



TEAM PRECISION PUBLIC COMPANY LIMITED

บริษัท ทีมพรีซิชั่น จำกัด (มหาชน)

รายงานประจำปี 2562

ANNUAL REPORT 2019

To be customers' first choice
as the best in Class Global Electronics
Manufacturing Solutions Provider



ISO 9001 Quality Management Systems



IATF 16949 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.



This 2019 year, we secure a 12 % revenue growth from THB 1.92 billion to THB 2.15 billion as we continue to deliver the solution to both current and new customers despite the slow down in global economy. The strengthen of Thai Baht throughout 2019 as well as additional special reserve from regulatory change on define employee benefits lowered our consolidated net profit to THB 7.5 million in 2019 from THB 14.6 million in 2018. Nevertheless, our net working capital position remains strong, resulted in 15.5% increase compared to 2018. Our short-term loan was also significantly reduced by 39.5% compare to 2018.

As we move into 2020, we foresee a wider spread of the slow down in the global economy as well as a shift in market trend in automotive sector from after market to OEM (Original Equipment Manufacturer). Despite the slow down, we continue to seek and secure new opportunities to capture new global trends especially in manufacturing the products for Internet of Thing (IoT) . We have also been working closely with customers on collaborative design which expected to be fruitful this year.

As for our joint factory in the US, the development and improvement still need to be accelerated. We will continue to closely monitor the progress.

In addition, we have continuously invested in resources to improve efficiencies in production by further investing in automated machine, providing automation training to the core team. Our promise is to continue to deliver the solution to customers and help them grow by bringing new technology, and production capabilities. With this, we can sustainably grow with customer while staying competitive in the market.

Finally, on behalf of Team Precision Board of directors, we would like to extend our utmost gratitude to our employees for their hard work and bringing an exceptional quality product and service to our customers. We will continue to work closely with customers as partner, bringing the best solution, and deliver highest quality product as we step in 2020.

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	<ul style="list-style-type: none"> ➤ Establishment of companies in Denmark .To conduct a procurement on October 31, 2006. ➤ Shareholding in 100 percent of shares
2008	<ul style="list-style-type: none"> ➤ Establishment in Singapore. To conduct a procurement on August 1, 2008. ➤ Shareholding in 100 percent of shares
2016	<ul style="list-style-type: none"> ➤ Team Precision (Singapore) PTE LTD. has registered the dissolution under the laws of foreign country on November 28,2016.
2018	<ul style="list-style-type: none"> ➤ Establishment of a subsidiary in the United States of America (the "TPA Holding"); ➤ Joint investment in a newly established entity in the United States of America (the "Team Precision America") between TEAM, through TPA Holding, approved on February 22, 2018

1.1 Vision ,Business goals and Strategies

Vision

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

Business Goals

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

Strategies for sustainable growth

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

Company Values

Passion + Integrity + Team Synergy + Initiation = Performance

Passion

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

Integrity

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

Team Synergy

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

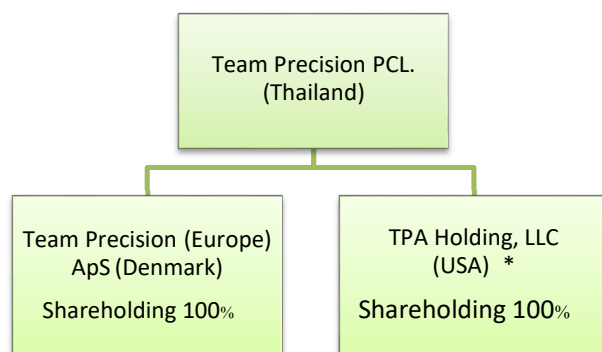
Initiation

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

1.2 Changes and Developments

-None-

1.3 The shareholding structure of the Group.



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

1.4 Relationship with the Group's largest shareholder

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

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

*** See details and relationship characteristics in Note 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 9001:2015)
2. Environmental Management System Certification (ISO 14001:2015)
3. Occupational Health Safety Certification (OHSAS 18001:2007)
4. Automotive Production Quality Management System Certification (ISO/IATF 16949:2016)
5. Medical Equipment Industry (ISO 13485:2016)

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	2019		2018		2017	
	Mio. Baht	%	Mio. Baht	%	Mio. Baht	%
Industrial Control	1,692	79	1,320	69	778	63
Telecommunications	26	1	23	1	9	1
Automotive	197	9	155	8	170	14
Medical	105	5	176	9	241	20
Other	133	6	245	13	33	2
Total Revenue	2,153	100	1,919	100	1,231	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

Production of electronic products in 2019 dropped by 6.3 percent compared to 2018, with declines in HDD, IC, Semiconductor PWB and PCBA as a result of the contraction of the global electronics products to slow down. And the value of exports in the major markets are Japan, ASEAN, China, the European Union and the United States.

The export of electronic products in the year 2019 is worth 35,620.3 million US dollars. Decreased by 8.3% (% YoY) from the previous year, almost all of the main export markets declined, including ASEAN, EU, China and Japan, in which components and components of computers decreased by 24.9% and integrated circuits (IC) decreased. 24.0 percent due to the economic downturn Causing electronic products to be products that use intermediate-high technology, changing technology quite quickly, and relocating production bases and closing of businesses caused by high costs Including exports of industrial products that contracted from the US-China trade protectionism policy through the supply chain And the slowing global economy Resulting in the contraction of electronic products exports

Trends of the electronics industry in 2020

The electronics industry in 2020 is expected to increase production and exports of electronic products by 1.6 and 1.5 percent, respectively, compared to the previous year. As the global economy diminishes and is expected to enter the upward cycle of the global electronics industry. In addition, when considering the main products such as HDD, the HDD manufacturer has moved the production base from Malaysia to Thailand, resulting in the orders from the main market to increase.

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 (OHSAS 18001) in December 2008. Therefore, the environmental condition in the plant is ensured to be according to the international standard. Moreover, the Company had obtained several awards regarding the management of environment, occupational health and safety as follows:

Department of Welfare & Labor Protection ,Ministry of Labor:

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

Department of Alternative Energy Development and Efficiency ,Ministry of Energy

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

Green Automotive Parts Industry Project

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

Department of Disease Control , Ministry of Public Health

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

2.4 Work has not been delivered.

-None-

Risk Assessment

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

1. Business risk

Since the Company has mainly operated the business with the oversea customers of which the total export is more than 90%, there were risks of the changes of several factors of customers' market conditions in 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, the demand of labor force has been increased, as well as, the competition of the rates of labor wages. The Company has realized the risk of the labor supply and the labor cost control. The Company, therefore, has foreseen the importance of personnel development and the welfare and benefits by

- Providing the basic training and skill development by establishment of a Technical Training Center which has the training room and actual practice for the new employees and continuously develop the personnel to have more multi-skills.
- Participating in the Wages and Benefits Survey of electronics industry group and determining the appropriate remuneration including the welfare and benefits in order to motivate and retain the personnel to work in long term for the Company.

- Improving the 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. The Company has continuously implemented Toyota Production System since year 2013 until present.
- Legally recruit Myanmar workers (MOU) with appropriate number to address the problem of insufficient workers in long term period.

6. Risk of raw material supply

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

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

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

7. Risk of production

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

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

Apart from taking care of the readiness of the machineries, the Company has also emphasized on the procedure of production control to comply with the international standard by annually monitoring the standard systems continuously either a particular product standard such as IATF 16949 for the automotive products, ISO 13485 for medical instruments and safety and environmental standards which are ISO 14001 and OHSAS 18001 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	TPA holding LLC
2. Address	198 Moo 13, Suwansorn Road,Dong-Khee-Lek Muang Prachinburi, Prachinburi 152/8, 152/9, 152/15 Moo 3, Rangsit Tanyaburi, Patumthani	Noddehegnet 8, 6400 Sonderborg, Denmark	850 New Burton Road, Suite 201, Dover, Delaware 19904
3. Type of main business	Electronics Manufacturing Printed Circuit Board Assembly	Business Trading of electronic components and electronic products	Investing in its associate
4. Share Capital Paid up Capital	637,063,385 shares, par value 1 baht 637,063,385 Baht	500 shares, par value 1,000 DKK DKK 500,000	USD 1,077,300
5. Telephone	Prachinburi (037) 403 336-40 Fax (037) 403 345 Patumthani (02) 577 2350 Fax (02) 577 2355 (02) 577 1705	Tel. (45) 7342 3232 Fax (45) 7342 6800	Tel. (65) 6773 6908 Fax (65) 6773 6208
Reference persons			
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. Chaiyakorn 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 9,2020)

5.2 Shareholder

- (1) List of major shareholders

- (A) Name list of top 10 shareholders as of the latest closed registration (as of March 9, 2020)

Name		Shares	%
Mr. Supachak	Manutsathit	117,412,677	18.43
Ms. Patharawadee	Manutsathit	53,706,339	8.43
Ms. Patharawan	Manutsathit	53,706,339	8.43
Mr. Wutiporn	Manutsathit	51,000,000	8.00
Mr. Atthapol	Manutsathit	51,000,000	8.00
Ms. Manutsaporn	Manutsathit	46,000,000	7.22
Mr. Anant	Manutsathit	35,588,288	5.59
Mr. Chakkaphant	Manutsathit	30,880,433	4.85
Mrs. Malipa	Manutsathit	12,000,000	1.88
Mr. Veerawat	Sirayopas	11,374,161	1.79

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	2015	2016	2017	2018	2019
Dividend payment date	-	-	-	-	-
Number of shares	637,063,385	637,063,385	637,063,385	637,063,385	637,063,385
Dividend per share	-	-	-	-	-
Dividend Payment	-	-	-	-	-
- BOI					
- NON-BOI					
Stock Dividend per share					
- Baht	-	-	-	-	-
Total Dividend					
Net profit (Separate FS)	(92,493,682)	(5,950,979)	3,354,288	27,959,069	20,514,085
Dividend/Net profit	-	-	-	-	-

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

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

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

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

7.1.1 Name of member of the Board of Directors as of December 31,2019.

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

*** The authorized person is two directors signing together with the company's seal, except Mr. Chai Jroongtanapibarn, Mr. Pirom Chaemsai, Mr. Mongkol Kittipoomwong.

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

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

The 2019 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	6	6	
2. Mrs.Malipa Manutsathit	Director Nomination and Remuneration Committee Risk Management Committee	6	6	
3. Mrs.Suratn Petchmunee	Director Company Secretary	6	6	
4. Mr.Chai Jroongtanapibarn	Independent Director Chairman of the Audit Committee Nomination and Remuneration Committee Risk Management Committee	6	6	
5. Mr. Pirom Chamsai, Ph.D.	Independent Director Audit Committee Chairman of Nomination and Remuneration Committee Risk Management Committee	6	6	
6. Mr.Monkhol Kittipoomvong	Independent Director Audit Committee Nomination and Remuneration Committee Chairman of Risk Management Committee	6	6	
7. Mr. Supachak Manutsathit	Director	6	6	

7.2 The Management Team

7.2.1 Name of the members of the Management Team

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

Board of Directors



Mr. Chakkaphant Manutsathit
Chairman of the Board of Directors



Mr. Chai Jroongtanapibarn
Independent Director



Mr. Piromi Chamsai, Ph.D
Independent Director



Mr. Monkhol Kittipoomvong
Independent Director



Mr. Supachak Manutsathit
Director



Mrs. Malipa Manutsathit
Director



Mrs. Suratn Petchmunee
Director



Mr. Chakkaphant Manutsathit
Chief Executive Officer



Mr. Supachak Manutsathit
Assistant to Chief Executive
Officer



Mrs. Malipa Manutsathit
Chief Information Officer



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



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



Mr. Aviroot Kongcharoen
Corporate Quality
Assurance Director

Detail of Company Directors and Management

Mr.Chai Jroongtanapibarn	Age 66 years	: Independent Director/ Chairman of the Audit Committee/ Nomination and Remuneration Committee/Risk Management Committee
Starting date of position	: Year 2000	
Share Ratio (%)	: 0.23% or 1,497,062 shares	
Relationship with Management	: None	
Highest Education	: Master Degree of Accounting, Thammasat University	
Working Experiences		
2018- Present	: Present Chairman/Independent Director , Veranda Resort Pcl.	
2007- Present	: Independent Director/ Audit Committee, Siam Food Products Pcl.	
2006- Present	: Independent Director/ Audit Committee, Oishi Group Pcl.	
2005- Present	: Chairman of the Board of Directors/Independent Director/Chairman of the Audit Committee,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.	
Management positions and/or directorships		
• other listed companies		6 places
• other non-listed companies (excl. subsidiaries)		- None-
Related Training Program held by IOD		
DCP -Director Certification Program 2003		
ACP -Audit Committee Program 2005		

Mr.Monkhol Kittipoomvong	Age 67years	: Independent Director/ Audit Committee/ Chairman of the Risk Management Committee/ Nomination and Remuneration Committee
Starting date of position	: 23 April 2015	
Share Ratio (%)	: 0.96% or 6,136,625 shares	
Relationship with Management	: None	
Highest Education	: MBA Finance and Business Economics ,The University of Toledo, Ohio, United States	
Working Experiences		
2019 - Present	: Specialist attached to the Senate Standing Committee on Economic, Money and Fiscal (Effective 16 December 2019)	
2018 – Present	: Independent Director , Asia Green Energy Pcl.	
2015 – Present	: Independent Director/ Audit Committee / Nomination and Remuneration Committee/ Chairman of Risk Management Committee, Team Precision Pcl.	
2007 – 2012	: Managing Director , Krungsri Securities Pcl.	
2000 – 2007	: Senior Executive Vice President, Krungsri Securities Pcl.	
1988 – 2000	: Executive Vice President, Head of institutional Sales Department, KGI Securities (Thailand) Pcl.	
Management positions and/or directorships		
• other listed companies		1 place
• other non-listed companies (excl. subsidiaries)		4 places
Related Training Program held by IOD		
DCP -Director Certification Program 2001		

Mr. Pirom Chamsai, Ph.D.	Age 65 years	: Independent Director/ Audit Committee / Chairman of the Nomination and Remuneration Committee/ Risk Management Committee
Starting date of position	: Year 2000	
Share Ratio (%)	: 0.17% or 1,090,000 shares	
Relationship with Management	: None	
Highest Education	: Doctor of Engineering (Geotechnique) Ecole Centrale des Arts & Manufactures (French Government Scholarship)	
Working Experiences		
2015 – Present	: Independent Director , Premier Technology Pcl.	
2014 – Present	: Chairman of The Executive Board of Directors, Consulting And Management 49 Limited.	
2013 – 2013	: Managing Director, Thai Flim Industries Pcl.	
2007 – Present	: Lecturer, Faculty of Fine Arts, Bangkok University	
2000 – Present	: Independent Director/Audit Committee /Chairman of Nomination and Remuneration /Risk Management Committee, Team Precision Pcl.	
Management positions and/or directorships		
• other listed companies		1 place
• other non-listed companies (excl. subsidiaries)		1 place
Related Training Program held by IOD		
DAP- Director Accreditation Program 2005	DCP- Director Certification Program 2007	
ACP -Audit Committee Program 2005	RCC- Role of Compensation Committee 2007	
	AACP -Advance Audit Committee Program 2019	

Mr.Chakkaphant Manutsathit	Age 66 years	: Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee
Starting date of position	: Year 2000	
Share Ratio (%)	: 4.85% or 30,880,433 shares	
Relationship with Management	: Spouse of Mrs.Malipa Manutsathit	
Highest Education	: Master of Business Administration, University of Queensland Australia	
Working Experiences		
2010 – Present	: Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.	
2009 – 2010	: Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee,Team Precision Pcl.	
2000 – 2008	: Chief Executive Officer /Chairman of the Board of Directors/Nomination and Remuneration Committee /Risk Management Committee, Team Precision Pcl.	
1995 – Present	: Director, Alpine Technology Manufacturing (Thailand) Co., Ltd.	
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		5 places
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003	RCP- Role of Chairman Program 2007	
DCP- Director Certification Program 2003	RCC -Role of Compensation Committee 2007	

Mrs.Malipa Manutsathit	Age 65 years	: Chief Information Officer / Director /Nomination and Remuneration Committee /Risk Management Committee
Starting date of position	: Year 2000	
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.	
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		3 places
Related Training Program held by IOD		
DAP- Director Accreditation Program 2003		ACP -Audit Committee Program 2007
DCP -Director Certification Program 2007		

Mrs.Suratn Petchmunee	Age 59 years	: Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director
Starting date of position	: Year 2000	
Share Ratio (%)	: 0.67%or 4,238,789 shares	
Relationship with Management	: None	
Highest Education	: Master of Business Administration, University of Eastern Asia	
Working Experiences		
2012 – Present	: Company Secretary/ Compensation & Benefits Director / Finance Director (Acting)/ Director ,Team Precision Pcl.	
2009 – 2011	: Company Secretary /Director, Team Precision Pcl.	
2000 – 2008	: Finance Director/ Director , Team Precision Pcl.	
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		1 place
Related Training Program held by IOD		
DAP -Director Accreditation Program 2003		CSP - Company Secretary Program 2009
DCP- Director Certification Program 2007		EMT -Effective Minute Taking 2009
ACP- Audit Committee Program 2007		

Mr. Supachak Manutsathit	Age 35 years	: Assit to Chief Executive Officer
Share Ratio (%)	:	18.43% or 117,412,677 shares
Relationship with Management	:	Son of Mr.Chakkaphant Manutsathit
Highest Education	:	Master of Science in Management, Imperial College London, United Kingdom
Working Experiences		
2012 – Present	:	Present Assistant to Chief Executive Officer, Team Precision Pcl.
2016 – Present	:	Present Directors, Finest Med Design Co.,Ltd.
2011 – Present	:	Present Directors, Energy Innovation Co.,Ltd.
2009 – 2012	:	Branding and Category Activation Manager, Unilever Trading Co.,Ltd
Management positions and/or directorships		
• other listed companies		- None-
• other non-listed companies (excl. subsidiaries)		2 places
Related Training Program held by IOD -None-		

Mr.Manolo Villaluz Momongan	Age 54 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-		

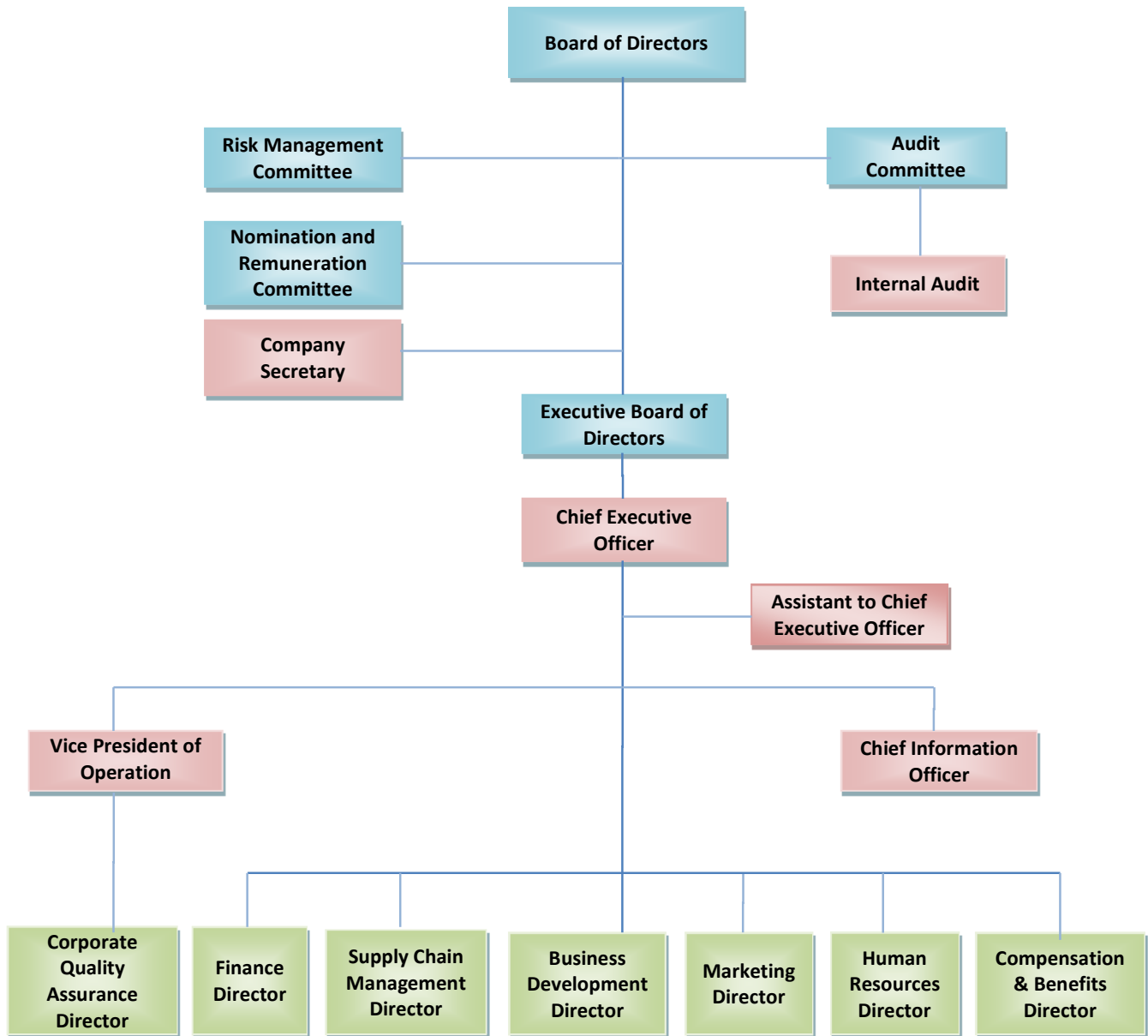
Mr. Aviroot Kongcharoen	Age 49 years	: Corporate Quality Assurance Director
Share Ratio (%)	:	None
Relationship with Management	:	None
Highest Education	:	Bachelor of Science,Chulalongkorn University
Working Experiences		
2015 – Present	:	Corporate Quality Assurance Director, Team Precision Pcl.
2007 – 2014	:	Corporate Quality Assurance Senior Department Manager , Team Precision Pcl.
2004 – 2007	:	Senior Quality and Reliability Assurance Department Manager,Stars Microelectronics (Thailand) Pcl.
2004	:	Assist Quality Engineering Manager,SVI Pcl.
Related Training Program held by IOD -None-		

Changes in Shareholdings of directors and executives

Name		Holdings	9 March 2020	13 March 2019	Increase/ Decrease(Net)
Mr. Supachak	Manutsathit	Direct	117,412,677	95,400,000	22,012,677
Mr. Chakkaphant	Manutsathit	Direct	30,880,433	46,288,615	(15,408,182)
Mrs.Malipa	Manutsathit	Direct	12,000,000	12,000,000	-
Mr.Monkhol	Kittipoomvong	Direct	6,136,625	6,136,625	-
Mrs.Suratn	Petchmune	Direct	4,238,789	4,238,789	-
Mr. Chai	Jroongtanapibarn	Direct	1,497,062	1,497,062	-
Mr. Pirom	Chamsai, Ph.D.	Direct	1,090,000	1,090,000	-
		Total	173,255,586	166,651,091	6,604,495

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

Organization Structure



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

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

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

7.3 Company Secretary and The person supervising accounting accounting

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

7.4 Remuneration for Directors and Executives of the Company

The remuneration policy

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

7.4.1 Remuneration in the form of money

(A) Remuneration of Director

Name		Position	2019	
			Remuneration	Compensation
1. Mr.Chakkaphant	Manutsathit	Chairman of The Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee	390,000	-
2. Mrs.Malipa	Manutsathit	Director / Nomination and Remuneration Committee / Risk Management Committee	330,000	-
3. Mrs.Suratn	Petchmune	Director / Company Secretary	330,000	-
4. Mr.Supachak	Manutsathit	Director	330,000	-
5. Mr.Chai	Jroongtanapibarn	Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee / Risk Management Committee	490,000	-
6.Mr.Monkhol	Kittipoomvong	Independent Director/ Audit Committee / Nomination and Remuneration Committee / Chairman of Risk Management Committee	430,000	-
7.Mr.Pirom	Chamsai, Ph.D.	Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee	430,000	-
Tototal Remuneration ***			2,730,000	-

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

Remuneration of the sub-committee: -None-

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

Year	Total Executive	Amount (Baht)
2019	7	32,949,999
2018	7	33,133,072

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

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%

2. Long term Employee Benefits

The Company had provision for compensations on employees' retirement at the year ended December 31, 2019 totaling 84.63 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 1,015 persons as of December 31,2019 and recognized compensation and benefit expenses (salary, provident fund ,bonus,social security etc) for employees totaling 299.82 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 2019 ,the rate of employees trained for skilled labor reached 81% 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 2019 the Company had a total of one shareholder meeting, with one annual ordinary meeting taking place at the Company. The Company uses a Record date method to gather a list of shareholders who are entitled to attend the meeting. Thailand Securities Depository Co., Ltd has been assigned to be organizer and the Company had submitted the Notice of AGM Meeting along with supporting information for various agenda for acknowledge 21 days in advance before the meeting. Each agenda included the opinion of the Board of Directors and explained to shareholders for voting method, voting count and card in the meeting.

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

2. Equitable Treatment to Shareholders

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

- 2.1 Provide a shuttle service to facilitate shareholders who wish to attend annual general meeting ("AGM") from the Stock Exchange of Thailand Building.
- 2.2 Give the equal right to vote to the shareholders and the voting procedures are not complicated.
- 2.3 Attach the Proxy type B including instruction with the invitation letter in order to shareholders who could not attend AGM to give the power to independent director or other person to attend and vote in the meeting.
- 2.4 Give opportunity with the equal right to shareholders in auditing the Company's business performance inquiry and recommendation expression. All inquiries and recommendations were also welcome through e-mail address: ir@teampcba.com.
- 2.5 Shareholders who lately attend in the meeting will be allowed.
- 2.6 Allow shareholders to have their rights to propose an agenda and nominee of director advance for 2020 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 2019 AGM, total of seven directors attended the meeting. The chairman gave the shareholders to offer their expressions and questions. And the meeting are recorded accurately and completely for further audit by shareholders.
- 2.8 Company proceeded the meeting according to the agenda and had no additional agenda without prior notification to shareholders.
- 2.9 The Company has implemented barcode system to use in register. Recorded vote and the voting results show at the end of each agenda by providing third-party inspectors to examine, in cooperation with the vote counting.
- 2.10 Disclosure resolution of Annual General Meeting of Shareholders and the voting results through dissemination of information system of The Stock Exchange of Thailand within the next working day from the date of the meeting.
- 2.11 Prepare and submit resolution of the Annual General Meeting of Shareholders to the relevant regulatory authorities. Such report has been published on the Company's website within the duration not exceeding 14 days from the date of the meeting.

3. Rights of Stakeholders

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

- **Employee:** The company treats all employee on a fair and equitable basis of employment equity and all applicants without discrimination based on race, color, religion, nationality, sex, age, disability, marital status, sexual orientation, which we will follow the law, human rights and employment, all applicable not to perform illegal discrimination in various aspects of an employment, including recruitment, hiring, compensation. promotion or termination of employment.
- **Occupational Health, Safety and Environmental:** Company has been aware of the importance of hygiene and safety practices of employees. As well as the prevention of environmental impact, the company has a policy to guide the implementation of the system as effectively and efficiently as follows.
 - Continuous improvement in Health, Safety and Environmental management system, processes, products and services. In accordance with the requirements of the standard 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 shareholders.

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 2019 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, 2019 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 2019.

5. Responsibilities of the Board of Directors

5.1 Responsibilities of the Board of Directors

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

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

5.2 Duties and responsibilities of the Chairman of the Board:

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

5.3 The composition of the Board of Directors

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

- Four executive directors who are also management, representing 57% of total number of directors.
- Three independent directors ,representing 43% of total number of directors.

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

Definition of independent directors

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

Independent directors' qualifications

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

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

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

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

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

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

5.4 Consolidation or Segregation of Positions

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

5.5 Board of Directors' Meetings

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

In 2019 the Board met four times for regular meetings and two times for special meetings, totaling six meetings. The attendance of each member of the Board of the Company was summarized in Structure Management's topic. The Board has reviewed the Company's mission and vision including a strategy to be practice implementation

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

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

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

Secretary of sub-committee is Mrs. Suratr Petchmunee

5.7 The Meeting without Attendance of Management

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

5.8 Conflict of interest

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

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

8.2 Sub-Committee

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

1. Executive Board of Directors

1.1 Names of members of the Executive Board of Directors

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

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

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

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

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

2. Audit Committee

2.1 Members of the Audit Committee

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

Remark * Independent director

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

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

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

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

3. Nomination and Remuneration Committee

3.1 Members of the Nomination and Remuneration Committee

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

Remark * Independent director

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

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

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

4. Risk Management Committee

4.1 Members of the Risk Management Committee

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

Remark * Independent director

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

1. Specify the Company's risk management framework in accordance with the risk management policy to support Board of Directors' policies about the risk management in the level of risk that can be accepted. 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.
2. Develop and review strategic in risk management plans.
3. 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 2019		Inhouse training (Course)	Public training (Course)	Total hour
1. Mr. Chakkaphant	Manutsathit	1	-	3
2. Mr. Supachak	Manutsathit	2	1	15
3. Mrs. Suratan	Petchmunee	-	4	27.5
4. Mrs. Malipa	Manutsathit	1	-	3
5. Mr. Aviroot	Kongcharoen	5	-	52
Total		9	5	100.5

8.3.4 Orientation for New Directors and Executives

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

8.4 Supervision of the operation of subsidiary company

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

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

8.5 Supervision of the use of inside information

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

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

8.6 Business ethics

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

8.6.1 Providing a code of business conduct manual

1 Business ethics of Board of Directors

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

The business ethics of the board are as follows

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

2. Business ethics of employees

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

The ethical requirements of employees are as follows

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

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

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

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

8.7 Audit Fee

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

Audit Fee	Team Precision (Thailand)	Team Precision (Denmark)
Audit Fee	Baht 1,125,000	DKK 66,300
Other Fees	*Baht 30,000	DKK 4,300

* 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 Succession Plan for Chief Executive Officer

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

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

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

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

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

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

Anti-Corruption

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

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

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

The labor practice

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

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

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



Annual Physical examination for all employees



Doctor visit and consult services



Work Safety & Environmental Awareness Promotion Activities

Employee Participation Company was organized to promote the involvement of employees such as social care, volunteer contribution to society, activities on national tradition event.



Thai culture traditional activities and festival



Festive activities or employee participation and relaxing



Launch "Friend Help Friend" Project to air and renovate employee's house for better living

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 injury avoidance.



First aids and serious injury 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 : 2015** – Environmental management system standard
- **OHSAS18001** – Health and occupational safety management standard

Inspection of Environmental Condition

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



Environmental impact inspection in manufacturing area and Work station

Energy Conservation

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

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

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

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

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

In addition, the Company's Auditor did not have any observation concerning the internal control system regarding the preparation and proposal of the consolidated Financial Statements including risk assessment due to the presentation of the data contradicts to the matters of fact which is the subject matter of the Financial Statements as shown on the Independent Auditor's report dated 24th February 2020.

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 loan between Company and subsidiaries. The calculation is based on the trading price of its normal business agreement.

The Policy of Connected Transactions

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

12. Financial Highlights

Mr. Apiruk Ati-anuwat, Certified Public Accountant Registration No. 5202 from Dr.Virach & Associates Office Co., Ltd , had express an opinion on these financial statements as at December 31,2019 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, 2019, 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)		
	2019	2018	2017
Current assets	1,027,035	1,281,132	598,317
Investments in subsidiaries	7,438	19,967	
Property, plant and equipment – net	438,937	462,715	404,695
Non current assets	5,530	3,622	3,074
Total Assets	1,478,940	1,767,436	1,006,086
Current liabilities	594,434	906,691	226,895
Non Current liabilities	93,427	77,453	76,007
Total Liabilities	687,861	984,144	302,902
Paid-up capital	637,063	637,063	637,063
Premium on common stocks	42,543	42,543	42,543
Retained earnings	61,325	52,128	26,786
Other components of shareholders' equity	50,148	51,558	(3,208)
Shareholders' Equity	791,079	783,292	703,184

Description	Audited (Unit: Thousand Baht)		
	2019	2018	2017
Revenue from sales	2,153,400	1,918,758	1,230,984
Other income	38,648	10,714	19,614
Total Revenues	2,192,048	1,929,472	1,250,598
Cost of sales	2,027,408	1,747,328	1,131,189
Loss on dimution inventory values	1,096	4,921	(21,770)
Selling ,administrative expenses and directors	143,973	143,681	135,461
Finance Costs	9,060	3,956	1,400
Total Expenses	2,181,537	1,899,886	1,246,280
Share of loss from investments in associate hold by subsidiary	(12,529)	13,685	
Income tax expenses	9,616	1,239	769
Net Profit (Loss)	7,598	14,662	3,549

Financial Ratio

Liquidity Ratio:		2019	2018	2017
Current Ratio	Times	1.73	1.41	2.64
Quick Ratio	Times	0.92	0.80	1.58
Operating Cash Flow Ratio	Times	0.20	-0.53	-0.06
Receivable Turnover	Times	3.92	4.54	5.29
Collection Period	Days	91.92	79.29	68.07
Inventory Turnover	Times	3.69	4.11	4.82
Sales Period	Days	97.47	87.65	74.64
Account Payable Turnover	Times	4.66	4.95	5.60
Payable Payment Period	Days	77.18	72.71	64.31
Cash Cycle	Days	112.20	94.23	78.40

Profitability Ratio:		2019	2018	2017
Gross Profit Margin	%	5.85	8.93	8.11
Profit Margin	%	0.35	0.76	0.29
Return on Equity	%	0.97	1.97	0.51

Efficiency Ratio:		2019	2018	2017
Return on Assets	%	0.47	1.06	0.35
Return on Fixed Assets	%	14.62	17.03	15.92
Total Assets Turnover	Times	1.33	1.38	1.22

Financial Policy Ratio:		2019	2018	2017
Debt to Equity Ratio	Times	0.87	1.26	0.43
Interest Coverage Ratio	Times	16.19	-75.13	-9.06

Share Information:		2019	2018	2017
Book Value per Share	Baht	1.24	1.23	1.10
Earnings per Share	Baht	0.01	0.02	0.006
Cash Dividend per Share *	Baht	-	-	-
Stock Dividend per Share *	Baht	-	-	-
Par Value	Baht	1.00	1.00	1.00

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

13. Management Discussion and Analysis:MD&A

Revenue

Team Precision Public Company Limited and subsidiaries ("the Company") had operation for the year 2019 by total revenue from sales of 2,153 million Baht which increased by 12% from those previous year from obtaining more orders from both new customer and existing customers in USA , Europe and Asia.

Transaction	2019		2018		Increase(Decrease)	
Sales	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Europe	953	44	845	44	108	46
USA	806	38	771	40	35	15
Asia	394	18	303	16	91	39
Total sales	2,153	100	1,919	100	234	100
Other income:						
Gain on exchange rate	22	56	4	40	18	62
Others	17	44	6	60	11	38
Total Other incomes	39	100	10	100	29	100
Total income	2,192		1,929		263	

Other income in year 2019 and 2018 were 39 million Baht and 10 million Baht, respectively. In 2019, it was gain on exchange rate 22 million Baht. The remaining other incomes were selling raw material & indirect supply left over from production, gain from sold fixed asset and interest and other services.

Cost of sales and gross margin

The cost of sales (excluding loss from diminution in inventories value) in year 2019 and 2018 were 2,027 million Baht and 1,747 million Baht, respectively. The gross margin in year 2019 was 6% of sales which the decrease in gross margin percentage was due to the stronger Thai Baht and changed in sales proportion with different gross margin of goods.

Loss on diminution in inventories values

In year 2019 and 2018, the Company loss on diminution in inventory values by 1 million Baht and 5 million Baht respectively due to company policy.

Selling expenses

For the selling expenses in year 2019 and 2018 were 31 million Baht and 30 million Baht, respectively. The majority expenses were employee benefit expenses, export handling expenses, travelling and exhibition for business with overseas customers.

Administrative expenses

For the administrative expenses in year 2019 and 2018 were 110 million Baht and 112 million Baht, respectively. The majority expense were employee benefit expenses with the amount of 71 million Baht and 66 million Baht, respectively. The remaining expenses were legal consultant, depreciation, electrical and office expenses.

Net profit (loss)

The Company had the net profit for the year 2019 of 7.6 million baht after deducting the share of loss from investment in associate held by its subsidiary of 12.5 million Baht, compared with the net profit of 14.7 million Baht for the year 2018. The share of loss from investment in associate was due to manufacturing overhead and employee expenses. The associate is in the process of production improvement and cost deduction.

Comparison of Financial Position for year 2019 vs 2018**Total Assets**

As at December 31, 2019 and 2018, the Company recorded total asset of 1,479 million Baht and 1,767 million Baht, respectively and decreased of 288 million Baht or equivalent to 16 %. The majority changes were due to trade accounts receivable, inventories and land and other particulars as follows;

Trade accounts receivable

As at December 31, 2019 and 2018, our net trade accounts receivable amounted to 461 million Baht and 621 million Baht, respectively. This decrease was 160 million Baht

Comparison of trade accounts receivable aging

Accounts receivable	31/12/2019		31/12/2018		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Current	332	72	307	49	25	15.6
Overdue within 3 months*	84	18	248	40	(164)	(102.5)
Over 3-6 months*	45	10	66	11	(21)	(13.1)
Over 6-12 months			2	0.3	(2)	(1.3)
Total	461	100	623	100.3	(162)	(101.3)
Less: Allowance for doubtful accounts	-		(2)	(0.3)	2	1.3
Trade accounts receivable-net	461	100	621	100	(160)	(100)

***The amount of 84 million Baht was the Overdue within 3 months. One of the reason was 23 million Baht from associate and 45 million Baht for the over 3 -6 months ,The Company received in the amount of 92 million baht in January and February 2019.

Other receivables

As at December 31, 2019 and 2018 our other receivables amounted to 13 million Baht. The mainly driven by prepaid expenses and recoverable expenses.

Inventories

Inventory	2019		2018		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Raw materials	405	87	451	84	(46)	(68)
Work in process	67	14	75	14	(8)	(12)
Finished goods	34	7	28	5	6	9
Raw materials in transit	10	2	28	5	(18)	(28)
Total	516	110	582	108	(66)	(99)
Less Allowance for diminution in inventory values	(46)	(10)	(45)	(8)	(1)	(1)
Inventories-net	470	100	537	100	(67)	(100)

As of December 31, 2019 and 2018 total net inventories were 470 million Baht and 537 million Baht, respectively. This decrease was 12% due to sales increased in the 4th quarter 2019. However, 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 the allowance for diminution in inventory values in year 2019 and 2018 were 46 million Baht and 45 million Baht, respectively by considering the current condition of inventories.

Non-current assets

As of December 31, 2019 and 2018, the total non-current assets were 452 million Baht and 486 million Baht, respectively. which decrease of 7% due to Loss from investment in associate of 12.5 million baht.

Source of Funds

Liabilities

As of December 31, 2019 and 2018, the total liabilities were 688 million Baht and 984 million Baht, respectively and decreased 296 million Baht. The majority particulars were trade accounts payables and advance receipt and others as follows;

Short-term loans from financial institutions

As at December 31, 2019 and 2018, the short-term loans from financial institutions were 233 million Baht and 386 million Baht, respectively and decreased of 153 million Baht due to repayment loans from financial institutions.

Trade and other accounts payables

Accounts Payables	2019		2018		Increase(Decrease)	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Trade accounts payables	304	86	467	90	(163)	(102)
Accrued expenses	9	2	10	2	(1)	(.6)
Advance receipt	35	10	31	6	4	2
Assets payables	4	1	3	1	1	.6
Others	3	1	3	1	-	
total	355	100	514	100	(159)	(100)

As at December 31, 2019 and 2018, the trade accounts payables were 355 million Baht and 514 million Baht, respectively and decreased of 159 million Baht due to payment of trade creditors

Other payables

As at December 31, 2019 and 2018, the other payables were 51million Baht and 47 million Baht, respectively. These particulars consist of accrued expenses, advance receipt and assets payable.

Non-current liabilities

As at December 31, 2019 and 2018, the non-current liabilities were 93 million Baht and 77 million Baht, respectively. In 2019, deferred tax of 7 Million Baht, financial lease liabilities of 1 million Baht and provision of long-term employee benefits by 85 million Baht which was increased 25 million Baht. The new Labor Protection Act, announced in the Government Gazette on April 5, 2019, has imposed additional compensation rates in the case of employers terminating employment. For employees who have worked for 20 years or more to have the right received compensation of not less than the final last 400 days. The Company has recorded the impact of such changes in the financial statements for the year 2019.

Shareholders' Equity

As at December 31, 2019 and 2018, total shareholders' equity were 791 million Baht and 783 million Baht, respectively. Therefore, the meeting of the Board of Directors held on February 24, 2020 approved the profit allocation for legal reserve and the omission of dividend payment for the year 2019.

Cash Flow Liquidity

Cash flow from operating activities of the Company in year 2019 and 2018 were 147 million Baht and (302) million Baht, respectively. The increase activities were from changing of trade account receivable of 149 million baht, inventories of 66 million baht and trade accounts payable of (156) million Baht

Cash flow used in investing activities of the Company in year 2019 and 2018 were (27) million Baht and (88) million Baht, respectively. In 2018 the Company had the purchase of investment in associate of 34 million Baht,

Cash flow provided from financing activities of the Company in year 2019 and 2018 were (151) million Baht and 348 million Baht, respectively. The reasons were more repayment for short-term loans from financial institutions.

The Company had cash and cash equivalents in the amount of 65 million Baht at year-end 2019, which is enough to pay the debt and operating in the year 2020. 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 12,384 US dollars for raw material purchase at December 31, 2019. The Company has provided letter of credit and trust receipt facilities with totaling limit amount of 321 million Baht for the purchase of raw materials to support production.

The global economic crisis in Asia, Europe and American regions, including the risk of the existing trade war, could cause the greater economic deceleration on the decline in stock market and price of consumer goods across 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.set.or.th or Company's website at <http://www.teampcba.com>

Responsibility of the Board of Directors to the Financial Statements

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

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

The Board of Directors is of the opinion that the overall internal control systems of the Company can be regarded as "satisfying". Therefore, the Board is confident that the Company's financial statements as of 31 December 2018 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 2019, 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 2019.

The Audit Committee provided the following opinions:

1. The Company's financial reports 2019 are accurate, complete and reliable
2. The Company's assets are safeguarded, proper accounting records are maintained, and resources are utilized effectively and efficiently.
3. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's business.
4. Mr.Apiruk Ati-anuwat of Dr.Virach & Associates Office Co., Ltd, the Company's auditor, is suitable and provided appropriate services
5. The related transactions arising in 2019 were rational and made for the optimal benefits of the Company
6. In 2019, 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 2020. 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 27 April 2020.

Mr.Chai Jroongtanapibarn
Chairman of the Audit Committee
24 February 2020

AUDITOR'S REPORT

**To The Shareholders of
Team Precision Public Company Limited**

Opinion

I have audited the accompanying consolidated financial statements of Team Precision Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2019, 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, 2019, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

1. The completeness of allowance for diminution in inventories.

As at December 31, 2019, as described in Note 7 to the financial statements, the Company has allowance for diminution in inventories amount of Baht 45.70 million. According to Note 3.4, the Company has provided allowance for diminution in inventories by considering the current condition of inventories whether it is deteriorated or obsolete, which may result the completeness of recording allowance for diminution in inventories.

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

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

2. The completeness of the revenue recognition from export sales.

According to Note 3.1 sale of goods are recognized when the Company has transferred control over the goods to the customer.

As at December 31, 2019, as described in Note 21 to the financial statements, the Company has export sales amount of Baht 2,070.42 million accounted for 96.15% of total sales, which is significant to the financial statements. Due to the term of transferring the control to customer is different. Therefore, the revenues recognition from export sale from many condition terms may have effect to the accuracy and completeness of revenues recognition.

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

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

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for our audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Mr. Apiruk Ati-anuwat)
Certified Public Accountant Registration No. 5202

Dr. Virach & Associates Office Co., Ltd.
Bangkok : February 24, 2020

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
NOTES		2019	2018	2019	2018
ASSETS					
Current Assets					
Cash and cash equivalents	3.2 and 4	64,955,469	96,215,949	61,730,327	92,598,661
Current investments	3.2 and 4				
Trade and other receivables	3.3 and 5	474,206,995	625,457,816	474,206,995	625,570,155
Short-term loans to related parties	6	6,895,582	6,895,582	6,819,699	7,344,792
Inventories	3.4 and 7	470,123,894	537,391,908	470,294,696	536,634,648
Other current assets					
Refundable value added tax		2,247,873	4,073,130	2,187,265	3,952,481
Others		8,605,505	11,097,320	8,605,505	11,097,320
Total other current assets		10,853,378	15,170,450	10,792,770	15,049,801
Total Current Assets		1,027,035,318	1,281,131,705	1,023,844,487	1,277,198,057
Non-current Assets					
Investments in associate	3.5 and 8	7,438,199	19,966,868	-	-
Investments in subsidiaries	3.6 and 9	-	-	43,422,371	43,422,371
Property, plant and equipment	3.7 and 10	438,936,809	462,715,490	438,936,809	462,715,490
Intangible assets	3.8 and 11	896,474	1,519,445	896,474	1,519,445
Deferred tax assets					-
Other non-current assets					
Withholding income tax		2,035,155	876,267	2,035,155	876,267
Others		2,598,103	1,226,145	2,598,103	1,226,145
Total other non-current assets		4,633,258	2,102,412	4,633,258	2,102,412
Total Non-current Assets		451,904,740	486,304,215	487,888,912	509,759,718
TOTAL ASSETS		1,478,940,058	1,767,435,920	1,511,733,399	1,786,957,775

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, 2019

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	NOTES	2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term loans from financial institutions	12	233,397,497	385,631,908	233,397,497	385,631,908
Trade and other payables	13	355,012,888	514,348,427	354,178,149	512,969,610
Current portion of long-term liabilities					
Financial leases payable	3.10 and 14	1,238,605	1,552,009	1,238,605	1,552,009
Accrued interest expenses		485,914	483,835	485,914	483,835
Other current liabilities		4,299,212	4,674,902	4,299,212	4,674,902
Total other current liabilities		-	-	-	-
Total Current Liabilities		594,434,116	906,691,081	593,599,377	905,312,264
Non-current Liabilities					
Financial leases payable	3.10 and 14	1,053,644	1,996,302	1,053,644	1,996,302
Deferred tax liabilities	3.9 and 17	6,623,149	16,238,863	6,623,149	16,238,863
Provision for long-term employee benefits	3.11 and 15	84,628,334	59,217,596	84,628,334	59,217,596
Other non-current liabilities		1,122,060	-	1,122,060	-
Total Non-current Liabilities		93,427,187	77,452,761	93,427,187	77,452,761
TOTAL LIABILITIES		687,861,303	984,143,842	687,026,564	982,765,025
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	16.2	63,706,339	62,793,000	63,706,339	62,793,000
Unappropriated		(2,382,410)	(10,665,170)	28,142,885	6,944,210
Other components of shareholders' equity		50,148,035	51,557,457	53,250,820	54,848,749
Total Shareholders' Equity		791,078,755	783,292,078	824,706,835	804,192,750
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,478,940,058	1,767,435,920	1,511,733,399	1,786,957,775

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, 2019

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2019	2018	2019	2018
Revenues					
Sales	21	2,153,400,568	1,918,757,751	2,153,400,568	1,918,757,751
Other income					
Gain on exchange rate		22,194,279	4,294,696	22,200,341	4,220,168
Others		16,453,266	6,419,889	16,447,625	6,419,889
Total other incomes		38,647,545	10,714,585	38,647,966	10,640,057
Total Revenues		2,192,048,113	1,929,472,336	2,192,048,534	1,929,397,808
Expenses					
Cost of sales		2,027,407,995	1,747,327,672	2,027,791,814	1,748,571,544
Loss on diminution inventory values		1,095,581	4,921,626	1,095,581	4,921,626
Selling expenses		31,212,131	29,517,184	31,212,131	29,517,184
Administrative expenses		110,031,009	111,539,560	109,260,365	110,610,991
Directors' remuneration	16.1	2,730,000	2,624,400	2,730,000	2,624,400
Finance costs		9,060,272	3,955,864	9,060,272	3,954,184
Total Expenses	19	2,181,536,988	1,899,886,306	2,181,150,163	1,900,199,929
Share of loss from investments in associate held by the subsidiary	8	(12,528,669)	(13,685,398)	-	-
Profit (loss) before Income Tax		(2,017,544)	15,900,632	10,898,371	29,197,879
Income Tax (Expenses) Revenues	3.12 and 17	9,615,714	(1,238,810)	9,615,714	(1,238,810)
Profit for the years		7,598,170	14,661,822	20,514,085	27,959,069

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	NOTES	2019	2018	2019	2018
Other comprehensive income (loss) :					
Revaluation surplus on assets	10	-	68,560,936	-	68,560,936
Component of income tax		-	(13,712,187)	-	(13,712,187)
Revaluation surplus on assets-net of tax		-	54,848,749	-	54,848,749
Actuarial gain from employee benefit plan	15	-	11,585,771	-	11,585,771
Component of income tax		-	(905,951)	-	(905,951)
Actuarial gain from employee benefit plan-net of tax		-	10,679,820	-	10,679,820
Translation of financial statement differences		188,507	(83,161)	-	-
Other comprehensive income for the year		188,507	65,445,408	-	65,528,569
Total comprehensive income for the year		7,786,677	80,107,230	20,514,085	93,487,638
Earnings Per Share	3.13				
Basic earnings per share		0.012	0.023	0.032	0.044
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, 2019

CONSOLIDATED

BAHT

NOTES	Issued and paid-up share capital	Premium on common stocks	Retained earning (deficits)		Other components of shareholders' equity			Total shareholders' equity
			Legal reserve	Unappropriated	Revaluation surplus on assets	Other comprehensive loss	Total	
637,063,385	42,543,406	61,395,000	(34,608,812)	-	(3,208,131)	(3,208,131)	703,184,848	
			14,661,822	-	(83,161)	(83,161)	14,578,661	
			-	54,848,749.00	-	54,848,749	54,848,749	
			10,679,820	-	-	-	10,679,820	
			25,341,642	54,848,749.00	(83,161)	54,765,588	80,107,230	
16.2		1,398,000	(1,398,000)	-	-	-	-	
	637,063,385	42,543,406	62,793,000	(10,665,170)	54,848,749.00	(3,291,292)	51,557,457	783,292,078
				7,598,170	-	188,507	188,507	7,786,677
				1,597,929	(1,597,929)	-	(1,597,929)	-
				9,196,099	(1,597,929)	188,507	(1,409,422)	7,786,677
16.2			913,339	(913,339)	-	-	-	-
	637,063,385	42,543,406	63,706,339	(2,382,410)	53,250,820	(3,102,785)	50,148,035	791,078,755

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, 2019
THE SEPARATE FINANCIAL STATEMENTS

	BAHT					
	Issued and paid-up share capital	Premium on common stocks	Retained earning (deficits)		Other components of shareholders' equity	Total shareholders' equity
			Legal reserve	Unappropriated	Revaluation surplus on assets	
NOTES						
Beginning balances, January 1, 2018	637,063,385	42,543,406	61,395,000	(30,296,679)	-	710,705,112
Comprehensive income for the year				27,959,069	-	27,959,069
Revaluation surplus on assets - net of tax				-	54,848,749	54,848,749
Actuarial gain from employee benefit plan - net of tax				10,679,820	-	10,679,820
Total comprehensive income for the year				38,638,889	54,848,749	93,487,638
Legal reserve	16.2		1,398,000	(1,398,000)	-	-
Ending balances, December 31, 2018	637,063,385	42,543,406	62,793,000	6,944,210	54,848,749	804,192,750
Comprehensive income for the year				20,514,085	-	20,514,085
Revaluation surplus on asset decreased from land exchange - net of tax				1,597,929	(1,597,929)	-
Total comprehensive income for the year				22,112,014	(1,597,929)	20,514,085
Legal reserve	16.2		913,339	(913,339)	-	-
Ending balances, December 31, 2019	637,063,385	42,543,406	63,706,339	28,142,885	53,250,820	824,706,835

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (1/3)
FOR THE YEAR ENDED DECEMBER 31, 2019

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2019	2018	2019	2018
	(Restated)		(Restated)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before Income Tax	(2,017,544)	15,900,632	10,898,371	29,197,879
ADJUSTMENTS TO RECONCILE PROFIT (LOSS) BEFORE INCOME TAX				
TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	57,822,035	58,571,396	57,822,035	58,571,396
Amortization of intangible assets	655,471	860,884	655,471	860,884
Decrease in doubtful debts	(1,772,075)	1,582,629	(1,772,075)	1,582,629
Increase in provision for diminution in inventories	1,095,581	4,921,626	1,095,581	4,921,626
Loss on disposal of deteriorated inventories	-	86,256	-	86,256
Share of loss from investments in associate	12,528,669	13,685,398	-	-
Unrealized gain on exchange rates	(4,935,076)	(869,804)	(4,393,052)	(815,625)
Gain on disposal of equipment	(182,368)	(1,262,376)	(182,368)	(1,262,376)
Loss from unused equipment	60,923	28,533	60,923	28,533
Gain on land expropriation	(2,246,552)	-	(2,246,552)	-
Gain on property exchange	(212,000)	-	(212,000)	-
Amortization of withholding tax	15	-	15	-
Interest expenses	9,060,272	3,955,864	9,060,272	3,954,184
Long-term employee benefits expenses	26,735,007	8,690,671	26,735,007	8,690,671
Profit from operation before changes in operating assets and liabilities items	96,592,358	106,151,709	97,521,628	105,816,057
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other receivables	148,695,504	(415,286,096)	148,864,743	(414,448,733)
Inventories	66,172,433	(313,222,805)	65,244,371	(312,018,494)
Other current assets	4,317,072	(5,322,678)	4,257,031	(5,527,361)
Other non-current assets	(1,352,958)	759,513	(1,352,958)	759,513

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (2/3)
FOR THE YEAR ENDED DECEMBER 31, 2019

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2019	2018	2019	2018
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	(156,589,847)	328,099,886	(156,119,600)	325,866,772
Other current liabilities	(375,690)	212,094	(375,690)	212,094
Other non-current liabilities	1,122,060	-	1,122,060	-
Provision for long-term employee benefits	(1,324,269)	(108,875)	(1,324,269)	(108,875)
CASH PROVIDED FROM (USED IN) OPERATION	157,256,663	(298,717,252)	157,837,316	(299,449,027)
Interest expenses paid	(9,058,193)	(3,478,982)	(9,058,193)	(3,477,302)
Income tax expenses paid	(2,035,155)	(714,408)	(2,035,155)	(714,408)
Proceeds from withholding tax refund	876,252	581,140	876,252	581,140
Translation of financial statement differences	188,507	(83,161)	-	-
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	147,228,074	(302,412,663)	147,620,220	(303,059,597)
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to related party	-	(6,895,582)	-	(7,294,809)
Purchase of investments in associate	-	(33,652,266)	-	-
Purchase of investments in subsidiary	-	-	-	(33,634,060)
Purchase of building and equipment	(31,814,369)	(47,713,145)	(31,814,369)	(47,713,145)
Proceeds from disposal of equipment	2,008,700	1,562,379	2,008,700	1,562,379
Proceeds from expropriation of land	2,633,452	-	2,633,452	-
Purchase of intangible assets	(32,500)	(1,242,087)	(32,500)	(1,242,087)
NET CASH USED IN INVESTING ACTIVITIES	(27,204,717)	(87,940,701)	(27,204,717)	(88,321,722)
CASH FLOWS FROM FINANCING ACTIVITIES				
(Increase) decrease in short-term loans from financial institutions	(146,712,579)	372,255,668	(146,712,579)	372,255,668
Increase in long-term loans from financial institutions	-	(22,993,040)	-	(22,993,040)
Repayment for long-term loans from financial institutions	-	(22,993,040)	-	(22,993,040)
Repayment for financial leases payables	(1,822,610)	(1,456,225)	(1,822,610)	(1,456,225)
Repayment for assets acquisition payable	(2,748,648)	-	(2,748,648)	-
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	(151,283,837)	347,806,403	(151,283,837)	347,806,403
NET DECREASE IN CASH AND CASH EQUIVALENTS	(31,260,480)	(42,546,961)	(30,868,334)	(43,574,916)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	96,215,949	138,762,910	92,598,661	136,173,577
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	64,955,469	96,215,949	61,730,327	92,598,661

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)
FOR THE YEAR ENDED DECEMBER 31, 2019

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
	(Restated)		(Restated)	
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
NON-CASH FLOWS ITEMS COMPRISE :				
Increase in vehicles from financial leases payable	566,548	-	566,548	-
Increase in equipment from assets payable	3,724,592	2,762,803	3,724,592	2,762,803
Decrease in equipment from return equipment to assets payable	-	(2,116,541)	-	(2,116,541)
Revaluation surplus on assets decrease from exchange land	(1,997,411)	-	(1,997,411)	-
Increase in other current assets from tax refund				
Increase in non-current assets from transferring				
- Withholding tax in other current assets	-	876,267	-	876,267
- Value added tax in other current assets	-	648,224	-	648,224
- Increase in assets deposits from other receivables	19,000	-	19,000	-
Effect of actuarial estimates from employee benefit plan :				
- Increase deferred tax liabilities	-	905,951	-	905,951
- Decrease provision for long-term employee benefits	-	(11,585,771)	-	(11,585,771)
- Increase retained earnings	-	10,679,820	-	10,679,820
Increase in revaluation surplus on assets	-	68,560,936	-	68,560,936
Increase in deferred tax liabilities of revaluation surplus on assets	-	13,712,187	-	13,712,187
Allocate legal reserve	913,339	1,398,000	913,339	1,398,000

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, 2019

1. GENERAL INFORMATION

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

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

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

2.2 The financial reporting standards and financial reporting interpretations that became effective in the current accounting year are as follows:

Thai Accounting Standards (TAS)

1. TAS 1 (revised 2018)	Presentation of Financial Statements
2. TAS 2 (revised 2018)	Inventories
3. TAS 7 (revised 2018)	Statement of Cash Flows
4. TAS 8 (revised 2018)	Accounting Policies, Changes in Accounting Estimates and Errors
5. TAS 10 (revised 2018)	Events After the Reporting Period
6. TAS 12 (revised 2018)	Income Taxes
7. TAS 16 (revised 2018)	Property, Plant and Equipment
8. TAS 17 (revised 2018)	Leases
9. TAS 19 (revised 2018)	Employee Benefits
10. TAS 20 (revised 2018)	Accounting for Government Grants and Disclosure of Government Assistance
11. TAS 21 (revised 2018)	The Effects of Changes in Foreign Exchange Rates
12. TAS 23 (revised 2018)	Borrowing Costs
13. TAS 24 (revised 2018)	Related Party Disclosures
14. TAS 26 (revised 2018)	Accounting and Reporting by Retirement Benefit Plans
15. TAS 27 (revised 2018)	Separate Financial Statements
16. TAS 28 (revised 2018)	Investments in Associates and Joint Ventures
17. TAS 29 (revised 2018)	Financial Reporting in Hyperinflationary Economies
18. TAS 33 (revised 2018)	Earnings Per Share
19. TAS 34 (revised 2018)	Interim Financial Reporting
20. TAS 36 (revised 2018)	Impairment of Assets
21. TAS 37 (revised 2018)	Provisions, Contingent Liabilities and Contingent Assets
22. TAS 38 (revised 2018)	Intangible Assets
23. TAS 40 (revised 2018)	Investment Property

24. TAS 41 (revised 2018) Agriculture

Thai Financial Reporting Standards (TFRS)

25. TFRS 1 First-time Adoption of International Financial Reporting Standards
26. TFRS 2 (revised 2018) Share-based Payment
27. TFRS 3 (revised 2018) Business Combinations
28. TFRS 4 (revised 2018) Insurance Contracts
29. TFRS 5 (revised 2018) Non-current Assets Held for Sale and Discontinued Operations
30. TFRS 6 (revised 2018) Exploration for and Evaluation of Mineral Resources
31. TFRS 8 (revised 2018) Operating Segments
32. TFRS 10 (revised 2018) Consolidated Financial Statements
33. TFRS 11 (revised 2018) Joint Arrangements
34. TFRS 12 (revised 2018) Disclosure of Interests in Other Entities
35. TFRS 13 (revised 2018) Fair Value Measurement
36. TFRS 15 Revenue from Contracts with Customers

Thai Accounting Standard Interpretations (TSIC)

37. TSIC 10 (revised 2018) Government Assistance - No Specific Relation to Operating Activities
38. TSIC 15 (revised 2018) Operating Leases - Incentives
39. TSIC 25 (revised 2018) Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders
40. TSIC 27 (revised 2018) Evaluating the Substance of Transactions Involving the Legal Form of a Lease
41. TSIC 29 (revised 2018) Service Concession Arrangements: Disclosure
42. TSIC 32 (revised 2018) Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRIC)

43. TFRIC 1 (revised 2018) Changes in Existing Decommissioning, Restoration and Similar Liabilities
44. TFRIC 4 (revised 2018) Determining Whether an Arrangement Contains a Lease
45. TFRIC 5 (revised 2018) Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
46. TFRIC 7 (revised 2018) Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies
47. TFRIC 10 (revised 2018) Interim Financial Reporting and Impairment
48. TFRIC 12 (revised 2018) Service Concession Arrangements
49. TFRIC 14 (revised 2018) TAS 19 (revised 2018) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
50. TFRIC 17 (revised 2018) Distributions of Non-cash Assets to Owners
51. TFRIC 20 (revised 2018) Stripping Costs in the Production Phase of a Surface Mine
52. TFRIC 21(revised 2018) Levies
53. TFRIC 22 Foreign Currency Transactions and Advance Consideration

These financial reporting standards 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 and revised financial reporting standards and financial reporting standards interpretations.

Effective for fiscal years beginning on or after January 1, 2020, financial reporting standards and financial reporting standards interpretations adopted at the first time on 7 revised standards.

Thai Accounting Standards (TAS)

1. TAS 1	Presentation of Financial Statements
2. TAS 2	Inventories
3. TAS 7	Statement of Cash Flows
4. TAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
5. TAS 10	Events After the Reporting Period
6. TAS 12	Income Taxes
7. TAS 16	Property, Plant and Equipment
8. TAS 19	Employee Benefits
9. TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
10. TAS 21	The Effects of Changes in Foreign Exchange Rates
11. TAS 23	Borrowing Costs
12. TAS 24	Related Party Disclosures
13. TAS 26	Accounting and Reporting by Retirement Benefit Plans
14. TAS 27	Separate Financial Statements
15. TAS 28	Investments in Associates and Joint Ventures
16. TAS 29	Financial Reporting in Hyperinflationary Economies
17. TAS 32 (Adopted in 2020)	Financial Instruments: Presentation
18. TAS 33	Earnings Per Share
19. TAS 34	Interim Financial Reporting
20. TAS 36	Impairment of Assets
21. TAS 37	Provisions, Contingent Liabilities and Contingent Assets
22. TAS 38	Intangible Assets
23. TAS 40	Investment Property
24. TAS 41	Agriculture

Thai Financial Reporting Standards (TFRS)

25. TFRS 1	First-time Adoption of International Financial Reporting Standards
26. TFRS 2	Share-based Payment
27. TFRS 3	Business Combinations
28. TFRS 4	Insurance Contracts
29. TFRS 5	Non-current Assets Held for Sale and Discontinued Operations
30. TFRS 6	Exploration for and Evaluation of Mineral Resources
31. TFRS 7 (Adopted in 2020)	Financial Instruments: Disclosures
32. TFRS 8	Operating Segments
33. TFRS 9 (Adopted in 2020)	Financial Instruments
34. TFRS 10	Consolidated Financial Statements
35. TFRS 11	Joint Arrangements
36. TFRS 12	Disclosure of Interests in Other Entities
37. TFRS 13	Fair Value Measurement
38. TFRS 15	Revenue from Contracts with Customers
39. TFRS 16 (Adopted in 2020)	Leases

Thai Accounting Standard Interpretations (TSIC)

40. TSIC 10	Government Assistance - No Specific Relation to Operating Activities
41. TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders
42. TSIC 29	Service Concession Arrangements: Disclosures
43. TSIC 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRIC)

44. TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
45. TFRIC 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
46. TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
47. TFRIC 10	Interim Financial Reporting and Impairment
48. TFRIC 12	Service Concession Arrangements
49. TFRIC 14	TAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
50. TFRIC 16 (Adopted in 2020)	Hedges of a Net Investment in a Foreign Operation
51. TFRIC 17	Distributions of Non-cash Assets to Owners
52. TFRIC 19 (Adopted in 2020)	Extinguishing Financial Liabilities with Equity Instruments
53. TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
54. TFRIC 21	Levies
55. TFRIC 22	Foreign Currency Transactions and Advance Consideration
56. TFRIC 23 (Adopted in 2020)	Uncertainty over Income Tax Treatments

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

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

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

COMPANIES	% HOLDING		ESTABLISHED IN
	2019	2018	
<u>SUBSIDIARIES</u>			
Team Precision (Europe) ApS	100.00	100.00	Denmark
TPA Holding LLC	100.00	100.00	United States of America
<u>ASSOCIATE HELD BY TPA HOLDING LLC</u>			
Team Precision America, LLC	20.00	20.00	United States of America

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

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

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

Other income and expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

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

3.3 Allowance for doubtful accounts

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

3.4 Inventories

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

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

3.5 Investments in associate

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

3.6 Investments in subsidiaries

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

3.7 Property, plant and equipment

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

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

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

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

Assets under financial leases are recorded by the fair value at the inception of the lease. Depreciation is calculated by the straight - line method based on the estimated useful life of assets.

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 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.

3.11 Employee benefits

Short-term employee benefits

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

Long-term employee benefits

Defined contribution plan

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

Defined benefit plan

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

3.12 Income tax expenses (revenues)

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

3.13 Earnings per share

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

3.14 Foreign currency transactions

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

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

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

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

The translation of financial statement differences in foreign currencies was shown under Shareholders' Equity.

3.15 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.

3.16 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, revaluation surplus on assets, amortization of intangible assets and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

4. CASH AND CASH EQUIVALENTS

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Cash	--	60,000	--	60,000
Deposits at financial institutions	64,955,469	96,155,949	61,730,327	92,538,661
Total	64,955,469	96,215,949	61,730,327	92,598,661

5. TRADE AND OTHER RECEIVABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
<u>Trade accounts receivable</u>				
Current	332,320,799	306,873,208	332,320,799	306,873,208
Overdue within 3 months	83,789,779	248,478,014	83,789,779	248,590,353
Over 3-6 months	45,072,082	65,841,429	45,072,082	65,841,429
Over 6-12 months	79,360	2,036,098	79,360	2,036,098
Over 12 months	--	60,566	--	60,566
Total	461,262,020	623,289,315	461,262,020	623,401,654
Less : Allowance for doubtful accounts	--	(1,772,075)	--	(1,772,075)
Trade accounts receivable-net	461,262,020	621,517,240	461,262,020	621,629,579
<u>Other receivables</u>				
Recoverable expenses	8,881,339	1,149,548	8,881,339	1,149,548
Others	4,063,636	2,791,028	4,063,636	2,791,028
Total other receivables	12,944,975	3,940,576	12,944,975	3,940,576
Total trade and other receivables	474,206,995	625,457,816	474,206,995	625,570,155

6. SHORT-TERM LOANS TO RELATED PARTIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS		INTEREST RATE PER ANNUM	
	2019	2018	2019	2018	2019	2018
Team Precision America, LLC						
Beginning balances	6,895,582 (USD 212,500)	--	--	--		
Add Increase during the year	--	6,895,582 (USD 212,500)	--	3,115,990 (USD 100,000)		
Less Settlement during the year	--	--	--	(3,115,990) (USD 100,000)		
Ending balances	6,895,582	6,895,582	--	--	3.00	3.00
TPA Holding LLC						
Beginning balances	--	--	7,344,792 (USD 227,500)	--		
Add Increase during the year	--	--	--	7,294,809 (USD 227,500)		
Add(Less) Unrealized gain (loss) on exchange rates	--	--	(525,093)	49,983		
Ending balances	--	--	6,819,699	7,344,792	--	--
Total	6,895,582	6,895,582	6,819,699	7,344,792		

Short-term loans to related parties are unsecured loans.

7. INVENTORIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Raw materials	404,986,097	450,715,678	405,156,899	449,958,418
Work in process	66,958,745	75,250,029	66,958,745	75,250,029
Finished goods	34,390,741	27,824,274	34,390,741	27,824,274
Raw materials in transit	9,492,045	28,210,080	9,492,045	28,210,080
Total	515,827,628	582,000,061	515,998,430	581,242,801
Less : Allowance for diminution in inventory values	(45,703,734)	(44,608,153)	(45,703,734)	(44,608,153)
Inventories-net	470,123,894	537,391,908	470,294,696	536,634,648

8. INVESTMENTS IN ASSOCIATE

(BAHT)

ASSOCIATE	% Holding (Held by TPA HOLDING LLC)		COST METHOD		CONSOLIDATED (Equity Method)	
	2019	2018	2019	2018	2019	2018
Team Precision America, LLC	20	20	33,652,266 (USD 1,077,200)	33,652,266 (USD 1,077,200)	7,438,199 (USD 253,450)	19,966,868 (USD 656,981)

ASSOCIATE	TYPE OF BUSINESS	PAID – UP SHARE CAPITAL	
		2019	2018
Team Precision America, LLC	Design and distribution part of electronics circuits board and printed circuits	USD 1,062,844	USD 1,062,844

The financial statements of associate which are applied for recording the investments in associate by the equity method in the consolidated financial statements as at December 31, 2019 and 2018, included recording by the equity method on the consolidated statements of comprehensive income for the years ended December 31, 2019 and 2018, audited by other certified public accountants.

The share of loss from investments for using the equity method which are recorded in the consolidated statements of comprehensive income for the years ended December 31, 2019 and 2018

(BAHT)

ASSOCIATE	CONSOLIDATED	
	2019	2018
Team Precision America, LLC	(12,528,669)	(13,685,398)

Summarized financial information of associate

Financial information of the associate is summarized, as follow :

(MILLION BAHT)

PARTICULARS	2019	2018
Statements of financial position		
Total Assets	147.61	269.15
Total Liabilities	239.69	302.84
Statements of income		
Total Revenues	452.45	292.40
Net Loss	(60.63)	(68.43)

9. INVESTMENTS IN SUBSIDIARIES

(BAHT)

SUBSIDIARY COMPANIES	% HOLDING		COST METHOD	
	2019	2018	2019	2018
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)
TPA Holding LLC	100	100	33,634,060 (USD 1,077,300)	33,634,060 (USD 1,077,300)
TOTAL			43,422,371	43,422,371

SUBSIDIARY COMPANIES	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2019	2018	2019	2018
Team Precision (Europe) ApS	Trading electronics components and distributing electronics products	DKK 500,000	DKK 500,000	--	--
TPA Holding LLC	Investment	USD 1,077,300	USD 1,077,300	--	--

Financial statements of subsidiaries in the foreign countries

Financial statements of the Company's subsidiaries in the foreign countries were audited by other certified public accountants, and were used to prepare consolidated financial statements for the years ended December 31, 2019 and 2018 have been translated into Baht, the details are as follows :

(MILLION BAHT)

Subsidiaries in the foreign countries	Total Assets		Revenues for the years ended December 31	
	2019	2018	2019	2018
Team Precision (Europe) ApS	6.77	21.43	70.24	83.94
TPA Holding LLC.	14.50	27.28	--	--

PROPERTY, PLANT AND EQUIPMENT

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)									
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total
<u>Cost</u>										
January 1, 2018	59,860,924	8,222,538	255,619,076	721,158,349	33,460,529	62,102,453	44,416,297	66,546,822	9,419,280	1,260,806,268
Increase	--	134,020	--	25,202,000	--	42,000	3,700	3,275,232	21,818,996	50,475,948
Disposal/ Unused	--	--	--	(10,277,526)	(465,000)	--	--	(1,696,738)	(2,116,541)	(14,555,805)
Transferred in (out)	--	--	506,123	8,260,660	--	--	--	--	(8,766,783)	--
December 31, 2018	59,860,924	8,356,558	256,125,199	744,343,483	32,995,529	62,144,453	44,419,997	68,125,316	20,354,952	1,296,726,411
Increase	--	--	2,025,907	14,617,768	566,549	11,549,390	--	2,160,601	5,185,294	36,105,509
Increase from exchange	2,832,000	--	--	--	--	--	--	--	--	2,832,000
Decrease from exchange	(622,589)	--	--	--	--	--	--	--	--	(622,589)
Decrease from expropriation	(386,901)	--	--	--	--	--	--	--	--	(386,901)
Disposal / Unused	--	--	--	(2,063,318)	(4,236,262)	--	--	(1,616,709)	--	(7,916,289)
Transferred in (out)	--	--	17,262,920	--	--	1,625,160	--	566,872	(19,454,952)	--
December 31, 2019	61,683,434	8,356,558	275,414,026	756,897,933	29,325,816	75,319,003	44,419,997	69,236,080	6,085,294	1,326,738,141
<u>Accumulated depreciation</u>										
January 1, 2018	--	8,134,162	120,767,982	551,319,379	20,900,073	51,027,209	41,736,436	62,225,948	--	856,111,189
Depreciation for the year 2018	--	49,926	5,592,860	45,360,974	2,535,584	1,656,292	835,112	2,540,648	--	58,571,396
Disposal / Unused	--	--	--	(9,972,985)	(464,999)	--	--	(1,672,744)	--	(12,110,728)
December 31, 2018	--	8,184,088	126,360,842	586,707,368	22,970,658	52,683,501	42,571,548	63,093,852	--	902,571,857
Depreciation for the year 2019	--	69,742	8,849,779	41,590,854	2,102,139	2,086,636	367,751	2,755,134	--	57,822,035
Disposal / Unused	--	--	--	(2,038,419)	(2,424,892)	--	--	(1,565,724)	--	(6,029,035)
December 31, 2019	--	8,253,830	135,210,621	626,259,803	22,647,905	54,770,137	42,939,299	64,283,262	--	954,364,857

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)									
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total
<u>Additional appraisal value</u>										
January 1, 2018	--	--	--	--	--	--	--	--	--	--
Increase	68,560,936	--	--	--	--	--	--	--	--	68,560,936
December 31, 2018	68,560,936	--	--	--	--	--	--	--	--	68,560,936
Decrease from exchange	(1,997,411)	--	--	--	--	--	--	--	--	(1,997,411)
December 31, 2019	66,563,525	--	--	--	--	--	--	--	--	66,563,525
<u>Net book value</u>										
December 31, 2018	128,421,860	172,470	129,764,357	157,636,115	10,024,871	9,460,952	1,848,449	5,031,464	20,354,952	462,715,490
December 31, 2019	128,246,959	102,728	140,203,405	130,638,130	6,677,911	20,548,866	1,480,698	4,952,818	6,085,294	438,936,809

As at December 31, 2019 and 2018, the Company had vehicles under financial lease agreements with net book value amount of Baht 5.70 million and Baht 6.34 million, respectively.

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

In 2018, the Company has appraised its land by the independent appraiser by comparing market information (Market Approach) in determination fair value. The appraisal value is higher than the cost amount of Baht 68.56 million. The Company recorded in revaluation surplus on assets.

11. INTANGIBLE ASSETS

(BAHT)

Computer software	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS				
	JAN 1, 2018	INCREASE	DEC 31, 2018	INCREASE	DEC 31, 2019
Cost	31,261,637	1,242,087	32,503,724	32,500	32,536,224
<u>Less</u> Accumulated amortization	(30,123,395)	(860,884)	(30,984,279)	(655,471)	(31,639,750)
Net book value			1,519,445		896,474
Amortization for the year			860,884		655,471

12. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Short-term loans from financial institutions	--	95,000,000
Trust receipt	233,397,497	290,631,908
Total	233,397,497	385,631,908

As at December 31, 2019, short-term loans from financial institutions bear interest at 3.12% - 4.05% per annum. (The year 2018 : 2.15% - 3.80% per annum)

13. TRADE AND OTHER PAYABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Trade accounts payables	304,277,461	466,815,094	303,776,371	465,800,379
Accrued expenses	8,948,260	10,671,702	8,614,611	10,307,600
Advance receipt	35,324,455	30,960,261	35,324,455	30,960,261
Assets payables	3,724,592	2,748,648	3,724,592	2,748,648
Others	2,738,120	3,152,722	2,738,120	3,152,722
Total	355,012,888	514,348,427	354,178,149	512,969,610

14. FINANCIAL LEASES PAYABLE

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

PARTICULARS	(BAHT)	
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Minimum lease payable		
Less than 1 year	1,332,489	1,720,545
More than 1 but within 4 years	1,072,806	2,084,002
Total minimum lease payable	2,405,295	3,804,547
<u>Less</u> Deferred interest	(113,046)	(256,236)
	2,292,249	3,548,311
<u>Less</u> Current portion of liabilities under financial lease	(1,238,605)	(1,552,009)
Financial lease payable-net	1,053,644	1,996,302

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

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

15. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

PARTICULARS	(BAHT)	
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Defined benefit obligation		
Beginning balances	59,217,596	62,221,571
<u>Less</u> Actuarial gain from employee benefit plans	--	(11,585,771)
<u>Add</u> Current service cost	10,250,517	7,301,247
Interest cost	2,026,056	1,389,424
Past service cost	14,458,434	--
<u>Less</u> Employee benefits paid during the year	(1,324,269)	(108,875)
Ending balances	84,628,334	59,217,596

Long-term employee benefit expenses included in statements of comprehensive income for the years ended December 31, 2019 and 2018 amount of Baht 26,735,007 and Baht 8,690,671, respectively.

Principal actuarial assumptions at the calculation date were as follows:

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

Sensitivity analysis of key assumptions in calculation

PARTICULARS	(BAHT)	
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Discount rate		
Decrease 1 percent	7,161,954	6,341,835
Increase 1 percent	(6,268,997)	(5,531,819)
Salary increase rate		
Decrease 1 percent	(6,901,403)	(5,434,954)
Increase 1 percent	7,754,338	6,098,085
Turnover rate		
Decrease 1 percent	1,872,253	1,776,470
Increase 1 percent	(6,703,986)	(5,927,288)

The new Labor Protection Act, announced in the Government Gazette on April 5, 2019, has imposed additional compensation rates in the case of employers terminating employment. For employees who have worked for 20 years or more to have the right received compensation of not less than the final last 400 days. The Company has recorded the impact of such changes in the financial statements for the year 2019.

16. DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION

16.1 Dividend payment and directors' remuneration

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

On February 22, 2018, the Board of Directors' Meeting was held and approved a resolution not paying dividend. On April 27, 2018, the Ordinary General Shareholders' Meeting No.1/2018 was held and approved a resolution not paying dividends, and approved to pay directors' remuneration at maximum Baht 2.73 million.

16.2 Legal reserve

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

In the years 2019 and 2018, the Company has allocated legal reserve of Baht 0.91 million and Baht 1.39 million, respectively.

17. INCOME TAXES

Corporate income taxes of the Company for the years ended December 31, 2019 and 2018, are calculated from the accounting profit (loss) and adjusted with some other revenues and expenses which are exempted from income tax or being disallowable expenses in tax computation purposes.

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

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

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

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

PARTICULARS	(BAHT)	
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Corporate income tax for the years	--	--
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(9,615,714)	1,238,810
Income tax expenses (revenues)	(9,615,714)	1,238,810

As at December 31, 2019 and 2018, the deferred tax assets/liabilities arose from the following temporary differences :

PARTICULARS	(BAHT)	
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018
Income tax rate 20%		
Temporary differences in the statements of comprehensive income		
Allowance for doubtful accounts	--	571,824
Provision for diminution in inventories	24,696,956	12,051,062
Loss on obsolete goods	1,307,157	693,230
Depreciation rate different from tax rates	(44,991,132)	(45,049,923)
Provision for long-term employee benefits	37,853,699	23,490,857
Other	129,579	139,324
	18,996,259	(8,103,626)
Temporary differences in the other comprehensive income		
Recognized in retained earnings		
Provision for long-term employee benefits	--	(4,529,756)
Recognized in other component of shareholders' equity		
Revaluation surplus on assets	(66,563,525)	(68,560,936)
Total	(47,567,266)	(81,194,318)
Income tax rate 10% (BOI-50% of normal tax rate)		
Temporary differences in the statements of comprehensive income		
Provision for diminution in inventories	18,639,208	--
Loss on obsolete goods	873,348	--
Depreciation rate different from tax rates	(583,871)	--
Provision for long-term employee benefits	9,891,466	--
Other	82,889	--
Total	28,903,040	--
Deferred tax liabilities calculated		
From income tax rate 20%.	(9,513,453)	(16,238,863)
From income tax rate 10% (BOI-50% of normal tax rate)	2,890,304	--
Total deferred tax liabilities	(6,623,149)	(16,238,863)

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 (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 (expired on Feb. 16, 2019)	5 years (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 (expired on Nov. 9, 2017)	--	--	5 years (will be expired on Feb. 16, 2024)	--
5.4 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1	8 years (expired on Nov. 30, 2004)	8 years (expired on Nov. 9, 2012)	--	5 years (expired on Jul. 5, 2012)	8 years (expired on Feb. 16, 2019)	5 years (expired on Feb. 16, 2016)

PROMOTIONAL PRIVILEGES (continued)

1. Promotional certificates Nos.	1356(1)/2553		59-1112-0-00-1-0	59-1186-0-00-1-0
2. Date of promotional certificates	24/3/2010		4/7/2016	26/7/2016
3. Date of generating income	23/2/2011		--	--
4. The promotional privileges for manufacturing of	electronic products for industrial	printed circuit board assembly (PCBA)	electronic products, part and/or electronic equipment, component or accessories used with electronics products	medical products, electronic products, part and/or electronic equipment, component or accessories used
5. Important privileges and benefits which are granted :				
5.1 Exemption from corporate income tax on net profit from promotional operations commencing from the generating revenue date.	8 years (expired on Feb. 22, 2019)	8 years (expired on Feb. 22, 2019) 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 (expired on Feb. 22, 2019)	8 years (expired on Feb. 22, 2019)	8 years	8 years

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

19. EXPENSES BY NATURE

PARTICULARS	(BAHT)			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
(Increase) decrease in the changes of finished goods and work in process	1,724,817	(57,040,187)	1,724,817	(57,040,187)
Raw material and consumables used	1,542,850,827	1,395,657,016	1,543,234,647	1,396,415,851
Director and management benefit expenses	35,679,999	35,757,472	35,679,999	35,757,472
Employee benefit expenses	299,816,095	294,886,074	299,816,095	294,886,074
Depreciation and amortization expenses	58,477,506	59,432,280	58,477,506	59,432,280
Finance costs	9,060,272	3,955,864	9,060,272	3,954,184
Loss on diminution inventory values	1,095,581	4,921,626	1,095,581	4,921,626
Other expenses	232,831,891	162,316,161	232,061,246	161,872,629
TOTAL	2,181,536,988	1,899,886,306	2,181,150,163	1,900,199,929

20. FOREIGN CURRENCY TRANSACTIONS

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, 2019 and 2018, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :

assets and liabilities denominated in foreign currencies as follows :

PARTICULARS	Foreign currencies		(THOUSAND)	
	2019	2018	2019	2018
<u>CONSOLIDATED</u>				
ASSETS				
USD	14,975	20,447	448,899	660,127
EUR	10	10	324	354
DKK	--	65	--	320
TOTAL			449,223	660,801
LIABILITIES				
Portion due within one year				
USD	16,258	20,468	493,123	667,567
EUR	78	117	2,674	4,378
TOTAL			495,797	671,945
<u>THE SEPARATE</u>				
<u>FINANCIAL STATEMENTS</u>				
ASSETS				
USD	15,115	20,606	453,086	665,254
DKK	--	65	--	320
TOTAL			453,086	665,574
LIABILITIES				
Portion due within one year				
USD	16,216	20,405	491,840	665,518
EUR	77	115	2,645	4,333
DKK	103	80	470	402
TOTAL			494,955	670,253

21. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate business of producing and assembling printed circuit and electronics circuit board, and in geographical areas, Thailand and overseas. Both local and export sales are as follows :

(MIL
LION BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS					
	2019			2018		
	Local	Oversea	Total	Local	Oversea	Total
Sales revenues	82.98	2,070.42	2,153.40	87.66	1,831.10	1,918.76
Cost of sales	(78.14)	(1,949.27)	(2,027.41)	(87.43)	(1,659.90)	(1,747.33)
Selling expenses	(0.41)	(30.80)	(31.21)	(0.50)	(29.02)	(29.52)
Profit (loss) by segment	4.43	90.35	94.78	(0.27)	142.18	141.91
Profit for the year	7.60			14.66		
Property, plant and equipment	438.94			462.72		

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) TPA Holding LLC	See Note 9	Subsidiary
3) Team Precision America, LLC	See Note 8	Associate
4) Energy Innovation Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder
5) Alpine Technology Manufacturing (Thailand) Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder and director
6) Finest Med Design Co., Ltd.	Design and distribution part of electronics circuits board and printed circuits	Major shareholder is shareholder and director

The significant related accounting transactions are as follows :

(BAHT)

RELATED TRANSACTIONS IN STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENT	
	2019	2018	2019	2018
Trade accounts receivables				
- Team Precision (Europe) ApS	--	--	--	112,339
- Team Precision America, LLC	175,192,182	210,268,389	175,192,182	210,268,389
- Finest Med Design Co., Ltd.	--	75,819	--	75,819
Total trade accounts receivables	175,192,182	210,344,208	175,192,182	210,456,547
Other receivables				
- Team Precision America, LLC	46,159	1,531,260	46,159	1,531,260
Total trade and other receivables	175,238,341	211,875,468	175,238,341	211,987,807
Short-term loans to related parties				
- TPA Holding LLC	--	--	6,819,699	7,344,792
- Team Precision America, LLC	6,895,582	6,895,582	--	--
Total short-term loans to related parties	6,895,582	6,895,582	6,819,699	7,344,792
Trade accounts payables				
- Team Precision (Europe) ApS	--	--	3,517,746	17,428,174
- Team Precision America, LLC	--	11,556,904	--	11,556,904
Total trade accounts payables	--	11,556,904	3,517,746	28,985,078
Others payables				
- Team Precision America, LLC	342,650	--	342,650	--
- Finest Med Design Co., Ltd.	70,859	--	70,859	--
Total others payables	413,509	--	413,509	--
Total trade and others payables	413,509	11,556,904	3,931,255	28,985,078

TRANSACTIONS IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2019	2018	2019	2018
Sales				
- Team Precision America, LLC (Mutual agreement)	212,360,226	247,700,682	212,360,226	247,700,682
Other income				
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	180,000	180,000	180,000	180,000
- Team Precision America, LLC (Mutual agreement)	--	1,865,326	--	1,865,326
Total other income	180,000	2,045,326	180,000	2,045,326
Purchase of goods and raw materials				
- Team Precision (Europe) ApS	--	--	70,240,039	83,864,693
- Team Precision America, LLC (Mutual agreement)	40,266,917	11,744,153	40,266,917	11,744,153
Total purchase of goods and raw materials	40,266,917	11,744,153	110,506,956	95,608,846
Other expenses				
- Energy Innovation Co., Ltd. (Mutual agreement)	230,969	217,088	230,969	217,088

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 As at December 31, 2019 and 2018, the Company has commitment and contingent liabilities as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS			
	Foreign currencies		Baht	
	2019	2018	2019	2018
Letters of credit				
- USD	12,384	33,024	--	5,880,443
Letters of guarantee from commercial bank	--	--	5,118,400	3,325,000

As at December 31, 2019 and 2018, the Company has credit lines of letters of credit and trust receipt within Baht 321 million and Baht 374 million, respectively.

23.2 Operating lease commitment

The Company has entered into several lease agreements in respect of the lease of vehicles rental. The terms of the agreements are generally between 1 year to 3 years.

As at December 31, 2019, the Company has future minimum lease payments under these operating leases contracts as follows :

(BAHT)	
PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Due within 1 year	607,460
More than 1 but within 3 years	632,905
Total	1,240,365

24. PROVIDENT FUND

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

Provident fund contributions made by the Company for the employees and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2019 and 2018 are Baht 4.95 million and Baht 4.86 million, respectively.

25. 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 :

25.1 Accounting policies and procedures

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

25.2 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.

25.3 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.

25.4 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.

25.5 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.

26. 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.

27. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 24, 2020

TEAM PRECISION PUBLIC COMPANY LIMITED

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