organization.
 - Establish objective and target to conduct inspection for continuous improvement in Health and Safety in workplace. Implement risk assessment of the activities within the organization to prevent accidents, injuries, illnesses related from work. The goal is to reduce accidents at work to zero. The conservation of natural resources to prevent the environmental pollution caused by the activities of the organization.
 - Provide training to creating awareness of Occupational Health management system, Safety and Environment when work on behalf of the Team Precision organization.
 - Communicate to employees who are working on behalf of Team Precision to understand of Health, Safety and Environment policy as well as the dissemination of communication to the public and related agencies. Including of Health, Safety and Environmental Policy review as a reasonable period.
- **Partners and/ or Creditors:** the Company has policy to treat partners and/or creditors equally and fairly and attain the best interest of the Company and a fair return of both parties. We do not request, accept or pay any bribes in the business dealing .The Company shall comply with agreement and condition including term of guarantee (if any) for partners and/or creditors. In case that the Company cannot comply with the agreed terms, ,the event of payment default ,the Company shall notify the partners and/or creditors in advance to jointly find solutions. The qualifying purchases ,procurement of goods and services from suppliers will be based on cost, quality, responsiveness, delivery and financial stability of the suppliers or service providers.
- **Customers:** The Company has policy to pay attention and be responsible to our customers. We produce the quality products according to international standards, create trust ,retain customer's information in strict confidentiality, and we have an assigned function or responsible person to enhance rapid actions for customer complaints.

- **Business Competitors:** The Company exhibits good behavior within the framework of good competition, maintains the baseline of acceptable behavior in competitions and avoids dishonest methods to destroy business competitors.
- **Intellectual Property and Copyright Policy:** The Company recognizes the importance of the intellectual property and copy rights of third parties. The Company will comply with the legal requirements on intellectual property and copy rights by must check beforehand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others as follows:
 - Employees must comply with the laws, regulations and contractual obligations regarding intellectual property rights, and including patents, copy rights, trade secrets, and other information proprietary.
 - Employees shall avoid violating intellectual property of others.
 - Employees who use the Company's computers should use only the licensed software programs of the Company.
 - Employees must sign an agreement on policy to comply with the laws of intellectual property or copy rights and the relevant laws.
 - All the intellectual properties which include the work in progress, innovation in all formats shall be returned to the Company whenever an employee vacates the office.
- **Social and Community:** The Company acts responsibly towards community environment by providing close and careful examinations of our pollution and treatment system of waste water flowing towards community and making certain they proceed in accordance with yearly plan.
- **Shareholders :**The Company intends to create value and provide shareholders with good returns continuously while sustaining the Company's growth. The Company prepares and disclose accurately ,completely and timely the financial information with equitable treatment of all sharholders.

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

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

4. Disclosure and Transparency

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

- 4.1 Company disclosed financial reports relating to the financial status and operating performance of the Company on a quarterly and annual basis after each review or audit by Certify Public Accountant ,as well as the Management Discussion and Analysis (MD&A) of the Company and its subsidiaries according to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- 4.2 Distributed the 2016 Annual Report (Form 56-2) to the Company's shareholders, along with the notice of the Annual General Meeting of Shareholders, and informed such information to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within the period required by regulation ,as well as published it on the Company 's website.
- 4.3 Submitted Form 56-1 as at December 31, 2016 to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 3 months from the end of accounting period of the Company as required by regulation as well as published it on the Company 's website.
- 4.4 Disclosure of shareholding structure, organization structure, shareholding structure of business group,the information of Board of Directors and executives , and Company's articles of Association placed on the Company's website.
- 4.5 Company provides communication channel between investors ,analysts and any person who is interested with the company. They could raise suggestion or request for more information from the Company through its e-mail address: ir@teampcba.com or facsimile No. 02-5771705, 02-5772355.
- 4.6 The non-financial indicator of Company performance is the level of customer satisfaction which had 86% in the year 2016.

5. Responsibilities of the Board of Directors

5.1 Responsibilities of the Board of Directors

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

1. Guarantee the vision, guidelines and business plans of the Company .To set policies as well as monitor and supervise management to operate in accordance with the policies in order to maximize shareholders' wealth and comply with good corporate governance principles and law
2. Evaluate and follow the results of the work done by the management to ensure that the Executive Board of Directors has appropriately carried out day-to-day tasks according to the policy established with efficiency and effectiveness
3. To undertake that the Company implements good corporate governance , internal controls and risk management to ensure that operations are correct and efficient.
4. Verify connected transaction and items that may create conflict of interest so they conform to the current regulations.
5. Verify and approve the significant matter that affect to the Company's financial status debt and obligation.

6. To disclose the conflict of interest of their own and/or related person in relation to the Company or subsidiaries' interest according to the rule & regulations set by the Capital Market Supervisory Board to the Company.
7. The appointment of the determination of authority of Independent committee and sub-committees.
8. The appointment of subsidiary company's directors

5.2 Duties and responsibilities of the Chairman of the Board:

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

5.3 The composition of the Board of Directors

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

- Three executive directors who are also management, representing 50% of total number of directors.
- Three independent directors ,representing 50% of total number of directors.

Therefore, there were counterbalanced for independent directors in accordance with the laws that require independent directors not less than one-third of all Directors

Definition of independent directors

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

Independent directors' qualifications

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

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

- (5) Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless having vacated from the said tenure for not less than two years before appointment.

- (6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless having vacated from the said tenure for not less than two years before appointment.
- (7) Not being a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder;
- (8) Not undertaking any business in the same nature and in competition to the business of the applicant or its subsidiary company, or not being a major partner of a partnership, or a director with involvement in management, a hired worker, an employee, an advisor with regular payroll, or owning shares more than one percent of all shares with voting right of other companies with similar business undertaking or significant competition with the business of the person applying for permission or subsidiary companies.
- (9) Not having any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operations.

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

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

5.4 Consolidation or Segregation of Positions

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

5.5 Board of Directors' Meetings

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

In 2016 the Board met four times for regular meetings and three times for special meetings, totaling seven meetings. The attendance of each member of the Board of the Company was summarized in Structure Management's topic.

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

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

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

Secretary of sub-committee is Mrs. Suratr Petchmune

Remark: * Mr. Chakkaphant Manutsathit absented from the meeting one time, because of having urgent mission

5.7 The Meeting without Attendance of Management

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

5.8 Performance assessment of the Board of Directors

The Board of Directors has the policy that the management team has to report the operating results compared with the target regularly. If the operating results could not be as targeted, the Board would participate to solve or improve. All directors can freely provide recommendations.

Moreover the Board of Directors has the policy to assess the theBoard 's performance as a group to jointly consider the assesment and improvement. The goal and evaluation rule will be related to the Company's annual plan.

5.9 Performance assessment of the sub-committees

The board has also annually conducted the performance evaluation of all sub-committees that are the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee. The committee evaluates their own assessment and. In 2016, each sub-committee got the average score as "Very good".

6.0 Performance assessment of Chief Executive Officer

The performance of Chief Executive Officer is evaluated by the independent directors. The areas to assess CEO cover his leadership, strategy formulation, strategy execution, financial planning and performance, relationships with the board, external relations, human resources management and relations, succession plan, products /service knowledge and personal qualities. In 2016, the independent directors assessed the CEO with "Excellent performance".

6.1 Conflict of interest

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

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

8.2 Sub-Committee

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

1. Executive Board of Directors

1.1 Names of members of the Executive Board of Directors

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

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

- Supervise the operations of the Company to ensure that they are according to the policies of the Board of Directors and the laws, conditions, rules, and regulations of the Company, except for the items may be disputes, interested in or in conflict with Company or its subsidiaries by executive directors that can be done only when the resolution of the meeting of the Board of Directors attended by the independent directors is obtained.
- Determine paths of development and expansion of business in accordance with the policies of the board of directors.
- Evaluate, prepare and improve the system and regulation of work in the company.
- Evaluate and scrutinize the information or facts regarding business operations that will be presented to the Board of Directors for consideration.
- Evaluate the structure of salaries and other benefits of employees.
- Proceed other tasks as appointed by the Board of Directors.
- As for business approvals that may bind the company as borrower, the Executive Board of Directors is authorized to carry out actions valued not exceeding Baht 100 million. If exceeding Baht 100 million, approval must be sought from the Board of Directors.

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

2. Audit Committee

2.1 Members of the Audit Committee

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

Remark * Independent director

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

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

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

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

3. Nomination and Remuneration Committee

3.1 Members of the Nomination and Remuneration Committee

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

Remark * Independent director

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

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

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

4. Risk Management Committee

4.1 Members of the Risk Management Committee

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

Remark * Independent director

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

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

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

8.3 Nomination and appointment of Director and top Management

8.3.1 Nomination of Director

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

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

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

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

8.3.2 Nomination of the top management

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

8.3.3 Development of Directors and Management Team

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

Director & Management trainee in 2016		In house training (course)	Public training (course)	Total hour
1.Mr. Chakkaphant	Manutsathit	1		6
2.Mrs.Malipa	Manutsathit	2		9
3.Mrs.Suratn	Petchmunee	2	5	36
4.Mr.Manolo	Villaluz Momongan	1		6
5.Mr.Wattana	Dechbun	1		6
6.Mr.Aviroot	Kongcharoen	6		57
7.Mr.Monkhol	Kittipoomvong	-	1	3
Total		13	6	123

8.3.4 Orientation for New Directors and Executives

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

8.4 Supervision of the operation of subsidiary company

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

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

8.5 Supervision of the use of inside information

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

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

8.6 Business ethics

The Company and Board of Directors have policy to operate business in accordance with virtue, ethics and relevant laws for benefits , added value and sustainability of our business as well as to create confidence and trust from all groups of stakeholders

- 8.6.1 Directors shall perform their duties honestly ,carefully without conflicts of interest. Treat other stakeholders with fairness and ethical treatment.
- 8.6.2 The Company has prepared for its management and employees a business ethics guideline which feature the code of emphasis on honesty, respecting the confidentiality of customers, having no interest or benefit with the seller of components and products as well as the maintenance and protection of the company's property. The Company has issued information disclosure policy to prevent the disclosure of the Company's confidential information as well as strict measure to prevent exploitation of information of the company and that of the Company's trading partners. Employees of all levels of the company must not disclose company's confidential information to other people either for personal or commercial purposes.
- 8.6.3 The operation follow-up according to the criteria shall be reviewed by the senior executives for the appropriateness. In case of violation, the employees shall be subjected to the disciplinary actions according to the procedures determined by the Company
- 8.6.4 The Company has established Company Secretary / Internal Department to serves as the complaints of corporate governance and business ethics. The stakeholders of the Company, You can send complaints of business ethics .

8.7 Audit Fee

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

Audit Fee	Team Precision (Thailand)	Team Precision (Denmark)	Team Precision (Singapore)
Audit Fees	Baht 870,000	DKK 65,700	SGD 6,000
Other Fees	*Baht 30,000	DKK 5,900	SGD 4,500

* Checking the compliance with Board of Investment's privilege condition Baht 30,000 per license

8.8 Whistle Blowing Policy

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

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

8.9 Sucession Plan for Chief Executive Officer

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

9. Social Responsibility

Performing the business with good governance

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

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

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

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

Anti-Corruption

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

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

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

The labor practice

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

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

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



Physical examination for the employees



Doctor visit and consult services



Week and Safety awareness event



Work Safety Exhibition



Vaccinate for diphtheria and tetanus protection



Random drug screening

Awareness and preparedness training to employees.

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



First aids and serious injure avoidance



Basic firefighting training and emergency respond team

For lodging a complaint

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

Respect of Human Right

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

Customer Responsibility

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

- Deliver the quality products and services according to the customer’s requirement.
- Provide the accurate, adequate and updated information to the customers so that they will know the products and services without being exaggerated misleading the customers about the quality, quantity or any conditions of such products or services.
- Contact the customer with commitment in order to receive trust from the customers and provide a systemized complaint procedure for the customers about the quality, quantity and safety of the products including the quick response or delivery and implementation.

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

Environmental Conservation

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

- ISO14001 – Environmental management system standard
- OHSAS18001 – Health and occupational safety management standard

Due to our campaign to upgrade our organization to be an organization capable to manage the safety, health and environment in the workplace in consistent to the provision and international standard, the Company had obtained a National Outstanding Enterprise Award in term of occupational safety and working environment in 2013 and an honorary plaque for a zero accident campaign.



National Outstanding Enterprise Award in term of occupational safety and working environment 7 years consecutive and Zero accident award 2016



Occupational and Environmental Health Innovation of Health Sustainability Silver Recognition Award

Inspection of Environmental Condition

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



Environmental impact inspection in manufacturing area



Annual - Building inspection and electrical system inspection

Energy Conservation

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

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

Community or Society Joint Development For the Sustainable Society Joint Development Project

The Company has focused on building the good relationship and giving the assistance to the community and society which is regarded as a part of social and environmental plan and activity constantly implemented by the Company by supporting the community and school in activity participation.



Certificate of Recognition Award to prevent and address Narcotics problem in workplace program

In addition, the Company initiated cooperatives to promote income generation and economic dependency among the workers with the merchant community for sustainable development. By providing a marketplace within the factory every pay day. Employees can purchase goods. Consumption, quality and cheaper than the market



Prootion activity for product of community selling and market

10. Internal control and risk management

10.1 Summary of the Company's Board of Directors concerning the internal control system of the Company

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

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

In addition, the Company's Auditor did not have any observation concerning the internal control system regarding the preparation and proposal of the consolidated Financial Statements including risk assessment due to the presentation of the data contradicts to the matters of fact which is the subject matter of the Financial Statements as shown on the Independent Auditor's report dated 23th February 2017.

10.2 Internal Auditing Manager and Corporate Governance Manager

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

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

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

11. Connected Transaction

The Company has transactions with related companies which are related by holding shares, or subsidiary director by Company's executive, or co-directors as disclosed in note to financial statements no.22. And there are no loan from/ to subsidiaries or connected parties. The calculation is based on the trading price of its normal business agreement.

The Policy of Connected Transactions

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

12. Financial Highlights

Dr. Virach Aphimeteetamrong , Certified Public Accountant Registration No. 1378 from Dr.Virach & Associates Office Co., Ltd , had express an opinion on these financial statements as at December 31,2016 and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, As follows:

In their opinion of audit's report the financial statements referred to above present fairly, in all material respects, the financial position of Team Precision Public Company Limited and its subsidiaries and of Team Precision Public Company Limited as at December 31, 2016, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Financial summary of Team Precision Public Company Limited and Subsidiary

Description	Audited (Unit: Thousand Baht)		
	2016	2015	2014
Current assets	578,378	480,085	720,147
Property, plant and equipment – net	421,974	488,967	543,027
Non current assets	9,649	4,068	4,434
Total Assets	1,010,001	973,120	1,267,608
Current liabilities	231,381	170,879	326,078
Non Current liabilities	79,135	93,065	93,083
Total Liabilities	310,516	263,944	419,161
Paid-up capital	637,063	637,063	637,063
Premium on common stocks	42,543	42,543	42,543
Retained earnings	23,237	31,958	171,129
Other components of shareholders' equity	(3,358)	(2,388)	(2,288)
Shareholders' Equity	699,485	709,176	848,447

Description	Audited (Unit: Thousand Baht)		
	2016	2015	2014
Revenue from sales	1,120,050	1,285,132	1,738,339
Other income	22,636	10,384	19,906
Total Revenues	1,142,686	1,295,516	1,758,245
Cost of sales	1,087,970	1,182,502	1,543,569
Loss on dimution inventory values	(65,946)	62,455	14,376
Selling ,administrative expenses and directors	132,432	155,548	138,407
Finance Costs	1,656	1,849	558
Total Expenses	1,156,112	1,402,354	1,696,910
Income tax expenses	(4,705)	2,897	1,386
Net Profit (Loss)	(8,721)	(109,735)	59,949

Financial Ratio

Liquidity Ratio:		2016	2015	2014
Current Ratio	Times	2.50	2.81	2.21
Quick Ratio	Times	1.85	1.94	1.27
Operating Cash Flow Ratio	Times	0.33	0.44	0.13
Receivable Turnover	Times	5.16	4.98	5.20
Collection Period	Days	69.72	72.32	69.27
Inventory Turnover	Times	4.72	4.02	4.83
Sales Period	Days	76.23	89.53	74.53
Account Payable Turnover	Times	5.96	5.42	4.66
Payable Payment Period	Days	60.36	66.36	77.25
Cash Cycle	Days	85.59	95.48	66.55

Profitability Ratio:		2016	2015	2014
Gross Profit Margin	%	2.86	7.99	11.20
Profit Margin	%	-0.78	-8.54	3.45
Return on Equity	%	-1.24	-14.09	7.31

Efficiency Ratio:		2016	2015	2014
Return on Assets	%	-0.88	-9.79	4.84
Return on Fixed Assets	%	13.49	-7.00	24.77
Total Assets Turnover	Times	1.13	1.15	1.40

Financial Policy Ratio:		2016	2015	2014
Debt to Equity Ratio	Times	0.44	0.37	0.49
Interest Coverage Ratio	Times	37.86	61.53	88.16

Share Information:		2016	2015	2014
Book Value per Share	Baht	1.10	1.11	1.33
Earnings per Share	Baht	-0.01	-0.17	0.09
Cash Dividend per Share *	Baht	-	0.05	-
Stock Dividend per Share *	Baht	-	-	-
Par Value	Baht	1.00	1.00	1.00

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

13. Management Discussion and Analysis:MD&A

Revenue

Team Precision Public Company Limited and subsidiaries ("the Company") had operation for the year 2016 by total revenue from sales of 1,120 million Baht which decreased by 13% from those previous year of 1,285 million Baht. This was mainly because economic in USA and Europe did not meet customers' expectations resulting in having higher inventory, thereby reducing their orders with the Company.

Category	2016		2015		Variance	
	Mio.Baht	%	Mio.Baht	%	Mio.Baht	%
Industrial Control	663	59	735	63	(72)	(10)
Telecommunications	100	9	50	4	50	100
Automotive	157	14	147	11	10	7
Medical	169	15	295	17	(126)	(43)
Other	31	3	58	5	(27)	(47)
Total Revenue	1,120	100	1,285	100	(165)	(13)

Other Income

Other income in year 2016 and 2015 were 23 million Baht and 10 million Baht , respectively. Mainly incomes were selling raw material & indirect supply left over from production ,gain on exchange rate,gain from sold fixed asset and interest and other services.

Cost of sales and gross margin

The cost of sales (excluding loss from diminution in inventories value) in year 2016 and 2015 were 1,080 million Baht and 1,183 million Baht, respectively. The gross margin in year 2016 was declined from 8 % in year 2015 to be 3 % of sales due to the reduction in revenue while some costs were fixed. In year 2016 the Company had sold specific goods at the price lower than its cost by 40 million Baht.

(Reverse) loss on diminution in inventories values

In year 2016, the Company had sold specific goods which were fully reserved as provision for diminution inventory last year. In the meantime, we had reversed such provision by 66 million Baht.

Selling expenses

For the selling expenses in year 2016 and 2015 were 24 million Baht and 24 million Baht, respectively.The majority expenses were employee benefit expenses, the travelling and exhibition for business with overseas customers.

Administrative expenses

For the administrative expenses in year 2016 and 2015 were 107 million Baht and 129 million Baht, respectively. The majority expense were employee benefit expenses with the amount of 65 million Baht and 71 million Baht, respectively. The other expenses were depreciation , electrical and office expenses . Administrative expenses decreased from previous year due to having doubtful debt by 15 million Baht in previous year.

Net profit (loss)

The Company had a net loss of (9)million Baht for the year 2016 compared to the net loss of (110) million Baht for the year 2015. These were specific goods sales,reverse provision for diminution inventory , allowance for doubtful account year 2015 and reduction in significant revenue as above mentioned.

Comparison of Financial Position for year 2016 vs 2015

Total Assets

As at December 31,2016 and 2015, the Company recorded total asset of 1,010 million Baht and 973 million Baht, respectively and increased of 37 million Baht or equivalent to 4 %. The majority changes were due to cash and cash equivalents ,trade accounts receivable, and machinery & accessories and other particulars as follows;

Cash and cash equivalents

Cash and cash equivalents at the end of year 2016 and 2015 amounted to 183 million Baht and 139 million Baht, respectively. This increase was 44 million Baht or equivalent to 32 % due to collection from more customers at the end of year.

Trade accounts receivable

As at December 31, 2016 and 2015, our net trade accounts receivable amounted to 239 million Baht and 185 million Baht, respectively. This increase was 54 million Baht or equivalent to 29 % .

Comparison of trade accounts receivable aging

Trade	31/12/2016		31/12/2015	
	Amount (Million Baht)	%	Amount (Million Baht)	%
Current	154.32	64.7%	119.28	64.5%
Overdue within 3 months*	80.77	33.9%	64.60	35.0%
Over 3-6 months*	3.4 1	1.4%	0.93	0.5%
Over 6-12 months	-	-	-	-
Over 12 months			15.92	8.6%
Total	238.50	100.0%	200.73	108.6%
Less: Allowance for doubtful accounts	-	-	(15.92)	(8.6%)
Trade accounts receivable-net	238.50	100.0%	184.81	100.0%

*Company received the amount of 81 million Baht in January 2017 for the Overdue within 3 months group as well as the amount of 3 million Baht in February 2017 for the over 3-6 months group and received the amount of 0.06 million baht.

Other receivables

As at December 31, 2016 and 2015 our other receivables amounted to 2 million Baht and 3 million baht, respectively. This increase was 1 million Baht or equivalent to 32 % ,mainly driven by prepaid expenses and recoverable expenses.

Inventories

As of December 31, 2016 and 2015, total net inventories were 139 million Baht and 133 million Baht, respectively. This increase was 6 million Baht, or equivalent to 4%. The Company has continuously managed its stock in accordance with Company's strategy of minimum inventory. To serve order and continuous production by being business partner with its suppliers.

The Company set up allowance for diminution in inventory values in year 2016 and 2015 were 62 million Baht and 127 million Baht, respectively. By considering the current condition of inventories. In year 2016, allowance for diminution reduced due to selling the specific finished goods.

Non-current assets

As of December 31, 2016 and 2015, the total non current assets were 432 million Baht and 493 million Baht, respectively. This decrease was 61 million Baht or equivalent to 12 %. The majority non current assets were property, plant and equipment with totaling amount 422 million Baht and 489 million Baht in year 2016 and year 2015, respectively. This decrease was 67 million Baht due to disposal in unused machinery and equipment.

Source of Funds**Liabilities**

As of December 31, 2016 and 2015, the total liabilities were 311 million Baht and 264 million Baht, respectively and increased 47 million Baht. The majority particulars were trade accounts payables and advance receipt and others as follows;

Trade accounts payables

As at December 31, 2016 and 2015, the trade accounts payables were 180 million Baht and 118 million Baht, respectively. This increase was 63 million Baht due to the raw material purchase for next year orders.

Other payables

As at December 31, 2016 and 2015, the other payables were 32 million Baht and 34 million Baht, respectively. These particulars consist of accrued expenses, advance receipt and assets payable.

Non-current liabilities

As at December 31, 2016 and 2015, the non-current liabilities were 79 million Baht and 93 million Baht, respectively. The Company paid for financial institutions' long-term loan (net less portion due within one year) totaling amount 25 million Baht, paid for financial leases totaling amount 1 million Baht and set up for provision of long-term employee benefits totaling amount 53 million Baht.

Shareholders' Equity

As at December 31, 2016 and 2015, total shareholders' equity were 699 million Baht and 709 million Baht, respectively. Therefore, the meeting of the Board of Directors on February 23, 2017 has approved the exemption of profit allocation for legal reserve and the omission of dividend payment for the year 2016.

Cash Flow Liquidity

Cash flow from operating activities of the Company in year 2016 and 2015 were 66 million Baht and 109 million Baht, respectively. This decrease was from reduction of both trade accounts receivables and inventories as well as trade accounts payable.

Cash flow used in investment activities of the Company in year 2016 and 2015 were 5 million Baht and 10 million Baht, respectively. Due to the investment in machine and equipment in 2016 totaling net amount 4 million Baht, purchase of intangible assets 2 million Baht which decreased totaling amount 4 million Baht from previous year.

Cash flow used in financing activities of the Company in year 2016 and 2015 were 15 million Baht and 45 million Baht, respectively due to omission of dividend payment.

Liquidity Ratio

In year 2016, the company had fair liquidity by our current assets were over than current liabilities. The current ratio was 2.5 times in 2016 compared with 2.81 times in the previous year. The reduction was 0.31 times. Operating cash flow ratio in 2016 was 0.33 times compared with 0.44 times in 2015. The cash cycle in 2016 and 2015 were 85 days and 95 days, respectively which turned slightly faster than previous year.

The Company had cash and cash equivalents in the amount of 183 million Baht at year-end 2016, which is enough to pay the debt and operating in the year 2017. However, the Company still has the credit facilities of working capital from financial institution which could sustain in our operation without any obstacle.

Factors to Future Operation or Financial Position

The Company opened a letter of credit in the amount of 44,885 US dollars for raw material purchase which payment due in January 2017. As at December 31, 2016, the Company has provided letter of credit and trust receipt facilities with totaling limit amount of 450 million Baht for the purchase of raw materials to support production.

The global economic crisis in Asia, Europe and USA zone during the past 3-5 years still has sensitivity and high exposure on business and industry all over the world. The Company, as a provider of manufacturing and handling service, is aware of the effect from the possible uncertainty in end customer's demand which affects the Company's production order. Finally, the Company would maintain continuously its excellence in quality standard of product and service as well as cost control management to encourage its competitiveness in global market, to maintain existing customer base with higher satisfaction, and to penetrate new market for future expansion.

14. Investment information for investors

Investors can search for more information from Company's Report Form 56-1 at www.sec.or.th or Company's website at <http://www.teampcba.com>

Responsibility of the Board of Directors to the Financial Statements

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

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

The Board of Directors is of the opinion that the overall internal control systems of the Company can be regarded as "satisfying". Therefore, the Board is confident that the Company's financial statements as of 31 December 2016 reliable and are audited in accordance with Thai Standards on Auditing by the Company's auditor; so they reflect the financial position, financial performance and cash flows of the Company as required by Thai Financial Reporting Standards.



Mr.Chakkaphant Manutsathit
Chairman of the Board

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



For the year 2016, the Audit Committee held four meetings to review the Company's financial statements which had been certified by the external auditor and to discuss other related activities of the Company in compliance with the rules and regulations of the Stock Exchange of Thailand as well as good internal control practices.

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

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

The Board of Directors with the Audit Committee approved the policy and reports for related party transactions in 2016.

The Audit Committee provided the following opinions:

1. The Company's financial reports 2016 are accurate, complete and reliable
2. The Company's assets are safeguarded, proper accounting records are maintained, and resources are utilized effectively and efficiently.
3. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's business.
4. Dr.Virach Aphimeteetamrong of Dr.Virach & Associates Office Co., Ltd, the Company's auditor, is suitable and provided appropriate services
5. The related transactions arising in 2016 were rational and made for the optimal benefits of the Company
6. In 2016, the number of the audit Committee meetings, and the attendance of such meetings by each committee member were as follows;

Mr.Chai	Jroongtanapibarn	Chairman	4/4
Mr.Pirom	Chamsai, Ph.D.	Member	4/4
Mr.Monkhol	Kittipoomvong	Member	4/4

7. Audit Committee performed its duties in accordance with its charter, approved by the Board of Directors.

Accordingly, the Audit Committee has recommended to the Board of Directors that Dr.Virach Aphimeteetamrong, Certified Public Accountant No.1378 and/or Mr. Chaiyakorn Aunpitipongsa, Certified public Accountant No 3196 and/or Mr.Apirak Atianuwat, Certified Public Accountant No 5202 and/or Mr.Preecha Suan, Certified public Accountant No 6718 of Dr.Virach & Associates Office Co.,Ltd., be re-appointed as the Company's auditor for the fiscal year ending 31 December 2017. The re-appointment of the auditor and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 20 April 2017.

Mr.Chai Jroongtanapibarn
Chairman of the Audit Committee
20 February 2017

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 statement of financial position as at December 31, 2016, 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, 2016, 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 under the Royal Patronage of His Majesty the King 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, 2016, as described in Note 8 to the financial statements, the Company has reduced allowance for diminution in inventories amount of Baht 61.46 million. According to Note 3.5, 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 sales of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

As at December 31, 2016 , as described in Note 18 to the financial statements, the Company has export sales amount of Baht 1,003.65 million accounted for 89.61% of total revenues. The terms of export sales have many conditions. Each of the conditions, the significant risks and rewards of ownership to buyer are different, which may result the accuracy and completeness of the revenue recognition from export sales.

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, in my opinion, the revenue recognition from export sales are properly recorded and complete.

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

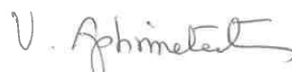
As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- 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.



(Dr. Virach Aphimeteetamrong)
Certified Public Accountant Registration No. 1378

Dr. Virach & Associates Office Co., Ltd.
Bangkok : February 23, 2017

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

		ASSETS			
		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		STATEMENTS			
	NOTES	2016	2015	2016	2015
Current Assets					
Cash and cash equivalents	3.2 and 4	182,597,628	138,528,468	180,412,574	134,179,620
Current investments	3.3 and 5	-	5,063,057	-	5,063,057
Trade and other receivables	3.4 and 6	240,685,042	188,048,919	240,685,042	188,048,919
Receivable from dissolution of subsidiary	7	5,101,389	-	5,101,389	-
Inventories	3.5 and 8	138,764,313	133,125,307	138,845,614	133,443,995
Other current assets					
Refundable value added tax		2,426,699	8,459,663	2,145,207	7,489,130
Others		8,803,143	6,859,950	8,803,143	6,778,287
Total other current assets		11,229,842	15,319,613	10,948,350	14,267,417
Total Current Assets		578,378,214	480,085,364	575,992,969	475,003,008
Non-current Assets					
Investments in subsidiaries	3.6 and 9	-	-	9,788,311	14,559,811
Property, plant and equipment	3.7 and 10	421,974,361	488,967,087	421,974,361	488,967,087
Intangible assets	3.8 and 11	2,599,765	2,733,819	2,599,765	2,733,819
Deferred tax assets	3.9 and 15	387,134	-	387,134	-
Other non-current assets		6,662,281	1,333,938	6,662,281	1,333,938
Total Non-current Assets		431,623,541	493,034,844	441,411,852	507,594,655
TOTAL ASSETS		1,010,001,755	973,120,208	1,017,404,821	982,597,663

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2016	2015	2016	2015
Current Liabilities					
Trade and other payables	12	212,673,580	152,149,959	212,211,288	157,567,044
Current portion of long- term liabilities					
Long-term loans from financial institutions	13	14,401,000	14,501,520	14,401,000	14,501,520
Financial leases payable	14	421,931	389,340	421,931	389,340
Accrued interest expenses		7,343	8,404	7,343	8,404
Other current liabilities		3,877,584	3,829,632	3,877,584	3,764,685
Total Current Liabilities		231,381,438	170,878,855	230,919,146	176,230,993
Non-current Liabilities					
Long-term loans from financial institutions	13	25,201,750	39,879,180	25,201,750	39,879,180
Financial leases payable	14	1,010,966	1,432,897	1,010,966	1,432,897
Deferred tax liabilities	3.9 and 15	-	4,317,847	-	4,317,847
Provision for long-term employee benefits	16	52,922,135	47,434,942	52,922,135	47,434,942
Total Non-current Liabilities		79,134,851	93,064,866	79,134,851	93,064,866
TOTAL LIABILITIES		310,516,289	263,943,721	310,053,997	269,295,859
Shareholders' Equity					
Share capital					
Authorized share capital					
637,063,385 common stocks of Baht 1 par value		637,063,385	637,063,385	637,063,385	637,063,385
Issued and paid-up share capital					
637,063,385 common stocks at Baht 1 each		637,063,385	637,063,385	637,063,385	637,063,385
Premium on common stocks		42,543,406	42,543,406	42,543,406	42,543,406
Retained earnings (Deficits)					
Appropriated					
Legal reserve	17	61,395,000	61,395,000	61,395,000	61,395,000
Unappropriated		(38,158,108)	(29,436,998)	(33,650,967)	(27,699,987)
Other components of shareholders' equity		(3,358,217)	(2,388,306)	-	-
Total Shareholders' Equity		699,485,466	709,176,487	707,350,824	713,301,804
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,010,001,755	973,120,208	1,017,404,821	982,597,663

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	NOTES	2016	2015	2016	2015
Revenues					
Sales	18	1,120,049,964	1,285,131,942	1,120,049,964	1,284,616,262
Other income		22,636,313	10,384,066	23,399,530	28,410,900
Gain on dissolution of the subsidiary	7	-	-	431,037	-
Total Revenues		1,142,686,277	1,295,516,008	1,143,880,531	1,313,027,162
Expenses					
Cost of sales		1,087,970,553	1,182,501,599	1,091,333,286	1,185,925,848
(Reverse) loss on diminution inventory values	8	(65,946,451)	62,455,128	(65,946,451)	62,455,128
Selling expenses		23,801,192	23,698,043	22,770,926	22,366,020
Administrative expenses		107,276,853	129,027,470	103,522,398	127,477,090
Directors' remuneration	17	1,353,678	2,822,889	1,200,000	2,673,452
Finance costs		1,656,543	1,849,330	1,656,333	1,848,305
Total Expenses	19	1,156,112,368	1,402,354,459	1,154,536,492	1,402,745,843
Loss before Income Tax		(13,426,091)	(106,838,451)	(10,655,961)	(89,718,681)
Income Tax Expenses (Revenues)	3.10 and 15	(4,704,981)	2,897,154	(4,704,981)	2,775,001
Loss for the years		(8,721,110)	(109,735,605)	(5,950,980)	(92,493,682)
Other comprehensive income (loss) :					
Translation of financial statement differences		(969,911)	(100,477)	-	-
Actuarial gain from employee benefit plan	16	-	2,466,319	-	2,466,319
Component of income tax		-	(48,128)	-	(48,128)
Actuarial gain from employee benefit plan-net of tax		-	2,418,191	-	2,418,191
Other comprehensive income (loss) for the years-net of tax		(969,911)	2,317,714	-	2,418,191
Total comprehensive loss for the years		(9,691,021)	(107,417,891)	(5,950,980)	(90,075,491)
Loss Per Share	3.14				
Basic loss per share		(0.014)	(0.172)	(0.009)	(0.145)
The number of common stocks used in computation (shares).		637,063,385	637,063,385	637,063,385	637,063,385

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016
CONSOLIDATED

	BAHT					Total shareholders' equity
	Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits)		Other components of shareholders' equity	
			Legal reserve	Unappropriated	Other comprehensive loss Translation of financial statement differences	
NOTES						
Beginning balances, January 1, 2015	637,063,385	42,543,406	61,395,000	109,733,585	(2,287,829)	848,447,547
Comprehensive loss for the year 2015				(109,735,605)	(100,477)	(109,836,082)
Actuarial gain from employee benefit plan				2,418,191		2,418,191
Total comprehensive loss for the year 2015				(107,317,414)	(100,477)	(107,417,891)
Dividend payment	17			(31,853,169)		(31,853,169)
Ending balances, December 31, 2015	637,063,385	42,543,406	61,395,000	(29,436,998)	(2,388,306)	709,176,487
Comprehensive loss for the year 2016				(8,721,110)	(969,911)	(9,691,021)
Ending balances, December 31, 2016	637,063,385	42,543,406	61,395,000	(38,158,108)	(3,358,217)	699,485,466

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, 2016

THE SEPARATE FINANCIAL STATEMENTS

	NOTES	BAHT				
		Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits)		Total
				Legal reserve	Unappropriated	
Beginning balances, January 1, 2015		637,063,385	42,543,406	61,395,000	94,228,673	835,230,464
Comprehensive loss for the year 2015					(92,493,682)	(92,493,682)
Actuarial gain from employee benefit plan					2,418,191	2,418,191
Total comprehensive loss for the year 2015					(90,075,491)	(90,075,491)
Dividend payment	17				(31,853,169)	(31,853,169)
Ending balances, December 31, 2015		637,063,385	42,543,406	61,395,000	(27,699,987)	713,301,804
Comprehensive loss for the year 2016					(5,950,980)	(5,950,980)
Ending balances, December 31, 2016		637,063,385	42,543,406	61,395,000	(33,650,967)	707,350,824

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before Income Tax	(13,426,091)	(106,838,451)	(10,655,961)	(89,718,681)
ADJUSTMENTS TO RECONCILE LOSS BEFORE INCOME TAX				
TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	68,014,053	70,844,784	68,014,053	70,844,784
Amortization of intangible assets	2,500,854	2,503,457	2,500,854	2,503,457
Bad debts	15,780,044	-	15,780,044	-
Increase (decrease) in doubtful debts	(15,924,020)	15,300,595	(15,924,020)	15,300,595
Increase (decrease) in provision for diminution in inventories	(65,946,451)	62,455,128	(65,946,451)	62,455,128
Loss on disposal of deteriorated inventories	3,048,159	1,600,915	3,048,159	1,600,915
Gain from dissolution of the subsidiary	-	-	(431,037)	-
Unrealized (gain) loss on exchange rates	3,344,178	4,971,857	3,121,827	(286,399)
(Gain) loss on disposal of equipment	2,424,836	(508,305)	2,424,836	(508,305)
Loss from unused equipment	1,252,236	-	1,252,236	-
(Increase) decrease in provision for adjustment in Open-end Fund	63,057	(63,057)	63,057	(63,057)
Interest expenses	1,656,543	1,849,330	1,656,333	1,848,305
Dividend income	-	-	(1,503,000)	(18,026,834)
Share of loss on subsidiary's dissolution	1,010,080	-	-	-
Long-term employee benefits expenses	8,491,024	7,983,141	8,491,024	7,983,141
Profit from operation before changes in operating assets and liabilities items	12,288,502	60,099,394	11,891,954	53,933,049
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Current investment	5,000,000	(5,000,000)	5,000,000	(5,000,000)
Trade and other receivables	(52,519,835)	127,314,713	(52,519,835)	127,314,713
Inventories	57,259,286	96,548,318	57,496,673	96,594,104
Other current assets	(3,417,310)	(2,758,424)	(4,093,541)	(2,595,381)
Other non-current assets	(1,573,581)	(452,775)	(1,573,581)	(452,775)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	51,006,347	(161,981,882)	51,204,464	(174,402,179)
Other current liabilities	(166,196)	(2,152,798)	(166,196)	(2,132,974)
Provision for long-term employee benefits	(3,003,831)	-	(3,003,831)	-
CASH PROVIDED FROM OPERATION	64,873,382	111,616,546	64,236,107	93,258,557
Interest expenses paid	(1,657,604)	(1,845,640)	(1,657,394)	(1,844,615)
Income tax expenses paid	(581,140)	(626,771)	(581,140)	(504,618)
Proceeds from withholding tax refund	857,215	-	857,215	-
Proceeds from value added tax	3,246,095	-	3,246,095	-
Translation of financial statement differences	(969,911)	(100,477)	-	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	65,768,037	109,043,658	66,100,883	90,909,324

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2016	2015	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of land, building and equipment	(7,159,552)	(10,044,435)	(7,159,552)	(10,044,435)
Proceeds from disposal of equipment	3,046,283	526,153	3,046,283	526,153
Purchase of intangible assets	(2,366,800)	(814,306)	(2,366,800)	(814,306)
Proceeds from dividend income	-	-	-	18,026,834
Proceeds from dividend income from dissolution of the subsidiary	1,503,000	-	1,503,000	-
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(4,977,069)	(10,332,588)	(4,977,069)	7,694,246
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment for long-term loans from financial institutions	(14,501,520)	(13,245,280)	(14,501,520)	(13,245,280)
Repayment for financial lease payables	(389,340)	(329,963)	(389,340)	(329,963)
Dividend payment	-	(31,853,169)	-	(31,853,169)
NET CASH USED IN FINANCING ACTIVITIES	(14,890,860)	(45,428,412)	(14,890,860)	(45,428,412)
NET INCREASE IN CASH AND CASH EQUIVALENTS	45,900,108	53,282,658	46,232,954	53,175,158
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	138,528,468	85,245,810	134,179,620	81,004,462
LESS CASH AND CASH EQUIVALENTS TRANSFERRED OUT FROM				
DISSOLUTION OF THE SUBSIDIARY (SUPPLEMENTARY STATEMENT 1)	(1,830,948)	-	-	-
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	182,597,628	138,528,468	180,412,574	134,179,620
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
NON-CASH FLOWS ITEMS COMPRISE:				
Increase in receivable from dissolution of the subsidiary from				
decrease in investments in subsidiary	-	-	5,202,537	-
Increase in vehicles from finance leases payable	-	2,121,000	-	2,121,000
Increase in equipment from assets payable	462,355	4,637,363	462,355	4,657,363
Increase in equipment from transferring deposit	122,775	-	122,775	-
Increase in current assets from finance leases payable	-	31,200	-	31,200
Increase in non-current assets from transferring				
withholding tax in other current assets	504,618	857,215	504,618	857,215
Increase in non-current assets from transferring				
value added tax in other current assets	4,243,035	-	4,243,035	-
Effect of actuarial estimates from employee benefit plan				
- Increase deferred tax liabilities	-	48,128	-	48,128
- Decrease provision for long-term employee benefits	-	(2,466,319)	-	(2,466,319)
- Increase retained earnings	-	2,418,191	-	2,418,191

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

SUPPLEMENTARY STATEMENT 1

Dissolution of the subsidiary

On November 28, 2016, TEAM PRECISION (SINGAPORE) PTE. LTD, the subsidiary of the Company has registered dissolution according to foreign law. The Company hasn't received amount of Baht 5.20 million from the liquidation. Therefore, outstanding assets and liabilities are transferred out from the consolidated financial statements on January 1, 2016, as follows :

	<u>BAHT</u>
Cash and cash equivalents	1,830,948
Trade and other receivables	6,224,946
Other current assets	94,473
Trade and other payables	(369,803)
Other current liabilities	<u>(64,947)</u>
Investments in subsidiary at the beginning of the year	7,715,617
Share of loss on subsidiary's dissolution	(1,010,080)
Dividend payable	<u>(1,503,000)</u>
Receivable from dissolution of subsidiary (Note 7)	<u><u>5,202,537</u></u>

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. GENERAL INFORMATION

	THE COMPANY	THE SUBSIDIARIES	
		Team Precision (Europe) ApS	TEAM PRECISION (SINGAPORE) PTE. LTD.
1.1 Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.	A juristic person established under Danish law.	A juristic person established under Singapore law. (Dissolution of on November 28, 2016)
1.2 Company and factory Location	- 198 Moo 13, Tambol Dong-Khee-Lek, AmphurMuang Prachinburi, Prachinburi, Thailand. - 152/8, 152/9, 152/15 Moo 3, Thunyaburi-Lumlukga Road, TambolRungsit, Amphur Thunyaburi, Pathumtani, Thailand.	Noddehegnet 8, 6400 Sonderborg, Denmark.	196 Pandan Loop #04 - 20 Pantech Business Hub, Singapore.
1.3 Type of business and Operations	Producing and assembling printed circuit and electronics circuit board.	See Note 9	See Note 9

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.

2.2 The accounting standards that became effective in the current accounting year are as follows:

1. Conceptual Framework for Financial Reporting (revised 2015)

Thai Accounting Standards (TAS)

- | | |
|---------------------------|--|
| 2. TAS 1 (revised 2015) | Presentation of Financial Statements |
| 3. TAS 2 (revised 2015) | Inventories |
| 4. TAS 7 (revised 2015) | Statement of Cash Flows |
| 5. TAS 8 (revised 2015) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 6. TAS 10 (revised 2015) | Events after the Reporting Period |
| 7. TAS 11 (revised 2015) | Construction Contracts |
| 8. TAS 12 (revised 2015) | Income Taxes |
| 9. TAS 16 (revised 2015) | Property, Plant and Equipment |
| 10. TAS 17 (revised 2015) | Leases |
| 11. TAS 18 (revised 2015) | Revenue |
| 12. TAS 19 (revised 2015) | Employee Benefits |
| 13. TAS 20 (revised 2015) | Accounting for Government Grants and Disclosure of Government Assistance |
| 14. TAS 21 (revised 2015) | The Effects of Changes in Foreign Exchange Rates |
| 15. TAS 23 (revised 2015) | Borrowing Cost |
| 16. TAS 24 (revised 2015) | Related Party Disclosures |

17. TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
18. TAS 27 (revised 2015)	Separate Financial Statements
19. TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
20. TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
21. TAS 33 (revised 2015)	Earnings per Share
22. TAS 34 (revised 2015)	Interim Financial Reporting
23. TAS 36 (revised 2015)	Impairment of Assets
24. TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
25. TAS 38 (revised 2015)	Intangible Assets
26. TAS 40 (revised 2015)	Investment Property
27. TAS 41	Agriculture
Thai Financial Reporting Standards (TFRS)	
28. TFRS 2 (revised 2015)	Share-Base Payment
29. TFRS 3 (revised 2015)	Business Combinations
30. TFRS 4 (revised 2015)	Insurance Contracts
31. TFRS 5 (revised 2015)	Non-current Assets Held for Sales and Discontinued Operations
32. TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
33. TFRS 8 (revised 2015)	Operating Segments
34. TFRS 10 (revised 2015)	Consolidated Financial Statements
35. TFRS 11 (revised 2015)	Joint Arrangements
36. TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
37. TFRS 13 (revised 2015)	Fair Value Measurement
Thai Accounting Standard Interpretations (TSIC)	
38. TSIC 10 (revised 2015)	Government Assistance - No specific Relation to Operating Activities
39. TSIC 15 (revised 2015)	Operating Leases - Incentives
40. TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders
41. TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
42. TSIC 29 (revised 2015)	Disclosures - Service Concession Arrangements
43. TSIC 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
44. TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs
Thai Financial Reporting Standard Interpretations (TFRIC)	
45. TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
46. TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
47. TFRIC 5 (revised 2015)	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
48. TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies
49. TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
50. TFRIC 12 (revised 2015)	Service Concession Arrangements
51. TFRIC13 (revised 2015)	Customer Loyalty Programmes
52. TFRIC14 (revised 2015)	TAS 19(revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

- | | |
|-----------------------------|---|
| 53. TFRIC 15 (revised 2015) | Agreements for the Construction of Real Estate |
| 54. TFRIC 17 (revised 2015) | Distributions of Non-cash Assets to Owners |
| 55. TFRIC 18 (revised 2015) | Transfers of Assets from Customer |
| 56. TFRIC 20 (revised 2015) | Stripping Costs in the Production Phase of a Surface Mine |
| 57. TFRIC 21 (revised 2015) | Levies |

These accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations do not have any significant impact on the financial statements.

2.3 The Federation of Accounting Professions has issued the new accounting standards but not yet effective.

Effective for fiscal years beginning on or after January 1, 2017

Thai Accounting Standards (TAS)

- | | |
|----------------------------|--|
| 1. TAS 1 (revised 2016) | Presentation of Financial Statements |
| 2. TAS 2 (revised 2016) | Inventories |
| 3. TAS 7 (revised 2016) | Statement of Cash Flows |
| 4. TAS 8 (revised 2016) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5. TAS 10 (revised 2016) | Events after the Reporting Period |
| 6. TAS 11 (revised 2016) | Construction Contracts |
| 7. TAS 12 (revised 2016) | Income Taxes |
| 8. TAS 16 (revised 2016) | Property, Plant and Equipment |
| 9. TAS 17 (revised 2016) | Leases |
| 10. TAS 18 (revised 2016) | Revenue |
| 11. TAS 19 (revised 2016) | Employee Benefits |
| 12. TAS 20 (revised 2016) | Accounting for Government Grants and Disclosure of Government Assistance |
| 13. TAS 21 (revised 2016) | The Effects of Changes in Foreign Exchange Rates |
| 14. TAS 23 (revised 2016) | Borrowing Costs |
| 15. TAS 24 (revised 2016) | Related Party Disclosures |
| 16. TAS 26 (revised 2016) | Accounting and Reporting by Retirement Benefit Plans |
| 17. TAS 27 (revised 2016) | Separate Financial Statements |
| 18. TAS 28 (revised 2016) | Investments in Associates and Joint Ventures |
| 19. TAS 29 (revised 2016) | Financial Reporting in Hyperinflationary Economies |
| 20. TAS 33 (revised 2016) | Earnings Per Share |
| 21. TAS 34 (revised 2016) | Interim Financial Reporting |
| 22. TAS 36 (revised 2016) | Impairment of Assets |
| 23. TAS 37 (revised 2016) | Provisions, Contingent Liabilities and Contingent Assets |
| 24. TAS 38 (revised 2016) | Intangible Assets |
| 25. TAS 40 (revised 2016) | Investment Property |
| 26. TAS 41 (revised 2016) | Agriculture |
| 27. TAS 104 (revised 2016) | Accounting for Troubled Debt Restructurings |
| 28. TAS 105 (revised 2016) | Accounting for Investments in Debt and Equity Securities |
| 29. TAS 107 (revised 2016) | Financial Instruments Disclosure and Presentation |

Thai Financial Reporting Standards (TFRS)

- | | |
|----------------------------|--|
| 30. TFRS 2 (revised 2016) | Share-based Payment |
| 31. TFRS 3 (revised 2016) | Business Combinations |
| 32. TFRS 4 (revised 2016) | Insurance Contracts |
| 33. TFRS 5 (revised 2016) | Non-current Assets Held for Sale and Discontinued Operations |
| 34. TFRS 6 (revised 2016) | Exploration for and Evaluation of Mineral Resources |
| 35. TFRS 8 (revised 2016) | Operating Segments |
| 36. TFRS 10 (revised 2016) | Consolidated Financial Statements |
| 37. TFRS 11 (revised 2016) | Joint Arrangements |
| 38. TFRS 12 (revised 2016) | Disclosure of Interests in Other Entities |
| 39. TFRS 13 (revised 2016) | Fair Value Measurement |

Thai Accounting Standard Interpretations (TSIC)

- | | |
|----------------------------|--|
| 40. TSIC 10 (revised 2016) | Government Assistance - No Specific Relation to Operating Activities |
| 41. TSIC 15 (revised 2016) | Operating Leases - Incentives |
| 42. TSIC 25 (revised 2016) | Income Taxes - Changes in the Tax Status of and Enterprise or Its Shareholders |
| 43. TSIC 27 (revised 2016) | Evaluating the Substance of Transactions in the Legal Form of a Lease |
| 44. TSIC 29 (revised 2016) | Service Concession Arrangements : Disclosure |
| 45. TSIC 31 (revised 2016) | Revenue - Barter Transactions Involving Advertising Services |
| 46. TSIC 32 (revised 2016) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

- | | |
|-----------------------------|--|
| 47. TFRIC 1 (revised 2016) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 48. TFRIC 4 (revised 2016) | Determining Whether an Arrangement Contains a Lease |
| 49. TFRIC 5 (revised 2016) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 50. TFRIC 7 (revised 2016) | Applying the Restatement Approach under TAS 29 (revised 2016) Financial Reporting in Hyperinflationary Economies |
| 51. TFRIC 10 (revised 2016) | Interim Financial Reporting and Impairment |
| 52. TFRIC 12 (revised 2016) | Service Concession Arrangements |
| 53. TFRIC 13 (revised 2016) | Customer Loyalty Programmes |
| 54. TFRIC 14 (revised 2016) | TAS 19 (revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 55. TFRIC 15 (revised 2016) | Agreements for the Construction of Real Estate |
| 56. TFRIC 17 (revised 2016) | Distributions of Non-cash Assets to Owners |
| 57. TFRIC 18 (revised 2016) | Transfers of Assets from Customers |
| 58. TFRIC 20 (revised 2016) | Stripping Costs in the Production Phase of a Surface Mine |
| 59. TFRIC 21 (revised 2016) | Levies |

The Company's management is evaluating the impact of such accounting 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 and its subsidiaries as follows:

	<u>% Holding</u>
Team Precision (Europe) ApS	100
TEAM PRECISION (SINGAPORE) PTE. LTD.	100
(On November 28, 2016, the company has registered dissolution according to foreign law.)	

The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

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

Sales of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

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 Current investments

Investments in open-end fund are considered as trading securities, stated at fair value. The Company recognizes the investment revaluation as gain or loss in the statements of comprehensive income.

3.4 Allowance for doubtful accounts

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

3.5 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.

3.6 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.

3.7 Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is provided for all fixed assets other than land 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
Other	5

3.8 Intangible assets

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

3.9 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, 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 utilise 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 utilised.

3.10 Income tax expenses

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

3.11 Leases

Operating leases

Leases where most of the substantial risks and rewards of ownership of assets still remain with the leasing company are accounted for as operating lease. Rentals applicable to such operating leases are charged to the statements of comprehensive income on a straight-line basis over the lease term.

Financial leases

Leases which transfer to the Company most of substantial risks and rewards of ownership other than legal title, are accounted for as financial lease. At the inception of the lease, the fair value of assets is recorded together with the obligation, excluding interest element, to pay future rentals. Interest or financial charges are recognized in the statements of comprehensive income in proportion to the principal balance.

3.12 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 or losses on exchange rates fluctuation are credited or charged to operations during the year.

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 under Shareholders' Equity.

3.13 Forward exchange contracts

Foreign currency transactions which are covered by forward exchange contract, the Company will record at fair value. Gains or losses on exchange rates are credited or charged to operations of each year.

3.14 Loss per share

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

3.15 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.

3.16 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.

3.17 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 for doubtful accounts, provision for diminution in inventories, depreciation of plant and equipment, 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 AND CASH EQUIVALENTS

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Cash	60,000	60,000	60,000	60,000
Bank deposits	182,537,628	138,468,468	180,352,574	134,119,620
Total	182,597,628	138,528,468	180,412,574	134,179,620

5. CURRENT INVESTMENTS

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Investments in Open-end Fund-Debt Securities	-	5,000,000
Provision for adjustment in Open-end Fund	-	63,057
Fair value	-	5,063,057

6. TRADE AND OTHER RECEIVABLES

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
<u>Trade accounts receivable</u>		
Current	154,324,036	119,274,525
Overdue within 3 months	80,771,293	64,597,871
Over 3-6 months	3,400,322	933,311
Over 6-12 months	6,969	-
Over 12 months	-	15,924,020
Total	238,502,620	200,729,727
<u>Less</u> : Allowance for doubtful accounts	-	(15,924,020)
Trade accounts receivable-net	238,502,620	184,805,707
<u>Other receivables</u>		
Recoverable expenses	1,411,860	793,856
Other	770,562	2,449,356
Total other receivables	2,182,422	3,243,212
Total trade and other receivables	240,685,042	188,048,919

7. RECEIVABLE FROM DISSOLUTION OF SUBSIDIARY

TEAM PRECISION (SINGAPORE) PTE. LTD., subsidiary in the foreign country (100% holding) has registered the dissolution according to the foreign law on November 28, 2016, therefore, the assets and liabilities of TEAM PRECISION (SINGAPORE) PTE. LTD., have been removed from the consolidated financial statements and replaced with the recognition of the investment in TEAM PRECISION (SINGAPORE) PTE. LTD., and written down to its recoverable amount as at November 28, 2016. The assets of TEAM PRECISION (SINGAPORE) PTE. LTD., that were not recognized in the consolidated financial statements comprised the following:

	<u>BAHT</u>
Cash and cash equivalents (SGD 207,995)	5,202,537

The Company has reviewed the carrying amount of TEAM PRECISION (SINGAPORE) PTE. LTD., in the context of the liquidation of TEAM PRECISION (SINGAPORE) PTE. LTD., and expected that the Company will receive fully amount upon the completion of the liquidation as follows:

	<u>BAHT</u>
The carrying amount of TEAM PRECISION (SINGAPORE) PTE. LTD., as at November 28, 2016	5,202,537
<u>Less</u> Investment in TEAM PRECISION (SINGAPORE) PTE. LTD.	(4,771,500)
Gain on dissolution of subsidiary	<u>431,037</u>

The Company has presented this as “gain on dissolution of the subsidiary” in the statement of comprehensive income in separate financial statements for the year ended December 31, 2016. Following the dissolution of TEAM PRECISION (SINGAPORE) PTE. LTD., net carrying value of investments in TEAM PRECISION (SINGAPORE) PTE. LTD., has presented in “Receivable from the dissolution of subsidiary”.

	BAHT
Receivable from dissolution of subsidiary (SGD 207,995)	5,202,537
<u>Less</u> Unrealized loss on exchange rates	(101,148)
Receivable from dissolution of subsidiary as at December 31, 2016	<u>5,101,389</u>

8. INVENTORIES

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Raw materials	159,827,587	142,714,124	159,908,888	143,032,812
Work in process	20,107,571	6,344,304	20,107,571	6,344,304
Finished goods	13,362,435	94,315,898	13,362,435	94,315,898
Raw materials in transit	6,923,477	17,154,189	6,923,477	17,154,189
Total	200,221,070	260,528,515	200,302,371	260,847,203
<u>Less</u>: Allowance for diminution in inventory values	(61,456,757)	(127,403,208)	(61,456,757)	(127,403,208)
Inventories-net	138,764,313	133,125,307	138,845,614	133,443,995

9. INVESTMENTS IN SUBSIDIARIES

BAHT

SUBSIDIARY COMPANIES	% HOLDING		COST METHOD	
	2016	2015	2016	2015
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)
TEAM PRECISION (SINGAPORE) PTE. LTD,	-	100	- -	4,771,500 (SGD 200,000)
TOTAL			9,788,311	14,559,811

SUBSIDIARY COMPANIES	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND (BAHT)	
		2016	2015	2016	2015
Team Precision (Europe) ApS	Trading electronics components and distributing electronics Products	DKK 500,000	DKK 500,000	-	18,026,834 (DKK 3,380,744)
TEAM PRECISION (SINGAPORE) PTE. LTD.	Trading electronics components and distributing electronics products	-	SGD 200,000	1,503,000 (SGD 60,000)	-

The financial statements of Team Precision (Europe) ApS, its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the years ended December 31, 2016 and 2015 by having assets as at December 31, 2016 and 2015, the amount of Baht 9.05 million and Baht 7.22 million, respectively and having total revenues for the years ended December 31, 2016 and 2015 the amount of Baht 32.39 million and Baht 31.16 million, respectively.

The financial statements of TEAM PRECISION (SINGAPORE) PTE.LTD., its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the period ended November 28, 2016 and December 31, 2015 by having assets as at December 31, 2015 the amount of Baht 8.15 million and having total revenues for the period from January 1, 2016 to November 28, 2016 and for the year ended December 31, 2015 amount of Baht 4.78 million and Baht 4.96 million, respectively.

On November 28, 2016, TEAM PRECISION (SINGAPORE) PTE.LTD. has registered the dissolution under the laws of foreign country.

The financial statements of Team Precision (Europe) ApS, its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the years ended December 31, 2016 and 2015 by having assets as at December 31, 2016 and 2015, the amount of Baht 9.05 million and Baht 7.22 million, respectively and having total revenues for the years ended December 31, 2016 and 2015 the amount of Baht 32.39 million and Baht 31.16 million, respectively.

The financial statements of TEAM PRECISION (SINGAPORE) PTE.LTD., its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the period ended November 28, 2016 and December 31, 2015 by having assets as at December 31, 2015 the amount of Baht 8.15 million and having total revenues for the period from January 1, 2016 to November 28, 2016 and for the year ended December 31, 2015 amount of Baht 4.78 million and Baht 4.96 million, respectively.

On November 28, 2016, TEAM PRECISION (SINGAPORE) PTE.LTD. has registered the dissolution under the laws of foreign country.

10.PROPERTY, PLANT AND EQUIPMENT

BAHT

Particulars	CONSOLIDATED									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>Cost</u>										
January 1, 2015	59,860,924	8,007,648	253,634,896	769,047,234	32,671,209	62,353,925	42,826,537	68,628,089	1,456,322	1,298,486,784
Increase	-	214,890	181,042	5,330,003	3,561,860	111,284	1,763,950	1,935,277	3,704,492	16,802,798
Disposal/ Unused	-	-	-	(25,085,286)	(729,591)	(650,063)	(61,000)	(513,346)	-	(27,039,286)
Transferred in (out)	-	-	341,971	509,518	-	-	-	321,043	(1,172,532)	-
December 31, 2015	59,860,924	8,222,538	254,157,909	749,801,469	35,503,478	61,815,146	44,529,487	70,371,063	3,988,282	1,288,250,296
Increase	-	-	-	4,644,726	1,045,000	-	60,000	1,097,167	897,789	7,744,682
Disposal / Unused	-	-	-	(58,983,801)	(4,217,000)	-	(88,915)	(1,172,301)	(1,247,500)	(65,709,517)
Transferred in (out)	-	-	1,404,523	2,197,712	-	-	-	-	(3,602,235)	-
December 31, 2016	59,860,924	8,222,538	255,562,432	697,660,106	32,331,478	61,815,146	44,500,572	70,295,929	36,336	1,230,285,461
<u>Accumulated depreciation</u>										
January 1, 2015	-	7,996,309	103,739,565	475,127,628	24,215,754	46,008,373	35,584,519	62,787,715	-	755,459,863
Depreciation for the year 2015	-	51,828	5,642,193	56,002,791	1,977,011	2,017,045	2,076,549	3,077,367	-	70,844,784
Depreciation–Disposal / Unused	-	-	-	(25,071,271)	(729,588)	(650,060)	(60,999)	(509,520)	-	(27,021,438)
December 31, 2015	-	8,048,137	109,381,758	506,059,148	25,463,177	47,375,358	37,600,069	65,355,562	-	799,283,209
Depreciation for the year 2016	-	43,071	5,731,015	53,127,952	2,053,845	2,029,447	2,201,902	2,826,821	-	68,014,053
Depreciation–Disposal / Unused	-	-	-	(53,513,597)	(4,216,998)	-	(88,913)	(1,166,654)	-	(58,986,162)
December 31, 2016	-	8,091,208	115,112,773	505,673,503	23,300,024	49,404,805	39,713,058	67,015,729	-	808,311,100
<u>Net book value</u>										
December 31, 2015	59,860,924	174,401	144,776,151	243,742,321	10,040,301	14,439,788	6,929,418	5,015,501	3,988,282	488,967,087
December 31, 2016	59,860,924	131,330	140,449,659	191,986,603	9,031,454	12,410,341	4,787,514	3,280,200	36,336	421,974,361

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Particulars	THE SEPARATE FINANCIAL STATEMENTS									
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total
<u>Cost</u>										
January 1, 2015	59,860,924	8,007,648	253,634,896	769,041,119	32,671,209	62,353,925	42,826,537	68,584,992	1,456,322	1,298,437,572
Increase	-	214,890	181,042	5,330,003	3,561,860	111,284	1,763,950	1,935,277	3,704,492	16,802,798
Disposal/ Unused	-	-	-	(25,079,171)	(729,591)	(650,063)	(61,000)	(470,249)	-	(26,990,074)
Transferred in (out)	-	-	341,971	509,518	-	-	-	321,043	(1,172,532)	-
December 31, 2015	59,860,924	8,222,538	254,157,909	749,801,469	35,503,478	61,815,146	44,529,487	70,371,063	3,988,282	1,288,250,296
Increase	-	-	-	4,644,726	1,045,000	-	60,000	1,097,167	897,789	7,744,682
Disposal / Unused	-	-	-	(58,983,801)	(4,217,000)	-	(88,915)	(1,172,301)	(1,247,500)	(65,709,517)
Transferred in (out)	-	-	1,404,523	2,197,712	-	-	-	-	(3,602,235)	-
December 31, 2016	59,860,924	8,222,538	255,562,432	697,660,106	32,331,478	61,815,146	44,500,572	70,295,929	36,336	1,230,285,461
<u>Accumulated depreciation</u>										
January 1, 2015	-	7,996,309	103,739,565	475,121,513	24,215,754	46,008,373	35,584,519	62,744,618	-	755,410,651
Depreciation for the year 2015	-	51,828	5,642,193	56,002,791	1,977,011	2,017,045	2,076,549	3,077,367	-	70,844,784
Depreciation–Disposal / Unused	-	-	-	(25,065,156)	(729,588)	(650,060)	(60,999)	(466,423)	-	(26,972,226)
December 31, 2015	-	8,048,137	109,381,758	506,059,148	25,463,177	47,375,358	37,600,069	65,355,562	-	799,283,209
Depreciation for the year 2016	-	43,071	5,731,015	53,127,952	2,053,845	2,029,447	2,201,902	2,826,821	-	68,014,053
Depreciation–Disposal / Unused	-	-	-	(53,513,597)	(4,216,998)	-	(88,913)	(1,166,654)	-	(58,986,162)
December 31, 2016	-	8,091,208	115,112,773	505,673,503	23,300,024	49,404,805	39,713,058	67,015,729	-	808,311,100
<u>Net book value</u>										
December 31, 2015	59,860,924	174,401	144,776,151	243,742,321	10,040,301	14,439,788	6,929,418	5,015,501	3,988,282	488,967,087
December 31, 2016	59,860,924	131,330	140,449,659	191,986,603	9,031,454	12,410,341	4,787,514	3,280,200	36,336	421,974,361

11. INTANGIBLE ASSETS

BAHT

PARTICULARS	CONSOLIDATED	THE SEPARATE FINANCIAL STATEMENTS
	Computer softwares	Computer softwares
<u>Cost</u>		
January 1, 2015	28,573,809	28,554,281
Increase	814,306	814,306
December 31, 2015	29,388,115	29,368,587
Increase	2,366,800	2,366,800
Unused	(627,528)	(608,000)
December 31, 2016	31,127,387	31,127,387
<u>Accumulated amortization</u>		
January 1, 2015	(24,150,839)	(24,131,311)
Amortization for the year 2015	(2,503,457)	(2,503,457)
December 31, 2015	(26,654,296)	(26,634,768)
Amortization for the year 2016	(2,500,854)	(2,500,854)
Amortization –Unused	627,528	608,000
December 31, 2016	(28,527,622)	(28,527,622)
Net book value		
December 31, 2015	2,733,819	2,733,819
December 31, 2016	2,599,765	2,599,765

12. TRADE AND OTHER PAYABLES

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Trade accounts payables	180,194,454	117,682,573	179,968,419	123,782,272
Accrued expenses	10,617,619	9,438,837	10,381,362	8,756,223
Advance receipt	18,900,713	16,190,516	18,900,713	16,190,516
Assets payable	462,355	4,657,262	462,355	4,657,262
Others	2,498,439	4,180,771	2,498,439	4,180,771
Total	212,673,580	152,149,959	212,211,288	157,567,044

13. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Long-term loans from financial institutions	39,602,750	54,380,700
<u>Less</u> : Portion due within one year	(14,401,000)	(14,501,520)
Long-term loans from financial institutions - net	25,201,750	39,879,180

Details of long-term loans as follows:

Credit line (USD)	Repayment conditions	Collateral
2.00 Million (Loans in September 2014)	1. Repayment by quarterly of USD 100,000 commencing from December 2014 and will be ended in August 2019. 2. Quarterly interest payment. 3. Interest rate is at LIBOR + 2.5% per annum	None

The portion of long-term liabilities due within one year has been shown under current liabilities.

14. FINANCIAL LEASES PAYABLE

The Company entered into financial lease agreements for vehicles, under the minimum payment as follows:

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Less than 1 year	521,148	521,148
More than 1 but within 4 years	1,085,725	1,606,873
Total minimum lease payable	1,606,873	2,128,021
<u>Less</u> Deferred interest	(173,976)	(305,784)
	1,432,897	1,822,237
<u>Less</u> Current portion of liabilities under financial lease	(421,931)	(389,340)
Financial lease payable-net	1,010,966	1,432,897

Liabilities under financial leases are fixed for monthly payment which will be finished within 2020.
The portion of liabilities under financial leases due within one year was shown under current liabilities.

15. INCOME TAX

Corporate income taxes of the Company for the years ended December 31, 2016 and 2015, are calculated from the accounting 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 for years 2016 and 2015.

BOI business operation, income tax is calculated according to the privileges which are granted (see also Note 18).

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

Income taxes expenses (revenues) recognized in statements of comprehensive income consist:

BAHT

PARTICULARS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Corporate income tax for the years	-	122,153	-	-
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(4,704,981)	2,775,001	(4,704,981)	2,775,001
Income tax expenses (revenues)	(4,704,981)	2,897,154	(4,704,981)	2,775,001

As at December 31, 2016 and 2015, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Temporary differences in the statements of income		
Provision for diminution in inventories	2,958,224	2,919,815
Depreciation rate different from tax rates	(24,244,976)	(29,394,606)
Provision for long-term employee benefits	13,074,231	13,930,465
Loss on disposal of deteriorated inventories	-	325,452
Other	12,741	20,161
	(8,199,780)	(12,198,713)
Temporary differences in the other comprehensive income		
- Recognized in retained earnings		
Provision for long-term employee benefits	-	(205,502)
Total	(8,199,780)	(12,404,215)
Deferred tax liabilities calculated from tax rate of 20%	(1,639,956)	(2,480,843)
Temporary differences in the statements of income		
Provision for diminution in inventories	35,470,472	16,450
Depreciation rate different from tax rates	(24,275,790)	(23,142,109)
Provision for long-term employee benefits	7,643,198	4,488,104
Loss on disposal of deteriorated inventories	1,274,394	337,792
Other	158,629	-
	20,270,903	(18,299,763)
Temporary differences in the other comprehensive income		
- Recognized in retained earnings		
Provision for long-term employee benefits	-	(70,275)
Total	20,270,903	(18,370,038)
Deferred tax assets (liabilities) calculated from tax rate of 10%. (BOI)	2,027,090	(1,837,004)
Total deferred tax assets (liabilities)	387,134	(4,317,847)

16. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits for the years ended December 31, 2016 and 2015, which are compensations on employees' retirement, are as follows

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PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015
Defined benefit obligation at beginning of years	47,434,942	41,918,120
Actuarial gain from employee benefit plan	-	(2,466,319)
Current service cost	7,213,564	7,033,249
Interest cost	1,277,460	949,892
Benefits paid during the years	(3,003,831)	-
Defined benefit obligation at end of years	52,922,135	47,434,942

Long-term employee benefit expenses included in statements of comprehensive income for the years ended December 31, 2016 and 2015 amount of Baht 8,491,024 and Baht 7,983,141, respectively.

Principle actuarial assumptions at the valuation date were as follows:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
	FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
Discount rate	2.85%
Future salary increase rate	1.2-5%
Disability rate	5%
Staff turnover rate	0-63%

17. DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION

On April 21, 2016, the Ordinary General Shareholders' Meeting No.1/2016 was held and has a resolution not paying dividends and approved to pay directors' remuneration at maximum Baht 2.40 million

On April 23, 2015, the Ordinary General Shareholders' Meeting No.1/2015 was held and approved a resolution to pay cash dividend at Baht 0.05 per share to the shareholders of 637.06 million shares, totalling Baht 31.85 million. The dividend payment was made on May 13, 2015, and approved to pay directors' remuneration at maximum Baht 2.40 million and directors' bonus for the year 2015 amount of Baht 0.33 million.

In 2016 and 2015, the subsidiaries have paid directors' remuneration, which were shown in the consolidated financial statements.

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.

18. PROMOTIONAL PRIVILEGES

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

1. Promotional certificates Nos.	1759/2539	1760/2543	1696/O./2546 (Replace No. 1057/2534)	1218(2)/2550	1355(1)/2553	
2. Date of promotional certificates	12/11/1996	04/10/2000	21/03/1991	06/03/2007	24/3/2010	
3. Date of generating income	01/12/1996	10/11/2004	13/11/1990	06/07/2007	17/2/2011	
4. The promotional privileges for manufacturing of	component or accessories used with electronics products	printed circuit board assembly (PCBA)	production or assemble electronics products	printed circuit board assembly (PCBA) and electronics products	medical products, electronic products	printed circuit board assembly printed circuit (PCBA)
5. Important privileges and benefits which are granted :						
5.1 Exemption from corporate income tax on net profit from promotional operations commencing from the generating revenue date.	8 years (expired on Nov. 30, 2004)	8 years (expired on Nov. 9, 2012)	-	5 years (expired on Jul.5, 2012 or tax values not over Baht 251.94 million)	8 years (will be expired on Feb. 16, 2019)	5 years (will be expired on Feb. 16, 2016) or (tax values not over Baht 162.80 million) (revised on Nov.14, 2016)
5.2 Allowance to deduct from taxable income at 5% of the increment in export of previous year, commencing from the generating revenue date.	10 years (expired on Nov. 30, 2006)	10 years (expired on Nov. 9, 2014)	10 years (expired on Nov. 12, 2000)	-	-	-
5.3 Allowance of reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax is ended.	5 years (expired on Nov. 30, 2009)	5 years (will be expired on Nov. 9, 2017)	-	-	5 years (will be expired on Feb. 16, 2024)	-
5.4 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1	8 years (expired on Nov. 30, 2004)	8 years (expired on Nov. 9, 2012)	-	5 years (expired on Jul. 5, 2012)	8 years	5 years

PROMOTIONAL PRIVILEGES (continued)

1. Promotional certificates Nos.	1356(1)/2553		59-1112-0-00-1-0	59-1186-0-00-1-0
2. Date of promotional certificates	24/3/2010		4/7/2016	26/7/2016
3. Date of generating income	23/2/2011		-	-
4. The promotional privileges for manufacturing of	electronic products for industrial	printed circuit board assembly printed circuit (PCBA)	electronic products, part and/or electronic equipment, component or accessories used with electronics products	medical products, electronic products, part and/or electronic equipment, component or accessories used
5. Important privileges and benefits which are granted :				
5.1 Exemption from corporate income tax on net profit from promotional operations commencing from the generating revenue date.	8 years (will be expired on Feb. 22, 2019)	8 years (will be expired on Feb. 22, 2019) or (tax value not over Baht 26.77 million)	8 years or (tax value not over Baht 159.40 million)	8 years or (tax value not over Baht 356.60 million)
5.3 Allowance of reduction the corporate income tax from promotional net profit at 50% of normal rate after the exemption for corporate income tax is ended.	5 years (will be expired on Feb. 22, 2024)	-	5 years	5 years
5.4 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1	8 years	8 years	8 years	8 years

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

The Company has local and export sales for the years ended December 31, 2016 and 2015 as follows :-

PARTICULARS	CONSOLIDATED				THE SEPARATE FINANCIAL STATEMENTS			
	2016	%	2015	%	2016	%	2015	%
Export sales	1,003,650,866	89.61	1,196,352,891	93.09	1,003,650,866	89.61	1,196,352,891	93.09
Local sales	116,399,098	10.39	87,795,101	6.91	116,399,098	10.39	87,795,101	6.91
Total sales	1,120,049,964	100.00	1,285,131,942	100.00	1,120,049,964	100.00	1,285,131,942	100.00

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19. EXPENSES BY NATURE

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PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Decrease in the changes of finished goods and work in process	67,190,196	20,942,564	67,190,196	20,942,564
Raw material and consumables used	638,116,240	753,734,240	641,064,625	756,750,181
Director and management benefit expenses	32,308,933	38,137,672	32,155,254	37,988,235
Employee benefit expenses	288,081,171	313,472,870	286,217,280	311,498,215
Depreciation and amortization expenses	70,514,907	73,348,241	70,514,907	73,348,241
Finance costs	1,656,543	1,849,330	1,656,333	1,848,305
(Reverse) Loss on diminution inventory values	(65,946,451)	62,455,128	(65,946,451)	62,455,128
Other expenses	124,190,829	138,414,414	121,684,348	137,914,974
TOTAL	1,156,112,368	1,402,354,459	1,154,536,492	1,402,745,843

20. FOREIGN CURRENCY TRANSACTIONS

20.1 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, 2016 and 2015, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows:

(AMOUNT IN THOUSAND)

PARTICULARS	CONSOLIDATED			
	Foreign currencies		Converted to Baht	
	2016	2015	2016	2015
ASSETS				
USD	8,582.86	6,800.00	306,054.38	244,278.54
EUR	3.29	11.13	123.03	434.99
DKK	65.00	65.00	327.07	339.97
SGD	208.00	-	5,101.39	-
TOTAL			311,605.87	245,053.50

(AMOUNT IN THOUSAND)

PARTICULARS	CONSOLIDATED			
	Foreign currencies		Converted to Baht	
	2016	2015	2016	2015
LIABILITIES				
USD	5,209.26	3,850.78	187,546.29	139,605.46
EUR	53.46	55.36	2,038.66	2,203.47
TOTAL			189,584.95	141,808.93

(AMOUNT IN THOUSAND)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS			
	Foreign currencies		Converted to Baht	
	2016	2015	2016	2015
ASSETS				
USD	8,564.46	6,734.70	305,398.31	241,932.54
DKK	65.00	65.00	327.07	339.97
SGD	208.00	-	5,101.39	-
TOTAL			310,826.77	242,272.51
LIABILITIES				
USD	5,204.74	3,895.79	187,383.77	141,237.15
EUR	52.78	56.69	2,012.69	2,256.31
DKK	2.32	2.32	11.88	12.36
SGD	-	170.00	-	4,384.39
TOTAL			189,408.34	147,890.21

- 20.2 As at December 31, 2016 and 2015, 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:

(AMOUNT IN THOUSAND)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS		
	Foreign currency	Fair value in Baht	Delivery date
As at December 31, 2016 USD	400	14,059.16	October 2016 – April 2017
As at December 31, 2015 USD	-	-	-

21. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate in one business of producing and assembling printed circuit and electronics circuit board in geographical areas, Thailand and overseas. Both local and export sales are presented in Note 18 to the financial statements.

22. 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. TEAM PRECISION (SINGAPORE) PTE. LTD.	See Note 9	Subsidiary
3. Energy Innovation Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder
4. Alpine Technology Manufacturing (Thailand) Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder and director
5. 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:

(THOUSAND BAHT)

RELATED TRANSACTIONS IN STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Trade accounts receivable				
- Finest Med Design Co., Ltd.	240	-	240	-
Total trade accounts receivable	240	-	240	-
Trade accounts payable				
- Team Precision (Europe) ApS	-	-	6,281	3,669
- TEAM PRECISION (SINGAPORE) PTE. LTD. LTD.	-	-	-	6,280
Other accounts payable				
- Energy Innovation Co., Ltd.	11	-	11	-
Total trade and other payables	11	-	6,292	9,949

RELATED TRANSACTIONS IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL	
			STATEMENTS	
	2016	2015	2016	2015
Sales				
- Energy Innovation Co., Ltd. (Normal business quotation)	6	6	6	6
- Alpine Technology Manufacturing (Thailand) Co., Ltd. (Normal business quotation)	1,097	1,836	1,097	1,836
- Finest Med Design Co., Ltd. (Normal business quotation)	1,020	-	1,020	-
Total sales	2,123	1,842	2,123	1,842
Dividend income [Team Precision (Europe) ApS]	-	-	-	18,026
Dividend income [TEAM PRECISION(SINGAPORE) PTE.LTD.] PTE.LTD.]	-	-	1,503	-
Total dividend income	-	-	1,503	18,026
Purchase of goods and raw materials				
- Team Precision (Europe) ApS (Mutual agreement)	-	-	32,392	29,267
-TEAM PRECISION (SINGAPORE) PTE.LTD. (Mutual agreement)	-	-	4,785	4,282
Total purchase of goods and raw materials	-	-	37,177	33,549
Other expenses				
- Energy Innovation Co., Ltd. (Mutual agreement)	226	-	226	-
Total other expenses	226	-	226	-

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 As at December 31, 2016 and 2015, the Company has commitment and contingent liabilities as follows:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS			
	Foreign currency		Baht	
	2016	2015	2016	2015
Letters of credit				
- USD	44,885	54,800	-	2,960,632
Letters of guarantee from				
commercial bank	-	-	4,750,000	3,325,000

As at December 31, 2016 and 2015, the Company has credit lines of letters of credit and trust receipt within Baht 450 million and Baht 350 million, respectively.

23.2 Operating lease commitment

The Company has entered into several lease agreements in respect of the lease of vehicles. The terms of the agreements are generally between 1 year to 5 years.

As at December 31, 2016, the Company has future minimum lease payments under these operating leases contracts as follows:

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PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Within one year	372,800
After one year but within five years	1,214,950

24. 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 :

24.1 Accounting policies and procedures

- See Note 3.

24.2 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.

24.3 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.

24.4 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.

24.5 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of financial instruments :

- Financial assets shown at book value which equals to estimated fair value.
- Financial liabilities shown at book value which equals to estimated fair value.

25. 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.

26. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 23, 2017.



Team Precision

Public Company Limited

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