

Annual Report 2010

รายงานประจำปี 2553

20th



Team Precision Public Company Limited
บริษัท ทีมพรีซิชั่น จำกัด (มหาชน)

Quality International Standards of Team Precision Pcl



ISO 9001 Quality Management Systems



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



ISO 13485 Quality management systems – Medical devices Requirements for regulatory purposes



ISO 14001 Environmental management



OHSAS 18001 Occupational health and safety management systems

With the company objective to develop effectively for the Quality Control, the Company has continuously implemented and applied to several International Quality Standard System which includes 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.

	Page
<u>General Information</u>	1
<u>Vision and Mission</u>	2
<u>Chairman Message</u>	3
<u>20 Years of Achievements and Milestones</u>	4
<u>Financial Highlights</u>	5
<u>Board of Directors</u>	7
<u>Management Team</u>	8
<u>Detail of Company Directors and Management Team</u>	9
<u>Organization Structure</u>	12
<u>Characteristics of Business</u>	13
<u>Community Involvement</u>	15
<u>The Industrial Situation</u>	17
<u>Risk Assessment</u>	18
<u>Shareholder Structure and Management</u>	19
<u>Corporate Governance</u>	24
<u>Financial Explanation and Analysis</u>	28
<u>Audit Committee's Report</u>	31
<u>Financial Statement</u>	32



Registration	0107543000058	
Address	198 Moo 13, Suwansorn Road, Dong-Khee-Lek Muang Prachinburi, Prachinburi. Telephone (037) 403336-40 Fax (037) 403345	
Type of main business	Electronics Manufacturing Printed Circuit Board Assembly	
Branch (in Thailand)	152/8, 152/15 Moo 3, Rangsit Tanyaburi, Patumthani Telephone 02-5772350 Fax 02-5771705	
Subsidiary(in Denmark)	Ellegardvej 36 DK 6400 Sonderborg, Denmark Telephone (45) 73 12 41 98 Fax (45) 74 43 44 66	
Subsidiary (in Singapore)	196 Pandan Loop # 04-20, Pantech Business Hub Telephone (65) 6773 6908 Fax (65) 6773 6208	
Home Page	www.teampcba.com	
Reference Persons		
Auditors	Share Registrar	
Dr. Virach Aphimeteetamrong	The Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Building, 4, 6-7 Floor Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel: (66 2) 229 2800 Fax: (66 2) 359 1259	
Certified Public Accountant Registration No.1378		
Mr. Chaiyakorn Unpitipongsa		
Certified Public Accountant Registration No.3196		
Mr. Apiruk Ati-Anuwat		
Certified Public Accountant Registration No.5202		
518/3 Panunee Building, 7th Floor Ploenchit Road, Lumpinee District, Patumwan, Bangkok 10330		

Vision

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

Mission

Completely fulfilling Needs – From R&D to Distribution; listening and providing accessible, innovative ideas is our Brand

Continuous Improvement- World class Lean Sigma Operations, Quality, and relentlessly pursuing excellence

Awarded accreditations - Which differentiate

Through added scale - Diversify markets, customers, regions creating complete business balance

Develop our most valued internal asset – Our People – Listen, Treat with Respect

Provide continued innovative MIS Solutions – From the Customers perspective

Provide continued shareholder value - Closely manage balance Sheet in changed economic times without hindering growth

Flexible operations global supply chain solutions - Reflect changing global market demands with Critical decision-making

Business development Intelligent, profitable growth higher than industry trends - Organic and vertical

Dear Shareholders,
Team Precision Public Pcl.



2010 is our 20th anniversary our company revenue has increased from 1,464 million Baht to 2,190 million Baht or 49.6% increase which is due to the surge in demand of all customers. We have managed to turn around the situation into profit of 106.27 million Baht from 26.45 million Baht loss in 2009 or 501.78% improvement despite several challenges in the market especially on the unprecedented crisis in supply chain.

2010 has started the year with shortage of supply which had been carried on from 2009 as expected. However the sudden surge in demand at the early of the year has further aggravated the situation and it has continued throughout the year. We have reacted to the situation by keeping our customer informed of the anticipated shortage of supply. And we have planned for additional investment to support the surge in demand. However those incidents were considered to be the worst in electronics supply chain under company 20 years experience. With all the best efforts, the team has managed to turnaround the situation to be favorable under the pressure and frustration which I would like to thank all the employees for their perseverance in getting through this difficult year together as a team. With the increase in the demand from the customer together with our strong quality conscious we do strongly believe in the future potential of the our company. All effort will be driven to achieve the speed, efficiency and team work to cope with the unexpected changes in the market, economy and environment which seems to become a normal factors that we have to live with.

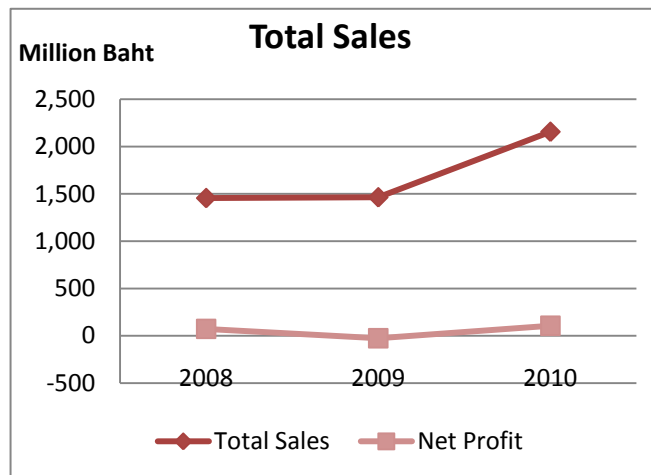
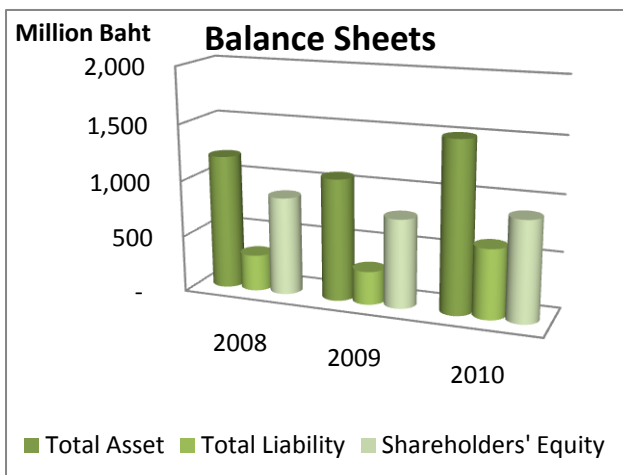
Our company has gone through many incidents during its 20 years of establishment with success because of the support and encouragement from all our stakeholders and the dedicated staffs who I would like to sincerely thank all for their contribution to our success. We shall continue to drive for future growth in this growing industry.

Yours sincerely,

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

Mr.Chakkaphant Manutsathit
Chairman of Board of Director

1990	➤ The company was established on 17 September 1990 by Thai owner under the company name of TeamTronics CL located at Klong 4 Pathumthanee before moving to current location at Rangsit
1994	➤ First Expand to overseas market
1996	➤ Expand production capacity and had established a new entity under company name of Team Precision CL at Prachinburi with promotional privileges from the Board of Investment
1998	➤ Awarded ISO 9002 for TeamTronics CL ➤ Changed manufacturing to Non-Freon process to be environmental friendly
1999	➤ Start design service for customer ➤ Team Precision CL hold 99.99% of TeamTronics CL
2000	➤ Listed as a public company on 21 September 2000 under name of Team Precision Public Company Limited ➤ Awarded ISO 9002 Certification for Team Precision PCL
2001	➤ Listed on MAI (Market for Alternative Investment) on 8 November 2001 ➤ Awarded and upgrade of ISO 9001 Certification for Team Precision PCL
2002	➤ Big investment in new land for company expansion ➤ Introduced Lead-Free process, 4 years before the European directive came into effect Europe Regulations be announced ➤ Awarded by Sony for 5PPM quality achievement
2003	➤ Merged TeamTronics and Team Precision to be one company under Team Precision PCL ➤ Increased Registered Capital from Baht 150 million to Baht 200 million ➤ Awarded ISO 14001 Certification of Environmental Management System ➤ Awarded ISO 16949 Certification of Automotive Production Quality Management System
2004	➤ Listed on The Stock Exchange of Thailand on 1 January 2004 ➤ Started production at new manufacturing building of 6,000 SQM at Pathumtanee
2006	➤ Increased Registered Capital to be Baht 305 million ➤ The company was evaluated as “Best Supplier of the year 2006” by Pioneer CL ➤ SET and Money and Banking Magazine appointed as 1 of 3 nominees for 2006 Best Performance Award in Technology Sector ➤ Established Sales and Procurement Office in Denmark
2007	➤ Forbes Asia Ranked Team Precision PCL one of 200 companies in Asia “200 Best Under a billion \$”, Team Precision PCL was one of 5 companies from Thailand ➤ Deloitte Touche Tohmatsu ranked Team Precision PCL one of 500 companies in Asia “Deloitte Technology Fast 500 Asia Pacific”, Team Precision was only one company from Thailand ➤ The company was evaluated as “Best Supplier of the year 2007” by Pioneer CL ➤ Increased Registered Capital to be Baht 458 million ➤ Started new 10,000 SQM manufacturing building at Prachinburi factory as an expansion, the building had finished in year 2008
2008	➤ Increased Registered Capital to be Baht 580 million ➤ Established Sales and Procurement Office in Singapore ➤ Awarded ISO 13485 Certification of Medical Equipment Industry System ➤ The company was selected as “Prefer Supplier” by Bosch ➤ Awarded ISO 18000 Certification of Occupational Health and Safety
2009	➤ Award for Thailand Lean Manufacturing from Technology Promotion Association (Thai-Japan) ➤ Award for Outstanding Lean Best Practice from The Department of Industrial Promotion of Thailand corporate with Technology Promotion Association (Thai-Japan) ➤ Award for Year 2009 Zero Accident from The Department of Labor Protection and Welfare ➤ Award for Year 2009 Excellent Safety, Health and Environment in workplace (Provincial Level) from The Department of Labor Protection and Welfare
2010	➤ Award for Year 2010 Zero Accident from The Department of Labor Protection and Welfare ➤ Award for Year 2010 Excellent Safety, Health and Environment in workplace (Country Level) from The Department of Labor Protection and Welfare



(Unit: Thousand BAHT)

Description	Audited		
	2010	2009	2008
Current Assets	1,014,299	697,849	753,805
Property, Plant and Equipment – Net	489,063	378,305	434,546
Other Asset	3,883	6,346	4,319
Total Assets	1,507,246	1,082,500	1,192,670
Current Liabilities	522,299	292,277	286,191
Long Term Liabilities	94,096	2,938	35,798
Total Liabilities	616,395	295,215	321,989
Paid in Capital	566,280	566,280	566,280
Retained Earning	285,061	178,786	261,864
Shareholders Equity	890,851	787,285	870,680

(Unit: Thousand BAHT)

Description	Audited		
	2010	2009	2008
Sales Revenue	2,155,699	1,463,977	1,455,980
- Others Revenue	34,673	16,617	14,082
Total Revenue	2,190,372	1,480,594	1,470,062
Cost of Sales	1,915,248	1,340,692	1,238,082
Selling and Administrative Expenses	164,921	162,086	151,480
Interest Expense	3,000	2,792	6,448
Total Expenses	2,083,169	1,505,570	1,396,010
Corporate Income Tax	928	1,475	709
Net Income	106,275	(26,451)	73,343

Financial Ratio

Team Precision Public Company Limited and Subsidiaries

		2010	2009	2008
<u>Liquidity Ratio:</u>				
Current Ratio	Times	1.94	2.39	2.63
Quick Ratio	Times	1.07	1.26	1.34
Cash Operating	Times	-0.20	0.70	0.16
Receivable Turnover	Times	6.59	5.67	4.68
Collection Period	Days	54.59	63.44	76.89
Inventory Turnover	Times	4.21	3.23	3.17
Sales Period	Days	85.53	111.53	113.47
Account Payable Turnover	Times	7.81	7.11	7.05
Payable Payment Period	Days	46.10	50.67	51.04
Cash Cycle	Days	94.03	124.30	139.32
<u>Profitability Ratio:</u>				
Gross Profit Margin	%	11.15	8.42	14.97
Profit Margin	%	4.93	-1.81	5.04
Return on Equity	%	12.67	-3.19	8.03
<u>Efficiency Ratio:</u>				
Return on Assets	%	8.21	-2.33	5.72
Return on Fixed Assets	%	35.03	14.65	38.08
Total Assets Turnover	Times	1.66	1.29	1.13
<u>Financial Policy Ratio:</u>				
D:E Ratio	Times	0.69	0.37	0.37
Interest Coverage Ratio	Times	-25.53	74.56	8.61
<u>Share Information:</u>				
Book Value per Share	Baht	1.57	1.39	1.54
Earning per Share	Baht	0.19	-0.05	0.13
Cash Dividend Rate per Share **	Baht	0.00	0.10	0.35
Share Dividend Rate per Share **	Baht	0.00	0.00	0.25
Par Value	Baht	1.00	1.00	1.00

** The rate of announcement in a year



Mr. Chakkaphant Manutsathit
Chairman of the Board of Directors



Mr. Chai Jroongtanapibarn
Independent Director



Mr. Pirom Chamsai
Independent Director



Mr. Paiboon Sareewiwattana
Independent Director



Mrs. Wasara Chotithammarat
Director



Mrs. Malipa Manutsathit
Director



Mrs. Suratr Petchmune
Director



Management Team

1. Mr. Chakkaphant	Manutsathit	Chairman/Chief Executive Officer
2. Mrs. Wasara	Chotithammarat	Chief Financial Officer
3. Mrs. Malipa	Manutsathit	Chief Information Officer
4. Mrs. Suratr	Petchmunee	Company Secretary
5. Mr. Rungrit	Laohapirotwattana	Vice President of Operation
6. Mr. Manolo	Villaluz Momongan	Supply Chain Director
7. Mr. Panaroek	Smith	Finance and Accounting Director
8. Mr. Passagon	Buathong	Business Development Director

Detail of Company Directors and Management

Mr.Chakkaphant Manutsathit	Chairman of the Board of Director	Age 57 years
Share Ratio (%)	17.86%	
Relationship with Management	Husband of Mrs.Malipa Manutsathit	
Highest Education	Master of Business Administration, University of Queensland Australia	
Working Experiences		
Present	Chairman of the Board of Director/Chief Executive Officer Team Precision Pcl.	
2008 – 2009	Chairman of the Board of Director , Team Precision Pcl.	
2001 – 2008	Chief Executive Officer , Team Precision Pcl.	
1996 – 2001	Director and Managing Director, Team Precision Pcl. And Teamtronics	
Related Training Program held by IOD		
	DAP Director Accreditation Program 2003	
	DCP Director Certification Program 2003	
	RCP Role of Chairman Program 2007	
	RCC Role of Compensation Committee 2007	

Mr.Chai Jroongtanapibarn	Chairman of the Audit Committee	Age 57 years
Share Ratio (%)	0.23%	
Relationship with Management	None	
Highest Education	Master Degree of Accounting, Thammasat University	
Working Experiences		
2002– Present	Chairman of the Audit Committee, Major Cineplex Group Pcl. Independent Director	
2002– Present	Chairman of the Audit Committee, Team Precision Pcl	
2001 – 2008	Chief Executive Officer , Team Precision Pcl.	
1985 – 1997	Executive Director and Chief Financial Officer Minor Group.	
Related Training Program held by IOD		
	DCP Director Certification Program 2003	
	ACP Audit Committee Program 2005	

Asso.Prof.Paiboon Sareewiwatthana, Ph.D.	Independent Director/ Audit Committee	Age 57 Years
Share Ratio (%)	None	
Relationship with Management	None	
Highest Education	Ph.D. (Finance) University of Mississippi, USA.	
Working Experiences		
2005– Present	Arbitrator Securities and Exchange Commission	
2004– Present	Independent Director/Chairman of the Audit Committee Kim Eng Securities (Thailand) Pcl	
2000 –Present	Independent Director/ Audit Committee , Team Precision Pcl.	
Related Training Program held by IOD		
	DCP Director Certification Program 2001	

Dr. Pirom Chamsai	Independent Director/ Audit Committee	Age 56 Years
Share Ratio (%)	0.30%	
Relationship with Management	None	
Highest Education	Doctor of Engineering (Geotechnique) Ecole Centrale des Arts & Manufactures. (French Government Scholarship)	
Working Experiences		
2007– Present	Adviser Consulting & Management 49 Limited.	
2007– Present	Lecturer, Faculty of Fine Arts, Bangkok University Faculty of Management Technology, Sukothai Thammathirat University	
2000 –Present	Independent Director/ Audit Committee , Team Precision Pcl.	
2000 – 2006	Chairman of Executive Committee ,Consulting & Management 49 Limited.	
Related Training Program held by IOD		
	DAP Director Accreditation Program 2005	
	ACP Audit Committee Program 2005	
	DCP Director Certification Program 2007	
	RCC Role of Compensation Committee 2007	

Detail of Company Directors and Management

Mrs.Wasara Chotithammarat	Authorized Director/Chief Financial Officer	Age 46 Years
Share Ratio (%)	None	
Relationship with Management	None	
Highest Education	Master of Business Administration, Thammasat University	
Working Experiences		
2009– Present	Director and Chief Financial Officer, Team Precision Pcl.	
2007 – 2008	Chief Financial Officer, Team Precision Pcl.	
2005 – 2006	Division Controller, Benchmark Electronics (Thailand)	
2002 – 2004	Corporate Controller, Siam City Cement Pcl.	
1989 – 2001	Finance Director : Seagate Technology (Thailand)	
Related Training Program held by IOD	DCP Director Certification Program 2009	

Mrs. Malipa Manutsathit	Authorized Director/ Chief Information Officer	Age 56 Years
Share Ratio (%)	0.08%	
Relationship with Management	Wife of Mr.Chakkaphant Manutsathit	
Highest Education	Master of Commerce (Management Information System), University of New South Wales Australia	
Working Experiences		
2001– Present	Director and Chief Information Officer, Team Precision Pcl.	
1996 – 2001	Director and MIS Director, Team Precision Pcl And Teamtronics Co.,Ltd.	
Related Training Program held by IOD	DAP Director Accreditation Program 2003	
	DCP Director Certification Program 2007	
	ACP Audit Committee Program 2007	

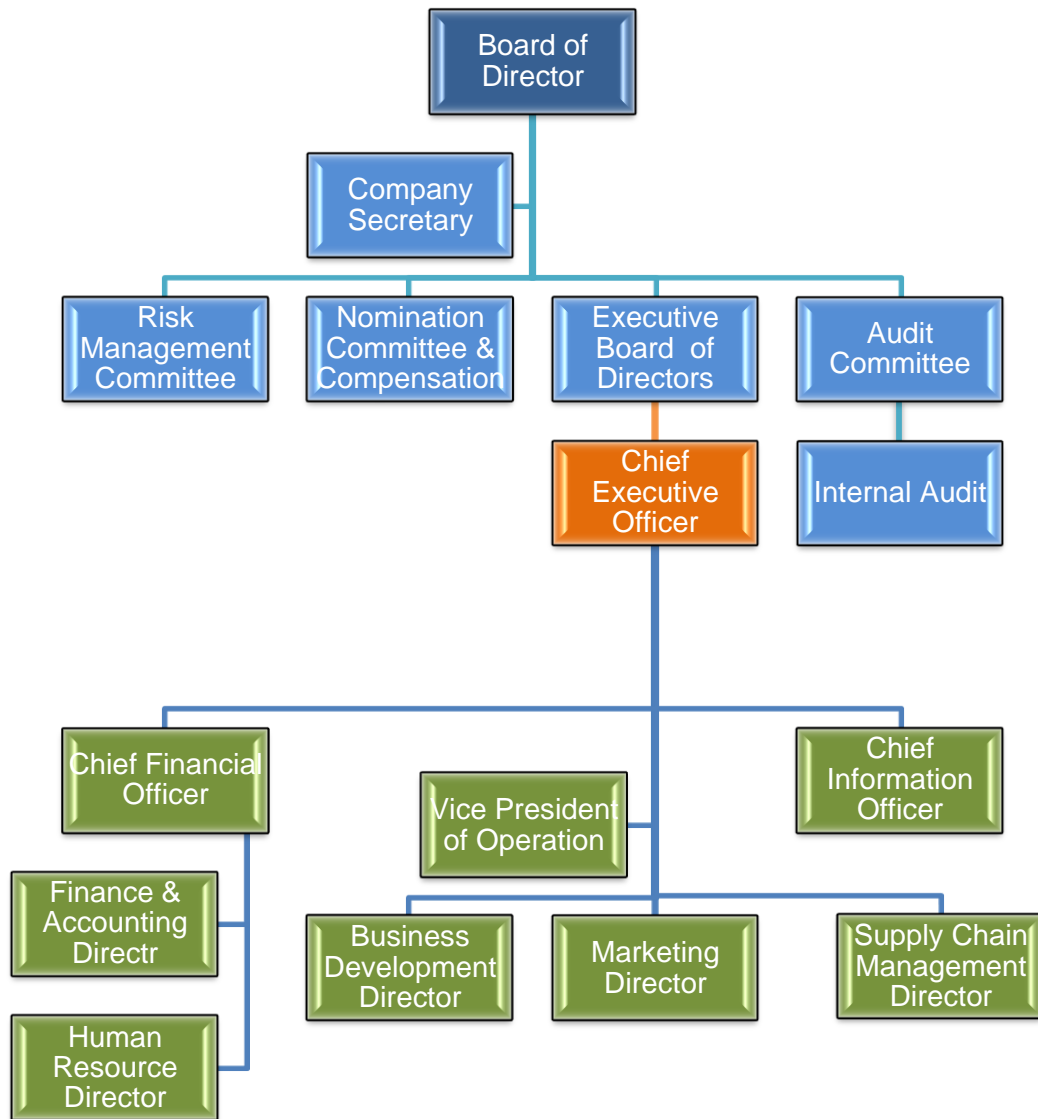
Mrs.Suratn Petchmune	Authorized Director/Company Secretary	Age 50 Years
Share Ratio (%)	0.86%	
Relationship with Management	None	
Highest Education	Master of Business Administration, University of Eastern Asia	
Working Experiences		
2009– Present	Director and Company Secretary , Team Precision Pcl.	
1996– 2008	Director and Accounting & Financial Director, Team Precision Pcl. And Teamtronics Co.,Ltd.	
1996 – 2000	Director and Accounting & Financial Director, Team Precision Pcl. And Teamtronics Co.,Ltd.	
Related Training Program held by IOD	DAP Director Accreditation Program 2003	
	DCP Director Certification Program 2007	
	ACP Audit Committee Program 2007	

Mr. Rungrit Laohapirotwattana	Vice President of Operation	Age 50 Years
Share Ratio (%)	1.09%	
Relationship with Management	None	
Highest Education	Bachelor of science in Industrial Engineering Chulalongkorn University	
Working Experiences		
2010– Present	Vice President of Operation , Team Precision Pcl.	
2006– 2009	Operations Director , Fasco Motors (Thailand) Co.,Ltd.	
2002 –2006	Head of Operations , Team Precision Pcl	
Related Training Program held by IOD	DAP Director Accreditation Program 2003	

Mr. Manolo Villaluz Momongan	Supply Chain Management Director	Age 45 Years
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 ,Team Precision Pcl.	
2004– 2008	Supply Chain Management Director , Celestica Philippines	
1991 –2004	Production Control Manager NEC Technologies Philippines	
1998	Production Supervisor Timex Philippines	
Related Training Program held by IOD	None	

Mr. Panarook Smith	Financial and Accounting Director	Age 43 Years
Share Ratio (%)	None	
Relationship with Management	None	
Highest Education	Master of Business Administration (Executive) Sasin Graduate Institution of Business Administration of Chulalongkorn University	
Working Experiences		
2009– Present	Finance and Accounting Director. Team Precision Pcl.	
2007– 2008	Chief Finance Officer, Starboard World Limited	
2004 –2006	Group Financial Controller ,SF Cinema City Co.,Ltd.	
Related Training Program held by IOD	None	

Mr. Passagon Buathong	Business Development Director	Age 40 Years
Share Ratio (%)	None	
Relationship with Management	None	
Highest Education	Ph.D (Candidate) Dhurakij Pundit University (International College)	
Working Experiences		
2010– Present	Business Development Director ,Team Precision Pcl.	
2008– 2009	Senior Contract & Negotiation Manager Huawei Technologies (South East Asia) Company Limited	
2004 –2008 (Thailand)	Senior Program and Business Development Manager ,Pemstar Company Limited	
1998	Production Supervisor Timex Philippines	
Related Training Program held by IOD	None	



Team Precision Public Company Ltd., develops, designs, manufactures, Printed Circuit Board Assemblies (PCBA), Box Build, and provides supply chain solutions globally in market segments such as Medical, Industrial, Commercial, Wireless infrastructure, Automotive, Telecommunications, and Consumer for Original Equipment Manufacturers (OEM).

The business characteristics of the market segments, Team Precision plays a role includes manufacturing, proto-type, New Product Introduction (NPI), assembly, Test Design and integration, as well as provide world class Lean Sigma product quality with a goal of achieving Six Sigma quality levels, a differentiator in our solutions to our world class customer base.

The company continues to receive accreditations as follows:

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

The company continues its focus of business expansion and diversifying customers in markets, regions, and the reduction of reliance on top accounts all of which are differentiators in the Electronics Manufacturing Services ("EMS") Market. The company expects the market penetration provides for higher operating profits, as well as good return on investment for shareholders by providing complete value-added solutions fulfilling the needs of its global customer base – Creating long term relationships built to last with customers and suppliers alike.



Products and Services

From Research and Development (R&D) to Distribution, the company offers turn-key solutions within the global Electronics Manufacturing Services (EMS) market place to exceed the expectations of its customers needs. These services include electronic circuit design, manufacturing, test, box build integration, supply chain solutions, direct ship models and materials according to customer specifications.

TEAM offers turn-key design services to reduce the overall cost of ownership for customers, as well as searching for six sigma level quality. The company offers Functional Test (FCT) and In Circuit Test (ICT) solutions to ensure product quality and functions of units prior to shipment. TEAM manufactures under a Lean Sigma culture, which makes us differentiated. The Company has over 100 Lean Six Sigma green belts, and 5 Lean Six Sigma black belts, and has provided customers with better than 3-part Per Million (PPM) quality levels.

The company offers solutions and services to its global customers within a wide variety of markets which can be classified in the following categories:

Industrial Control

Product offerings ranging from tracking and tracing product shipments in Bio-logistics and pharmaceutical industries, providing refrigeration products to the global container industry, RFID product offerings for high-end security solutions, Ballasts for lighting industries, products which help utilities manage energy more efficiently, laser detectors, and distance meters for Construction product offerings, to fire safety products

Telecommunications

Wireless networking equipment, high-end RF Antenna technology for increasing network capacity at a lower cost.

Consumer

From car stereos, LCD Television Printed circuit mid-planes, consumer RF electronic learning products for children, audio players, wireless lighting and in home entertainment management remotes

Specialty Products

Chip on Board (COB) and wire bonded product offerings for signal equipment, product offerings which detect Nuclear ionized radiation.

Communications

Audio interpretation equipment, High-end advanced Conferencing Systems for interpreting every language in such bases as the United Nations.

Automotive

Road surface sensor analyzing products, specialized audio equipment for automobiles.

Medical

Designing and manufacturing products which support single sided deafness, conditioning systems for hearing instruments, quality hearing care products for children, clinical audio meters and hearing test equipment for hospitals.

Current technologies employed by the company are Surface Mount Technology (SMT) on our high-end state of the art manufacturing lines, plated through-hole (PTH), Chip on Board (COB) with wire bonding die-attach, Flip Chip technology placing the smallest of chips on a PCB, bonding or chemical compounding of components and conformal coating for harsh environments, dedicated New Product Introduction (NPI) and proto-typing, product design and development including but not limited to software, hardware, mechanical, schematic and Test design, global supply chain and logistic solutions including Kan-ban, and warehousing, to flexible printed circuit board manufacturing.

With our objective to sustainable development of Electronic Manufacturing Solutions Provider and support the Society to promote Social Contribution which Team Precision PCL believes that it's a fundamental to develop with the whole society. Therefore, Team Precision PCL has aimed to turn this into reality, in the mean time, and has returned our benefit to the society and environmental preservation.

Social Contribution

As a good corporate citizen, Team Precision PCL believes if there is a good citizen, there will be a good society. Therefore we realize, dedicate and contribute for the better community, society and the country.

Environmental Preservation

Team Precision PCL practices group management and staff with an emphasis on the environment in order to actualize a sustainable society.

Social Contribution & Environment Preservation



Children Development Support

Chairman of Team Precision Public Company Limited hosted a luncheon for the children at Thanyaporn Home, (Klong5) Thanyaburi, Pathumthani



Contribution to Local School

Chairman of Team Precision Public Company Limited led the team of executives and employees to donate playground, book, educational equipment, and lunch to the students at Sanchamnai Wittaya School (Klong 14) , A.Nongsue Pathumthani



Blood Donation

The management and employees of Team Precision Public Company Limited held the blood donation to Princess Maha Chakri Sirindhorn Medical Center



With the flood victims



The Executives and Employees of Team Precision Public Company Limited donated and delivered plastic boat and foods to the Red Cross Officers from Pathumtani Province in order to convey and dispatch to relieve the victims whom suffered from flooding.



Tree Planting Day

Team Precision PCL fights against global warming with tree planting at Prachinburi plant. The management team and employees from each department had a great opportunity to plant the tree for their workplace environment

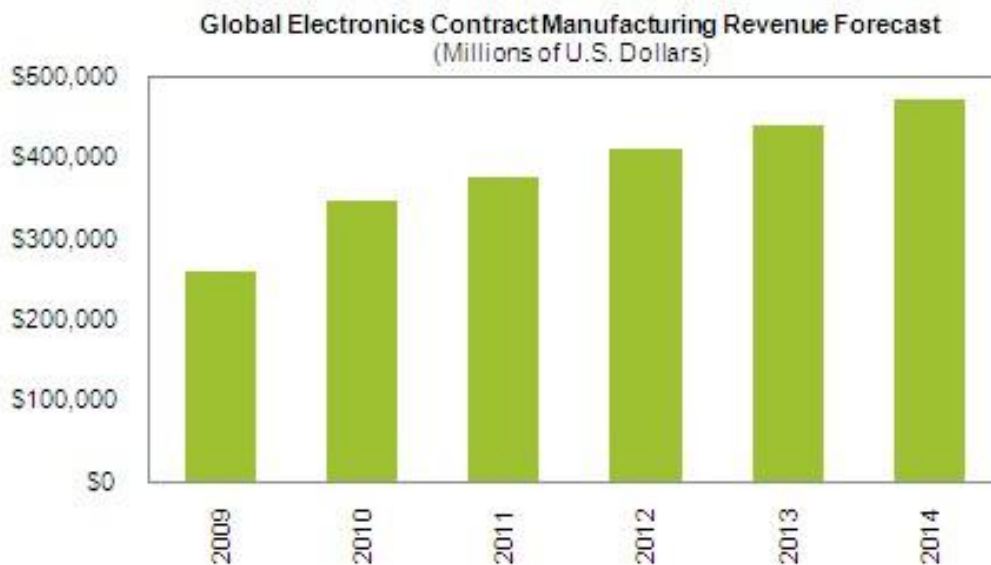
During the year, Team Precision PCL received external recognitions which are the Recognition awards as follows,

Recognition Award	Organized by	Objective and Results	
:: Zero Accident Campaign 2010	The Department of Labor Protection and Welfare	To motivate and encourage the organizations on the management of Safety, Health & Environment in Workplace. <u>Team Precision PCL got Bronze Plaque Award.</u>	
:: Excellence Safety, Health & Environment in Workplace 2010	The Department of Labor Protection and Welfare	To promote and encourage organizations on the management of Safety, Health & Environment in Workplace and follow the international standard with related regulations compliance. <u>Team Precision PCL achieved the National Level Award.</u>	

2010 has been the year of unprecedented crisis in Electronics Supply Chain and with unexpected surge in demand. Despite the fact, the Electronics Contract Manufacturing has grown 33.4 percent and the global electronic contract manufacturing industry will experience slowing growth in 2011, with sales rising by only 8.5 percent, according to new IHS iSuppli research.

Last year supply chain crisis will be eased out in 2011. However with the slow growth expected in both USA and EU market the consumer oriented products is also expected to experience slower growth. However the industry sectors and other specialty products should have less impact comparing to consumer field. High quality and reliable contract manufacturer will be source for to cushion the effect of other variation in the world market and other unexpected events that have become the part of the business that need to cope with.

Quality, reliability, quick service together with well understanding the customer requirement will be important to gain access to more market share.



Source: IHS iSuppli Research, January 2011

The company's business process includes risk factors that may directly affect the company according to the following details:

1. Risk in the procurement of raw material , qualified labor and controlling costs of components

During the year 2010, the Company faced the situation of global material shortage especially in the electronic product carried on from the global economic crisis in the year 2009. And it was more aggravate the situation from the surge of demand in the early of the year 2010 and throughout the year. This was a business risk that affected to the delivery of goods according to the customer's requirement and the risk of material price increasing. The Company has closely and continuously informed the situation to its customers for the anticipated shortage of supply and planed together with each customer to prevent and manage on the potential risk impact in addition to closely co-operate with all suppliers to solve the unprecedented crisis of supply.

For the risk of recruiting qualified labor, the improvement of the industry made demand of labor higher. Moreover the adjustment of labor rate by the Government was considered as a risk to the cost production to be higher and the competition in the improvement of labor skills for the better production efficiency. Besides the training for multi skills and the improvement of production process by the principles of Lean and Six Sigma, the Company has a plan to invest in additional machineries to support the increase of demands.

2. Risk in collecting debts from customers

Since most of the company's customers are overseas, it is important to be informed of changes in the situation of each customer, especially finances, which can create risks in the collection of debts when goods are sold on credit. So, the company follows up on and manages debtors seriously, apart from the strict evaluation process to determine term of credit, and also communicates regularly with all customers to establish a close relationship. Regarding the economic regression, the new customers, who are considered to create risks in collecting debts, may be asked to make an Advance Payment, or provide Letter of Credit, or provide Bank Guarantee in the beginning period of purchasing

3. Risk in Exchange rates

The Company uses the US dollars as the main currency for sales and purchases so that it reserves some foreign currencies to pay for materials which will reduce risks from the changes in exchange rate for a certain level. Moreover the Company has considered buy Forward Exchange contract to prevent risk form volatility of foreign currency market and Baht value especially during the year

4. Business risk

Doing business by relying on major customers is a risk that the Company has focused to avoid or reduce risk from any changes in major customers. The Company still has followed the defined policy to expand its new market as well as the distribution of the market in each region. The Company had its customer base in the year 2010 considered as a proportion of 29%,38% and 33% in North America, Europe and Asia Pacific respectively. The proportion was higher in Asia Pacific compared with the distribution of customer base in the year 2009 which was 41%, 39% and 20% in North America, Europe and Asia Pacific respectively. However the Company still has to closely contact to update the situation of customers and any factors which may affect in each region.

Name list of top 10 shareholders as of the latest closed registration (as of March 12' 2010)

Name		Share Quantities	%
Mr. Chakkaphant	Manutsathit	101,159,981	17.86
Mr. Staporn	Manutsathit	99,639,618	17.60
Ms. Chanthip	Manutsathit	94,384,537	16.67
Mr. Anan	Manutsathit	93,856,256	16.57
Ms. Malinee	Petchmune	12,942,046	2.28
Ms. Patharawan	Manutsathit	11,639,697	2.06
Mr. Nutthawat	Pinrat	11,606,800	2.05
Mr. Weerawat	Sirayopas	10,587,699	1.87
Mr. Suthai	Pinrat	10,247,856	1.81
Mr. Atthapol	Manutsathit	9,000,000	1.59

Source of Data : Thailand Securities Depository Co., Ltd.

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.



Structure of the Company's Director Committee

The structure of the company's director committee is made up of the Board of Director and six sub-Board with consists of Board of Executive Directors the Management Team, Audit Committee , Remuneration Commiitee, Nomination Commiitee and Risk Management Commiitees.

1. The Board of Directors

1.1 Names of members of the Board of Directors

1. Mr.	Chakkaphant	Manutsathit	Chairman and Authorized Director
2. Mrs.	Wasara	Chotithammarat	Authorized Director
3. Mrs.	Malipa	Manutsathit	Authorized Director
4. Mrs.	Suratn	Petchmunee	Authorized Director
5. Mr.	Chai	Jroongtanapibarn	Independent Director
6. Dr.	Pirom	Chamsai	Independent Director
7. Dr.	Paiboon	Sareewiwatthana	Independent Director

Authorized Directors to act on behalf of the Company:

Mr. Chakkaphant Manutsathit solely signs with the Company's seal being affixed OR either Mrs. Suratn Petchmunee or Mrs. Malipa Manutsathit or Mrs. Wasara Chotithammarat jointly signs totaling to two out of three persons together with the Company's seal being affixed.

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.

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.
2. Evaluate the results of the work done by the head of management to ensure that the Board of Executive Directors has appropriately carried out day-to-day tasks according to the policy established.
3. Evaluate the internal controls and manage the risks to ensure that operations are correct and efficient.
4. Verify items that may create conflict of interest so they conform to the current regulations.
5. Verify and approve financial records that have been inspected by approved auditors.
6. Inspect that the company information revealed to the public is accurate within the specified time period.
7. Members of the board must not use company information for personal gain.

1.3 The appointment of directors

According to the regulations of the company, the meeting of the shareholders is to elect directors according to the following criteria and methods:

1. Each shareholder has votes equivalent to the number of shares held, one share to one vote.
2. Each shareholder must use all their votes according to item 1 to elect one or more persons onto the board of directors, but may not divide their votes to award someone more or fewer votes.
3. The persons receiving the highest number of votes in a descending order are elected directors in the same number as that of directors that should be available or elected on that occasion. In case that persons elected in the descending order have equal votes, exceeding the number of directors that should be available or elected on that occasion, the Chairman shall cast the deciding vote.

1.4 The selection of person to be appointed as company directors

The person holding the position of director of the company should be knowledgeable and capable in business management, should be honest and ready to perform management duties relevant to the position. At least one member of the audit committee must have knowledge in finance. Most importantly the director of the company must not act against any regulations of the Stock Exchange of Thailand or the company. The board of directors will determine the appointment of the director according to candidates submitted by the sub-committee before seeking the approval of the shareholders.

1.5 Performance Assessment of the Board of Directors

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

Moreover the Board of Directors has the policy to assess the performance of the Company's Management team which goal and criteria of assessment will be related to the Company's annual plan.

1.6 Company Secretary

Company Secretary coordinates between the Board of Directors and the management team. Mrs. Suratr Petchmunee is currently Company Secretary and is responsible for arranging the meeting of the shareholders, the meeting of the Board of Directors and the meeting of other subcommittees so that they are adhere to related laws and regulations. She is also responsible for drafting and preparing meeting reports, the dissemination of news and information to directors, and the submission of the annual report and other reports according to the deadlines. The secretary will disseminate company information to relevant government departments as stipulated by law and in accordance to regulations, and will store all important documents of the company as well as carry out other tasks as assigned by the board of directors.

2. Executive Board of Directors

2.1 Names of members of the Board of Executive Directors

1. Mr. Chakkaphant	Manutsathit	Chairman and Authorized Director
2. Mrs. Wasara	Chotithammarat	Authorized Director
3. Mrs. Malipa	Manutsathit	Authorized Director
4. Mrs. Suratr	Petchmunee	Authorized Director

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

1. 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.
2. Determine paths of development and expansion of business in accordance with the policies of the board of directors.
3. 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 Board of Executive 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.

3. The Management Team

3.1 Name of the members of the Management Team

1. Mr. Chakkaphant	Manutsathit	Chairman of Executive Board /Chief Executive Officer
2. Mrs. Wasara	Chotithammarat	Chief Financial Officer
3. Mrs. Malipa	Manutsathit	Chief Information Officer
4. Mrs. Suratr	Petchmunee	Company Secretary
5. Mr. Rungrit	Laohapirotwattana	Vice President of Operation
6. Mr. Manolo	Villaluz Momongan	Supply Chain Management Director
7. Mr. Panaroek	Smith	Finance and Accounting Director
8. Mr. Passagon	Buathong	Business Development Director

3.2 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.

4. Audit Committee

4.1 Members of the audit committee include

1. Mr. Chai	Jroongtanapibarn	Chairman of Audit Committee
2. Dr. Paiboon	Sareewiwatthana	Member
3. Dr. Pirom	Chamsai	Member

4.2 The scopes of the authority and responsibilities of the audit committee:

1. Review that the company has accurate and adequate financial reports.
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 Securities and Stock Exchange, regulations and requirements of Stock Exchange or the laws related to the business of the company.
4. Consider the appointment of the company 's auditor and the proposed audit fee.
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 Securities and Stock Exchange, regulations and requirements of 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 Director appoint with the approval of the audit committee
Under the first paragraph, the audit committee has direct responsibility to the Board of Director and the Board of Director 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 Director 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.

5.Nomination and Remuneration Committee

5.1 Members of the nomination and remuneration committee include

1. Dr.Pirom	Chamsai	Chairman of Nomination and Remuneration Committee
2. Dr.Paiboon	Sareewiwatthana	Member of Nomination and Remuneration Committee
3. Mr.Chai	Jroongtanapibarn	Member of Nomination and Remuneration Committee
4. Mr.Chakkaphant	Manutsathit	Member of Nomination and Remuneration Committee
5. Mrs.Malipa	Manutsathit	Member of Nomination and Remuneration Committee

5.2 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 Board of Director 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.

6.Risk Management Committee

6.1 Members of the risk management committee include

1. Dr.Paiboon	Sareewiwatthana	Chairman of Risk Management Committee
2. Mr.Chai	Jroongtanapibarn	Member
3. Dr.Pirom	Chamsai	Member
4. Mr.Chakkaphant	Manutsathit	Member
5. Mrs.Malipa	Manutsathit	Member

6.2 The purpose of the risk management

1. Provide support and enable the company to consider the acceptable risk level.
2. Determine the framework to enable to manage uncertainties, risks, and business opportunities most effectively give support to and enable the Company to consider the acceptable risk level

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

The Board of Directors has an operation policy according to the code of best practice for directors of registered companies in conformance with the guidelines of the Securities and Stock Exchange of Thailand. The Code of Best Practice has been provided by the Company as follows:

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 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 the its own actions.

2. The rights of shareholders

In 2009 the company had a total of one shareholder meeting, with one annual ordinary meeting was taken place at the company by having the appointment letters sent out to shareholders and concerned persons along with supporting information for various agenda for acknowledgement 14 days in advance before the meeting. Each meeting includes the opinions of the board of directors and the meetings are recorded accurately and completely for further audit by the shareholders.

3. The rights of stakeholders

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

- **Employee:** The company treats all employees on a fair and equitable basis with proper employee benefit and compensation.
- **Business partner:** the company purchases goods and services from business partners according to trade conditions as well as the contract compliance with the trading parties.
- **Customer:** The company takes good care of and be accountable to the customers, manufactures the quality products according to standards, retain customer's information in strict confidentiality, and has an assigned function or person responsible for customers' complaints of customers to enhance rapid actions for its customers.
- **Competitor:** 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 competitors.
- **Community:** The Company is responsible for the community's environment and society

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.

4. Shareholders meeting

In the shareholders meeting of 2010, total of seven directors attended. The meeting Chairman gave the shareholders the opportunity for the equal rights in auditing the Company's business performance, inquiry and recommendation expression.

5. Leadership and vision

The Board of Directors has specific roles and duties to conform with standards for good governance, with details as follows:

- The Board of Directors has participated in determining (or expressed approval/disapproval) the vision, mission, strategies, targets, business plans and budget of the company. The Board also exercises governance of the management department in carrying out operations according to the business plan and budget specified effectively and efficiently, to increase the economic value of the business to the highest level and to ensure highest stability for shareholders.
- The Board of Directors must clearly determine the assignment and division of roles, duties and responsibilities among the directors and the management according to the details of the structure of shareholding and management. The board also communicates the roles, duties and responsibilities mentioned to the directors, management and employees of the company on a regular basis.
- The board of directors must govern the management team to perform according to established policies. This does not include items under dispute or items with conflict of interest and the items that have to ask for the approval from shareholders as required by the office of the Securities and Exchange Commission of Thailand.
- The Board of Directors must govern the Board of Executive Directors to operate according to established policies. The Board of Executive Directors shall have the authority to consider and approve loans or make requests for credit for normal business practices of the company, such as payments for investment and for other activities within the limit of each item not exceeding Baht 150 million or equivalent or as authorized by the Board of Directors.

6. 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.

7. Business ethics

The company has prepared for its management and employees a business ethics guideline which feature the code of emphasis on honesty, respecting the confidentiality of customers, having no interest or benefit with the seller of components and products as well as the maintenance and protection of the company's property. The operation follow-up according to the criteria shall be reviewed by the senior executives for the appropriateness. In case of violation, the employees shall be subjected to the disciplinary actions according to the procedures determined by the company.

8. Checks and Balances by non-executive directors

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

Four Directors who are also management, representing 57% of total number of directors.

Three Independent directors who are not management, representing 43% of total number of directors.

9. 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 Securities and Exchange of Thailand.

10. Remuneration for directors and executives of the company

The company has determined the directors' remuneration, with approval given by the shareholders' meeting. The resolution of the annual ordinary shareholders meeting 1/2010 has set the remuneration for directors to not exceed Baht 2,730,000 with the following details:

(A) Remuneration in the form of money

Name		Position	Remuneration (Baht) 2010	Remuneration (Baht) 2009
1.Mr.Chakkaphant	Manutsathit	Chairman	390,000	390,000
2.Mrs.Wasara	Chotithammarat	Director	330,000	330,000
3.Mrs.Malipa	Manutsathit	Director	330,000	330,000
4.Mrs.Suratn	Petchmunee	Director	330,000	330,000
5.Mr.Chai	Jroongtanapibarn	Independent Director/ Chairman of Audit Committee	490,000	490,000
6.Dr.Paiboon	Sareewiwatthana	Independent Director/ Audit Committee	430,000	430,000
7.Dr.Pirom	Chamsai	Independent Director/ Audit Committee	430,000	430,000
		Total Remuneration	2,730,000	2,730,000

(B) Total remuneration, which includes monthly salary and bonus that the company paid executives are totaling to Baht 43,570,072 in 2009 and Baht 42,005,157 in 2010.

(C) Other remunerations

1. The Employment Stock Option Plan warrant project for directors and employees of the company

1.1 Project to share out 5,000,000 warrants among directors and employees giving the right to purchase ordinary shares (ESOP 1/2006) amounting to 2.5 percent of issued shares: Shareholders adopted the resolution at the ordinary shareholders meeting 1/2006 of 3rd April 2006 to share out warrants among directors and employees giving the right to purchase ordinary shares of more than 5 percent of the issuance and proposal shares to be sold under the project. The names of executives and directors are as follows:

Name		Position	Unit	%
1. Mr.Chakkaphant	Manutsathit	Chairman	800,000	16.00
2. Mrs.Malipa	Manutsathit	Director	500,000	10.00
3. Mrs.Suratn	Petchmune	Director	500,000	10.00
4. Mr.Chai	Jroongtanapibarn	Independent Director	200,000	4.00
5. Dr.Pirom	Chamsai	Independent Director	200,000	4.00
6. Dr.Paiboon	Sareewiwatthana	Independent Director	200,000	4.00

1.2 Project to share out 1,125,000 warrants among directors and employees giving the right to purchase ordinary shares (ESOP 2/2007) equivalent to 0.37 percent of issued shares: Shareholders adopted the resolution at the ordinary shareholders meeting 1/2007 of 3rd April 2007 to share out warrants among directors and employees giving the right to purchase ordinary shares. No employee was given more than 5 percent of the shares. Directors and executives did not take part in the sharing out of shares this time.

2. 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.

11. Board meetings

The board usually schedules to meet quarterly and additionally schedules special meetings 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. In 2010 the board met four times for regular meetings and three times for special meetings, totaling 7 meetings. The attendance of each member of the board of the company can be summarized as follows:

Name		Directors Meeting	Audit Committee	Nomination Committee	RiskMgm Committee	Remuneration Committee
1. Mr. Chakkaphant	Manutsathit	7	-	1	2	-
2. Mrs.Malipa	Manutsathit	7	-	1	2	-
3. Mrs.Suratn	Petchmune	7	-	-	-	-
4. Mrs.Wasara	Chotithummarat	7	-	-	-	-
5. Mr. Chai	Jroongtanapibarn	7	4	1	2	1
6. Dr. Pirom	Chamsai	7	4	1	2	1
7. Dr. Paiboon	Sareewiwatthana	7	4	1	2	1

12. Subcommittees

The board of directors has set up five Subcommittees to carry out important tasks as follows:

1. Executive Committee
2. Management Team
3. Audit Committee
4. Nomination and Remuneration Committee
5. Risk Management Committee

The name of the members of the subcommittee as well as the limits of authority and responsibilities of the aforementioned subcommittee has been explained previously.

- No of Meeting attendants by each directors has shown in table 11

13. Internal control and internal audit

The company has an internal audit department that directly reports to the audit committee to monitor the company compliance with the established guidelines and systems. The board of directors has reviewed the adequateness and suitability of the internal control system in the company whether it is able to protect the property of the company which may be abused by executives without the proper authority. Furthermore, the audit committee of the company is appointed by the board of directors to audit various information regarding financial reports, internal auditing, has promoted and pushed the company to act in accordance with the code of best practice of registered company so that the company practices as good governance, and also offers advice on the risk management and internal controls to the executives.

Internal data usage

The company has specified that executives report changes in property holdings to the Securities and Exchange Commission and the Stock Exchange of Thailand according to Article 59 of the Securities and Exchange Act B.E.2535 (A.D.1992) and prohibits executives or organizations privy to internal data to reveal information to outsiders or persons whose duties are not relevant, and company shares are not to be bought or sold one month before the company budget is revealed to the public and at least 24 hours after publicizing the information. The Company must not disclose any substantial information to other persons. During the year 2010, the board of directors and its executives has strictly followed these policies. No any shares traded during the silent period were found.

14. Report of the Board of Directors

The Board of Directors is responsible for the financial statements prepared in accordance with the generally certified accounting principles. The essential information is sufficiently disclosed in the note to the financial statements and to the investors on timely basis according to the rules, regulations and good practices of the registered companies. The audit committee, appointed by the Board of Directors, has the responsibility of verifying all information regarding financial reports, internal audits, and audits carried out by approved auditors. The audit committee also has the duty of offering advice regarding the management of risks and internal controls to the Board so the company can carry out good governance. Thus, the Board of Directors agrees that the financial report for 2010 is adequately accurate and trustworthy.

15. Relationship with investors

As for investor relations, investors may access financial information about the company through various data channels of the Stock Exchange of Thailand and the company's websites at www.teampcba.com. The company has also participated in press conferences arranged by the Stock Exchange of Thailand each year and responded to questions of investors, institutions, shareholders, and stock analysts. The company also offers investors the opportunity to visit the business and meet with high-level executives. Furthermore, investors may contact person according to the name and details as follows:

- Mrs. Wasara Chotithammarat , Director and Chief Financial Officer
E-mail address: ir@teampcba.com, Phone: 6602 577 2350, Fax: 6602 577 1705

Operating results for 2010

The global economic had improved after the economic crisis in year 2009, as a result the market demand was in an upturn in year 2010. The revenue of the company had also in the increasing trend even though Thailand economic had some impacted specially from the internal political conflict.

Team Precision PCL had the total revenue of product sales for the year 2010 of Baht 2,156 million, an increase of Baht 692 million or 47% compared to the year 2009.

The Company achieved the gross profit margin of 11% in year 2010. This was up from 8% recorded in year 2009. Consolidated net profit of this year was recorded at Baht 106 million or 5 % of total sales in comparison to a net loss of Baht 26 million or 2 % of total sales in year 2009. This was mainly due to the increasing of sales, the change in the combination of product sales with the different product margins as well as the Company's cost control management.

And in the year 2010, the Company had considered to review useful lives and residual value of fixed assets as an adoption of new Thai Accounting Standards which affected to the decrease of depreciations according to the appropriate value of assets. Its result was included in the aforementioned profits of the year.

Financial position 2010

Total Assets

As at 31 December 2010, total assets of the Company and its subsidiaries was Baht 1,507 million, increase by Baht 425 million or 39% compared to Baht 1,082 million at 31 December 2009. The major changes in assets are described below.

Increasing of current assets were mainly from account receivables of Baht 419 million or 28% of total assets, an increase of Baht 184 million or 78% from the balance of the beginning of the period was due to the sale increase especially for the last quarter of the year and from the inventories of Baht 439 million or 29% to total assets, an increase of Baht 123 million or 39% from the balance of the beginning of the period was due to the material preparation for the higher sales and partly reserve for the shortage of material supply in the electronics market.

Increasing of net fixed assets, the net value was Baht 493 million or 33% to total assets, an increase of Baht 108 million or 28% from the balance of the beginning of the period was due to the investment in new machineries to partly replace the old one and to improve the production efficiency to support the further change in customer demands.

Total Liabilities

As at 31 December 2010, the Company and its subsidiaries reported total liabilities of Baht 616 million which were higher by Baht 321 million or 109% than the balance recorded in year 2009. The major transactions were from the followings:

The increase in short term loan from financial institution of Baht 124 million or 20% to total liabilities was for the working capital management as a result of the effect of material shortage situation which caused the Company to make the material order in advance significantly ahead its production to sales.

The increase in long term loan form financial institution of Baht 118 million or 19% to total liabilities was for the investment in the fixed assets.

The increase in trade account payables, the trade-account payables of Baht 283 million or 46% to total liabilities, increase by Baht 76 million or 37% from the balance of the beginning of the period directly due to the increase in order for materials to support the production according to increasing of sale.

Shareholders' Equity

As of 31 December 2010 and 2009, total shareholders' equity were Baht 891 million and Baht 787 million respectively which increased Baht 104 million or 13% mainly due to the increase in un-appropriated retained earnings of net profits for the year 2010 totaling to Baht 106 million.

Liquidity

For the year 2010, the Company and its subsidiaries had a net cash flow used in operations of Baht 80 million for material purchase in advance. While the account receivables were increased especially in the second half of the year. And the Company had a net cash flow used in investments of Baht 136 million which were mainly from the investment in additional machineries and equipments. The Company had a net cash inflow from finance of Baht 223 million which consisted of the increase of short term loan of Baht 125 million and long term loan of Baht 118 million. And there were repayments for long term loan of Baht 20 million.

As at 31 December 2010, the Company had cash reserve of Baht 138 million increasing from that of the prior year of Baht 6 million.

Source of Funds

During the year 2010, the Company has been granted additional credit facilities from financial institutions to strengthen its liquidity into normal level and to invest in new machineries and equipment. As at 31 December 2010, the Company had short term loan at Baht 124 million and long term loan at Baht 127 million. The Debt to Equity ratio at the end of the year 2010 was at 0.69 compared to 0.37 of the year 2009.

Factors to Future Operating results or Financial Position

Due to the global economy of last year, the Company, as a provider of manufacturing and handling service, may affect to order to produce from the future change in product demand by End Customer. However, the Company aims to 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.

Audit Fee

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

Audit Fee	Team Precision (Thailand)	Team Precision (Denmark)	Team Precision (Singapore)
Audit Fees	Baht 745,000	DKK 44,100	SGD 9,000
Other Fees	Baht 30,000	DKK 18,400	SGD 2,000



The Company has transactions with related companies which are related by holding shares, or co-management, or co-directors as disclosed in note to financial statements no.20. And there are no loan from/ to subsidiaries or connected parties.

The Policy of Related-Parties Transactions

If there are any related-parties 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 can not express their opinion as well as cannot vote for that matter. Furthermore, to consider for approval any related-parties transactions, the Company will specify to process transparently for the ultimate benefit of the company as they do with third parties.





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 2010, 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 2010.

The Audit Committee provided the following opinions:

1. The Company's financial reports 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. Chaiyakorn Aunpitipongsa of Dr. Virach & Associates, the Company's auditor, is suitable and provided appropriate services
5. The related transactions arising in 2010 were rational and made for the optimal benefits of the Company
6. In 2010, 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
Asso. Prof. Paiboon Sareewiwatthana, Ph.D.	Member	4/4
Dr. Pirom Chamsai	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 of Dr. Virach & Associates, be re-appointed as the Company's auditor for the fiscal year ending 31 December 2011. The re-appointment of the auditor and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 20 April 2011.

MR. Chai Jroongtanapibarn
Chairman of the Audit Committee
10 March 2011

TEAM PRECISION PUBLIC COMPANY LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
AND THE SEPARATE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

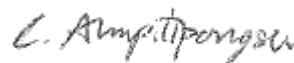
AUDITOR'S REPORT

To The Shareholders of Team Precision Public Company Limited

I have audited the consolidated balance sheets of Team Precision Public Company Limited and its subsidiaries as at December 31, 2010, the related consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended, and the separate financial statements of Team Precision Public Company Limited for the same period. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit. As described in Note 8, I did not audit the financial statements of two foreign subsidiary companies, included in the consolidated financial statements as at December 31, 2010. The financial statements of such subsidiaries have total assets as at December 31, 2010 in the amount of Baht 63.65 million and total revenues for the year ended December 31, 2010 in the amount of Baht 419.14 million. The financial statements of these two subsidiaries were audited by other certified public accountants whose reports were obtained. My opinion relating to the amount of various transactions of such subsidiaries in foreign countries included in the consolidated financial statements based on the reports of other certified public accountants. The consolidated financial statements and the separate financial statements for the year ended December 31, 2009, shown herein for comparison were audited by another auditor from the same firm, with unqualified opinion according to the auditor's report on February 24, 2010.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit together with the reports of other certified public accountants as described in the first paragraph provide a conclusion of reasonable basis for my opinion.

In my opinion, from my audit and the reports of other auditors as mentioned in the first paragraph, the aforementioned financial statements present fairly, in all material respects, the financial position of Team Precision Public Company Limited and subsidiaries as at December 31, 2010, the separate financial statements of Team Precision Public Company Limited, the results of their operations, changes in shareholders' equity and their cash flows for the year then ended in accordance with generally accepted accounting principles.



(Mr. Chaiyakorn Aunpitipongsa)
Certified Public Accountant Registration No. 3196

February 22, 2011.

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2010 AND 2009

ASSETS

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	NOTES	2010	2009	2010	2009
Current Assets					
Cash and cash equivalents		138,339,888	132,232,077	126,985,916	110,152,639
Trade accounts receivable-net	4.2 and 5	419,005,934	234,814,513	419,005,934	234,814,513
Inventories-net	4.3 and 6	439,113,018	315,837,967	439,663,212	313,915,065
Other current assets					
Refundable value added tax		7,873,932	5,178,035	2,032,675	2,528,685
Recoverable expenses-net	4.2 and 7	528,678	199,644	528,678	199,644
Others		9,437,994	9,586,759	9,233,298	9,582,712
Total other current assets		17,840,604	14,964,438	11,794,651	12,311,041
Total Current Assets		1,014,299,444	697,848,995	997,449,713	671,193,258
Non-current Assets					
Investments in subsidiaries	4.4 and 8	-	-	14,559,811	14,559,811
Property, plant and equipment-net	4.5 and 9	489,063,068	378,304,597	489,052,812	378,277,935
Intangible assets-net	4.6 and 10	3,743,499	5,532,052	3,743,498	5,520,660
Other non-current assets		139,827	813,916	139,827	813,916
Total Non-current Assets		492,946,394	384,650,565	507,495,948	399,172,322
TOTAL ASSETS		1,507,245,838	1,082,499,560	1,504,945,661	1,070,365,580

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2010 AND 2009

LIABILITIES AND SHAREHOLDERS' EQUITY

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	NOTES	2010	2009	2010	2009
Current Liabilities					
Bank overdrafts and short-term loans					
from financial institutions	11	123,989,348	-	123,989,348	-
Trade accounts payable		283,345,951	207,126,885	292,585,719	206,755,998
Current portion of long- term liabilities					
Long-term loans	12	29,400,000	17,280,000	29,400,000	17,280,000
Long-term lease	13	3,790,854	2,670,486	3,790,854	2,670,486
Accrued income tax		465,746	451,823	-	-
Accrued interest expenses		40,606	4,507	40,606	4,507
Other current liabilities					
Accrued expenses		29,092,638	26,042,064	28,843,372	25,522,466
Advance receipt		19,652,207	18,162,166	19,652,207	18,162,166
Assets payable		18,939,616	9,719,984	18,939,616	9,719,984
Others		13,582,218	10,819,217	12,369,068	9,593,430
Total other current liabilities		81,266,679	64,743,431	79,804,263	62,998,046
Total Current Liabilities		522,299,184	292,277,132	529,610,790	289,709,037
Non-current Liabilities					
Long-term loans-net	12	88,200,000	-	88,200,000	-
Long-term lease-net	13	5,895,596	2,937,624	5,895,596	2,937,624
Total Non-current Liabilities		94,095,596	2,937,624	94,095,596	2,937,624
TOTAL LIABILITIES		616,394,780	295,214,756	623,706,386	292,646,661

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2010 AND 2009

LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
Shareholders' Equity					
Share capital	14				
Authorized share capital					
580,000,000 common stocks of Baht 1 par value		580,000,000	580,000,000	580,000,000	580,000,000
common stocks of Baht 1 par value					
Issued and paid-up share capital					
566,279,715 common stocks at Baht 1 each		566,279,715	566,279,715	566,279,715	566,279,715
Premium on common stocks		42,543,406	42,543,406	42,543,406	42,543,406
Translation of financial statement differences		(3,032,891)	(324,415)	-	-
Retained earnings					
Appropriated					
Legal reserve	15	54,500,000	49,262,500	54,500,000	49,262,500
Unappropriated		230,560,828	129,523,598	217,916,154	119,633,298
Total Shareholders' Equity		890,851,058	787,284,804	881,239,275	777,718,919
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,507,245,838	1,082,499,560	1,504,945,661	1,070,365,580

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
Revenues					
Sales		2,155,698,550	1,463,977,274	2,155,698,550	1,463,977,274
Other income		34,672,901	16,616,529	34,802,344	15,912,901
Total Revenues		2,190,371,451	1,480,593,803	2,190,500,894	1,479,890,175
Expenses	18				
Cost of sales		1,915,247,618	1,340,692,498	1,930,900,421	1,360,669,489
Selling expenses		36,723,776	34,670,832	31,448,420	30,543,587
Administrative expenses		124,880,446	124,100,582	118,914,374	116,725,196
Directors' remuneration	15	3,316,701	3,314,054	2,730,000	2,730,000
Interest expenses					
Total Expenses		2,080,168,541	1,502,777,966	2,083,993,215	1,510,668,272
Profit (Loss) before Finance Costs and Income Tax Expenses		110,202,910	(22,184,163)	106,507,679	(30,778,097)
Finance Costs		3,000,191	2,791,823	2,987,323	2,774,958
Profit (Loss) before Income Tax Expenses		107,202,719	(24,975,986)	103,520,356	(33,553,055)
Income Tax Expenses	23	927,989	1,474,641	-	-
Net Profit (Loss)		106,274,730	(26,450,627)	103,520,356	(33,553,055)
Earnings (Loss) Per Share (Baht)	4.10, 14 and 22				
Basic earnings (loss) per share		0.19	(0.05)	0.18	(0.06)
The number of common stocks used in computation (shares).		566,279,715	566,279,715	566,279,715	566,279,715
Diluted earnings (loss) per share		0.19	(0.05)	0.18	(0.06)
The number of diluted common stocks used in computation (shares).		566,701,073	566,616,978	566,701,073	566,616,978

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 YEARS ENDED DECEMBER 31, 2010 AND 2009
CONSOLIDATED

		BAHT					
		Issued and	Premium on	Translation of	Retained earnings		
		paid-up	common	financial statement	Legal	Unappropriated	Total
NOTES		share capital	stocks	differences	reserve		
Beginning balances, January 1, 2009		566,279,715	42,543,406	(7,221)	49,262,500	212,602,196	870,680,596
Translation of financial statement differences		-	-	(317,194)	-	-	(317,194)
Net loss for the year 2009		-	-	-	-	(26,450,627)	(26,450,627)
Dividend payment	15	-	-	-	-	(56,627,971)	(56,627,971)
Ending balances, December 31, 2009		566,279,715	42,543,406	(324,415)	49,262,500	129,523,598	787,284,804
Translation of financial statement differences		-	-	(2,708,476)	-	-	(2,708,476)
Net profit for the year 2010		-	-	-	-	106,274,730	106,274,730
Legal reserve	15	-	-	-	5,237,500	(5,237,500)	-
Ending balances, December 31, 2010		566,279,715	42,543,406	(3,032,891)	54,500,000	230,560,828	890,851,058

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 YEARS ENDED DECEMBER 31, 2009 AND 2008
CONSOLIDATED

		BAHT					
					Retained earnings		
	NOTES	Issued and paid-up share capital	Premium on common stocks	Translation of financial statement differences	Legal reserve	Unappropriated	Total
Beginning balances, January 1, 2008	13 and 14	452,910,122	42,293,203	(80,000)	45,862,500	414,473,617	955,459,442
Capital increase		113,255,943	-	-	-	-	113,255,943
Capital increase from the exercise of warrants		113,650	250,203	-	-	-	363,853
Translation of financial statement differences		-	-	72,779	-	-	72,779
Net profit for the year 2008		-	-	-	-	73,342,842	73,342,842
Legal reserve	14	-	-	-	3,400,000	(3,400,000)	-
Dividend payment	14	-	-	-	-	(271,814,263)	(271,814,263)
Ending balances, December 31, 2008		566,279,715	42,543,406	(7,221)	49,262,500	212,602,196	870,680,596
Translation of financial statement differences		-	-	(317,194)	-	-	(317,194)
Net loss for the year 2009		-	-	-	-	(26,450,627)	(26,450,627)
Dividend payment	14	-	-	-	-	(56,627,971)	(56,627,971)
Ending balances, December 31, 2009		566,279,715	42,543,406	(324,415)	49,262,500	129,523,598	787,284,804

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit (Loss) before Income Tax Expenses	107,202,719	(24,975,986)	103,520,356	(33,553,055)
ADJUSTMENTS TO RECONCILE NET PROFIT (LOSS) TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	44,501,767	84,764,188	44,485,361	84,578,577
Amortization of intangible assets	2,764,629	1,918,885	2,753,238	1,910,749
Transferred trade accounts payable to income	(3,263,112)	-	(3,263,112)	-
Decrease in bad debts and doubtful debts	(97,685)	(749,190)	(97,685)	(749,190)
Increase (decrease) in provision for diminution in inventories	(14,491,722)	8,467,100	(14,491,722)	8,467,100
Loss on reverse of unrealized gain on open-end fund	-	52,924	-	52,924
Gain on exchange rates	(8,001,092)	(5,554,460)	(8,001,092)	(5,554,460)
Gain on disposal of fixed assets	(3,871,370)	(142,822)	(3,871,370)	(162,158)
Loss on inventories awaiting to be destroyed	883,104	-	883,104	-
Loss on unused assets	15,384	28	15,384	28
Interest expenses	3,000,191	2,791,823	2,987,323	2,774,958
Profit from operation before changes in operating assets and liabilities items	128,642,813	66,572,490	124,919,785	57,765,473
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Investments in open-end fund	-	20,000,000	-	20,000,000
Trade accounts receivable	(183,356,881)	46,789,990	(183,356,881)	46,789,990
Inventories	(109,666,433)	29,436,486	(112,139,529)	30,229,687
Other current assets	(2,757,182)	1,142,697	635,376	68,653
Other non-current assets	174,380	510,109	174,380	510,109
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade accounts payable	82,051,422	39,663,952	91,662,077	38,647,330
Other current liabilities	10,524,851	4,117,085	10,807,818	3,478,112
CASH PROVIDED (PAID) FROM OPERATION	(74,387,030)	208,232,809	(67,296,974)	197,489,354
Interest expenses paid	(2,964,092)	(2,800,508)	(2,951,224)	(2,783,642)
Income tax expenses paid	(1,074,108)	(1,223,760)	(160,042)	(129,947)
Proceeds from withholding tax refund	629,558	-	629,558	-
Translation of financial statement differences	(2,708,476)	(317,194)	-	-
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(80,504,148)	203,891,347	(69,778,682)	194,575,765

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in investments in subsidiaries	-	-	-	(2,962,500)
Purchase of fixed assets	(138,890,392)	(21,986,288)	(138,890,392)	(21,986,288)
Increase in intangible assets	(976,076)	(3,826,678)	(976,076)	(3,807,150)
Proceeds from disposal of fixed assets	3,894,267	946,460	3,894,267	176,049
NET CASH USED IN INVESTING ACTIVITIES	(135,972,201)	(24,866,506)	(135,972,201)	(28,579,889)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in bank overdrafts and short-term loans from financial institutions	125,485,820	-	125,485,820	-
Increase in long-term loans from financial institutions	117,600,000	-	117,600,000	-
Repayment for long-term loans	(17,280,000)	(64,602,700)	(17,280,000)	(64,602,700)
Repayment for long-term leases	(3,221,660)	(8,442,235)	(3,221,660)	(7,331,816)
Dividend payment	-	(56,627,971)	-	(56,627,971)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	222,584,160	(129,672,906)	222,584,160	(128,562,487)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,107,811	49,351,935	16,833,277	37,433,389
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	132,232,077	82,880,142	110,152,639	72,719,250
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	138,339,888	132,232,077	126,985,916	110,152,639
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
NON-CASH FLOWS ITEMS COMPRISE:				
Increase in fixed assets from long - term leases	7,300,000	7,340,200	7,300,000	7,340,200
Increase in fixed assets from assets payable	9,108,127	-	9,108,127	-
Increase in non current assets from transferring withholding tax in current assets	129,849	629,558	129,849	629,558

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, 2010 AND 2009

1. GENERAL INFORMATION

	THE COMPANY	THE SUBSIDIARIES	
		Team Precision (Europe) ApS	Team Presision (Singapore) PTE. LTD.
1.1 Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.	A juristic person established under Danish law.	A juristic person established under Singapore law.
1.2 Company and factory location	<ul style="list-style-type: none"> - 198 Moo 13, Tambol Dong-Khee-Lek, Amphur Muang Prachinburi, Prachinburi Thailand. - 152/8, 152/15 Moo 3, Thunyaburi-Lumlukga Road, Tambol Rungsit, Amphur Thunyaburi, Pathumtani Thailand. 	Ellegardvej 36, 6400 Sonderborg, Denmark.	196 Pandan Loop #04 - 20 Pantech Industrial Complex Singapore.
1.3 Type of business and operations	Producing and assembling printed circuit and electronics circuit board.	See Note 8	See Note 8

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1 These financial statements are prepared in accordance with the Thai Accounting Standards under the Accounting Act, B.E. 2543 (2000), the Accounting Profession Act, B.E. 2547 (2004) and the Notification of the Office of the Securities and Exchange Commission.

2.2 Announcement of accounting standards and financial reporting standards

To be in accordance with the IFRS, in 2010, the Federation of Accounting Professions announced the revision of TAS and TFRS, some are to replace existing standards and some are additional standards. These standards were published in the Royal Thai Government Gazette as follows:

The standard which is immediately effective

Framework for the Preparation and Presentation of Financial Statements (revised 2009), which the Company has adopted this standard since the effective date on 26 May 2010.

The standards which are effective to the financial statements beginning on or after 1 January 2011 are as follows:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events After the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings Per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share - Based Payments

TFRS 3 (revised 2009)	Business Combination
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

The standards which are effective to the financial statements beginning on or after 1 January 2013 are as follows:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rate

The Company's management believes that these accounting standards and financial reporting standards will not have any significant impact on the financial statements for the year when they are initially applied, except TAS 19 Employee Benefit, management has assessed the impact of such accounting standards in the year when they are adopted by choosing to recognize the additional mentioned amount adjusted against retained earnings brought forward for the year 2011 amount of Baht 19.65 million (amount of Baht 0.03 per share).

- 2.3 These financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.
- 2.4 These consolidated financial statements included the financial statements of Team Precision Public Company Limited and its subsidiaries as follows:

	<u>% Holding</u>
Team Precision (Europe) ApS	100
TEAM PRECISION (SINGAPORE) PTE. LTD.	100

- 2.5 Inter-company balances and significant transactions of the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- 2.6 The Company invested in Team Precision (Europe) ApS by holding common stocks starting from October 31, 2006 and invested in TEAM PRECISION (SINGAPORE) PTE. LTD. by holding common stocks starting from August 1, 2008

3. CHANGES IN ESTIMATION OF USEFUL LIVES OF ASSETS

During the fourth quarter of 2010, the Company has reviewed the useful lives and residual value of their buildings, machinery and equipment, which resulted changes in the estimated useful lives of the assets as followings

Buildings and improvement	from 5 - 20 years to 5 - 30 years
Machinery and equipment	from 5 - 8 years to 5 - 10 years

It has been reflected retrospectively, as from 1 January 2010. The Company has adjusted depreciation of buildings, machinery and equipment for the year ended 31 December 2010 to reflect the new estimated useful lives and residual values, and this had the effect of increasing net income in the consolidated financial statements and separate financial statements for the year ended 31 December 2010 by approximately Baht 42.97 million (Baht 0.08 per share).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

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

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

Other income and expenses are recognized on an accrual basis.

4.2 Allowance for doubtful accounts

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

4.3 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 by considering the current condition of inventories.

4.4 Investments in subsidiaries

Investments in subsidiaries are those companies in which the parent in group company, directly or indirectly, has power more than one half of the total voting rights or has power to govern the financial and operating policies of the subsidiaries. Investments in subsidiaries are stated by cost method.

4.5 Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is provided for all fixed assets other than land by the straight-line method based on the estimated useful lives of the following assets:

	<u>2010</u>	<u>2009</u>
Land improvement	5 years	5 years
Buildings and improvement	5-30 years	5-20 years
Machinery and equipment	5-10 years	5-8 years
Computer and accessories	3 years	3 years
Other fixed assets	5 years	5 years

In 2010, the Company has reviewed the useful lives and residual values of their buildings, machinery and equipment, which resulted changes in the estimated useful lives of the assets (See Note 3).

4.6 Intangible assets

Intangible assets mean acquired right for using computer softwares 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 lives of 3-10 years.

4.7 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 leases. Rentals applicable to such operating leases are charged to the statements of 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 leases. 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 income in proportion to the principal balance.

4.8 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 balance sheet date are converted to Baht at the rate of exchange in effect on that date.

Gains or losses on exchange rate fluctuation are credited or charged to operations during the year.

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

- Assets and liabilities were translated by the average exchange rates 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 rates for the year.

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

4.9 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.

4.10 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the periodical net profit (loss) by the number of weighted average common stocks held by outsiders during the year and adjusted with the stock dividend to each accounting period of presentation which is due to stock dividend payment.

Diluted earnings (loss) per share is calculated by dividing the periodical net profit (loss) by the number of weighted average common stocks held by outsiders during the year and adjusted with the stock dividend to each accounting period of presentation which is due to stock dividend payment plus the weighted average number of common stocks which have to be issued for the conversion of all the dilutive potential common stocks to be common stocks as such no any adjustment is made to the net profit (loss) for the year.

4.11 Cash and cash equivalents

For the purpose of preparation of cash flows statements, cash and cash equivalents are cash on hand and fixed deposit at bank due not more than 3 months with no obligation.

4.12 Employee benefits

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 statements of income in the incurred period.

The Company will recognize the expenses for the employment benefits payable to employees under the Thai Labour Law in the incurred year.

4.13 Use of accounting estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use 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.

5. TRADE ACCOUNTS RECEIVABLE consist of :

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009
Trade notes receivable		
Current	6,426,696	-
Trade accounts receivable		
Current	327,317,584	152,859,298
Overdue within 3 months	84,328,351	81,429,247
Over 3-6 months	933,303	525,968
Over 6-12 months	181,498	283,687
Over 12 months	744,512	1,574,786
Total	419,931,944	236,672,986
Less : Allowance for doubtful accounts	(926,010)	(1,858,473)
Trade accounts receivable-net	419,005,934	234,814,513

6. INVENTORIES consist of :

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
Raw materials	384,338,655	285,188,196	384,888,849	284,715,023
Work in process	67,103,696	30,271,353	67,103,696	30,271,353
Finished goods	35,193,246	46,922,241	35,193,246	46,922,241
Goods in transit	12,787,038	19,253,250	12,787,038	19,253,250
Raw materials in transit	9,993,532	18,997,798	9,993,532	17,548,069
Total	509,416,167	400,632,838	509,966,361	398,709,936
<u>Less</u> : Allowance for diminution in inventory values	(70,303,149)	(84,794,871)	(70,303,149)	(84,794,871)
Inventories-net	439,113,018	315,837,967	439,663,212	313,915,065

7. RECOVERABLE EXPENSES consist of :

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009
Recoverable expenses	1,537,250	1,208,216
<u>Less</u> : Allowance for doubtful accounts	(1,008,572)	(1,008,572)
Recoverable expenses-net	528,678	199,644

8. INVESTMENTS IN SUBSIDIARIES consist of :

BAHT

SUBSIDIARY COMPANIES	% HOLDING		COST METHOD	
	2010	2009	2010	2009
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)
TEAM PRECISION (SINGAPORE) PTE.LTD.	100	100	4,771,500 (SGD 200,000)	4,771,500 (SGD 200,000)
TOTAL			14,559,811	14,559,811

SUBSIDIARY COMPANIES	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2010	2009	2010	2009
Team Precision (Europe) ApS	Trading electronics components and distributing electronics products	DKK 500,000	DKK 500,000	-	-
TEAM PRECISION (SINGAPORE) PTE. LTD.	Trading electronics components and distributing electronics products	SGD 200,000	SGD 200,000	-	-

The financial statements of Team Precision (Europe) ApS, its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the years ended December 31, 2010 and 2009 by having assets as at December 31, 2010 and 2009, the amount of Baht 43.66 million and Baht 34.99 million, respectively and having total revenues for the years ended December 31, 2010 and 2009 the amount of Baht 227.75 million and Baht 175.62 million, respectively.

On January 8, 2009, the Company has additionally invested SGD 125,000 for 125,000 common stocks at SGD 1 par value of TEAM PRECISION (SINGAPORE) PTE. LTD. Thus, making the subsidiary has registered and paid-up capital of 200,000 shares at SGD 1 per share in the amount of SGD 200,000.

The financial statements of TEAM PRECISION (SINGAPORE) PTE. LTD., its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements for the years ended December 31, 2010 and 2009, by having assets as at December 31, 2010 and 2009, the amount of Baht 19.99 million and Baht 40.97 million, respectively and having total revenues for the years ended December 31, 2010 and 2009 amount of Baht 191.39 million and Baht 179.62 million, respectively.

9. PROPERTY, PLANT AND EQUIPMENT consist of :

BAHT

CONSOLIDATED					
Particulars	2009	Increase	Sale	Transfer	2010
<u>Cost</u>					
Land	41,793,452	-	-	-	41,793,452
Land improvement	7,882,973	124,675	-	-	8,007,648
Building and improvement	249,480,545	123,166	-	-	249,603,711
Machinery and accessories	479,874,922	17,829,644	(40,505,912)	122,944,987	580,143,641
Vehicles	29,015,560	-	(1,480,000)	-	27,535,560
Cooling systems	62,725,331	128,500	(614,568)	-	62,239,263
Electricity and telephone systems	41,483,377	380,000	(115,000)	-	41,748,377
Office furniture and fixtures	46,869,312	11,765,609	(697,541)	1,016,247	58,953,627
Assets under construction	6,081,721	124,946,925	-	(123,961,234)	7,067,412
Total	965,207,193	155,298,519	(43,413,021)	-	1,077,092,691
<u>Accumulated depreciation</u>					
Land improvement	2,752,216	1,590,183	-	-	4,342,399
Building and improvement	76,030,758	6,219,706	-	-	82,250,464
Machinery and accessories	385,571,623	23,605,750	(40,505,898)	-	368,671,475
Vehicles	20,841,362	3,582,078	(1,479,999)	-	22,943,441
Cooling systems	37,985,930	2,345,466	(613,496)	-	39,717,900
Electricity and telephone systems	26,477,277	1,733,020	(114,999)	-	28,095,298
Office furniture and fixtures	37,243,430	5,425,564	(660,348)	-	42,008,646
Total	586,902,596	44,501,767	(43,374,740)	-	588,029,623
Property, Plant and Equipment-net	378,304,597				489,063,068
Depreciation for the years	84,764,188				44,501,767

THE SEPARATE FINANCIAL STATEMENTS					
Particulars	2009	Increase	Sale	Transfer	2010
<u>Cost</u>					
Land	41,793,452	-	-	-	41,793,452
Land improvement	7,882,973	124,675	-	-	8,007,648
Building and improvement	249,480,545	123,166	-	-	249,603,711
Machinery and accessories	479,868,807	17,829,644	(40,505,912)	122,944,987	580,137,526
Vehicles	29,015,560	-	(1,480,000)	-	27,535,560
Cooling systems	62,725,331	128,500	(614,568)	-	62,239,263
Electricity and telephone systems	41,483,377	380,000	(115,000)	-	41,748,377
Office furniture and fixtures	46,826,215	11,765,609	(697,541)	1,016,247	58,910,530
Assets under construction	6,081,721	124,946,925	-	(123,961,234)	7,067,412
Total	965,157,981	155,298,519	(43,413,021)	-	1,077,043,479
<u>Accumulated depreciation</u>					
Land improvement	2,752,216	1,590,183	-	-	4,342,399
Building and improvement	76,030,758	6,219,706	-	-	82,250,464
Machinery and accessories	385,568,734	23,603,711	(40,505,898)	-	368,666,547
Vehicles	20,841,362	3,582,078	(1,479,999)	-	22,943,441
Cooling systems	37,985,930	2,345,466	(613,496)	-	39,717,900
Electricity and telephone systems	26,477,277	1,733,020	(114,999)	-	28,095,298
Office furniture and fixtures	37,223,769	5,411,197	(660,348)	-	41,974,618
Total	586,880,046	44,485,361	(43,374,740)	-	587,990,667
Property, Plant and Equipment-net	378,277,935				489,052,812
Depreciation for the years	84,578,577				44,485,361

In 2009, some plot of land, building with structure and machineries at cost of Baht 89.63 million were mortgaged with the financial institution as collateral for the Company's credit facilities obtained. In 2010, the Company has redeemed such mortgaged assets.

As at December 31, 2010 and 2009, the Company has fully depreciated fixed assets up to their useful lives which are usable at the cost of Baht 332.71 million and Baht 353.69 million, respectively.

10. INTANGIBLE ASSETS consist of :

BAHT

CONSOLIDATED			
Particulars	2009	Increase	2010
Computer softwares	14,504,377	976,076	15,480,453
<u>Less</u> : Accumulated amortization	(8,972,325)	(2,764,629)	(11,736,954)
Intangible assets-net	5,532,052		3,743,499
Amortization for the years	1,918,885		2,764,629

BAHT

THE SEPARATE FINANCIAL STATEMENTS			
Particulars	2009	Increase	2010
Computer softwares	14,484,849	976,076	15,460,925
<u>Less</u> : Accumulated amortization	(8,964,189)	(2,753,238)	(11,717,427)
Intangible assets-net	5,520,660		3,743,498
Amortization for the years	1,910,749		2,753,238

11. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009
Bank overdrafts	70,639	-
Trust receipt	123,918,709	-
Total	123,989,348	-

12. LONG-TERM LOANS consist of :

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009
Long-term loans	117,600,000	17,280,000
<u>Less</u> : Portion due within one year	(29,400,000)	(17,280,000)
Long-term loans-net	88,200,000	-

Details of long-term loans as at December 31, 2010 and 2009 are as follows :

(MILLION BAHT)				
Credit line	Repayment conditions	Collateral	Principal balances	
			2010	2009
100.00	The repayment was commenced from January 31, 2008 and will be ended on December 31, 2010.	None	-	17.28
130.00	The repayment was commenced from March 31, 2011 and will be ended on December 31, 2014.	The Company will not use their assets which are its lands, buildings, and all machineries to be collaterals (negative pledge condition) except obtaining the permission from the lender.	117.60	-
Total			117.60	17.28

Additional loans in 2007 amount of Baht 100 million, the interest rate was at MLR -1.75% per annum and adjusted according to the lender's fixing rates. The Company has already repaid.

Additional loans in 2010 amount of Baht 130 million, the interest rate is at MLR -2.00% per annum.

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

13. LONG-TERM LEASE AGREEMENT consists of :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009
Less than 1 year	4,316,812	2,958,710
More than 1 to 3 years	6,203,678	3,180,329
Total minimum long - term lease	10,520,490	6,139,039
<u>Less</u> : Deferred interest	(834,040)	(530,929)
	9,686,450	5,608,110
<u>Less</u> : Portion due within one year	(3,790,854)	(2,670,486)
Long - term lease - net	5,895,596	2,937,624

Long-term lease liabilities, payment is made by monthly which will be completed within 2013.

The portion of long-term lease due within one year was shown under current liabilities.

14. SHARE CAPITAL

The Company has authorized capital amount of Baht 580,000,000 for 580,000,000 common stocks of Baht 1 par value and has registered the paid-up capital amount of Baht 566,279,715 for 566,279,715 common stocks of Baht 1 par value.

WARRANTS

ESOP PROGRAMME 1/2549

On April 3, 2006, the Ordinary General Shareholders' Meeting was held and approved a resolution to issue and offer warrants to the directors and employees of the Company under the Company's ESOP programme of 5,000,000 units with 5 year maturity at the offering price of Baht zero. The exercise ratio is 1 unit to 1 common stock, and the Company has appropriated and offered on June 20, 2006, for the exercise price at Baht 4.28 per share. The exercise dates for purchasing common stocks are fixed on the last working day in the month of January, April, July and October, through the 5 year period of warrants. The first exercise date was effective on July 31, 2006, and the last exercise date will be on June 20, 2011.

On April 3, 2007, the exercise has been revised with the new exercise price of Baht 2.8533 per share and the new exercise ratio is 1 unit to 1.5 common stocks, which become effective on March 9, 2007.

On April 3, 2008, the exercise has been revised with the new exercise price of Baht 2.266 per share and the new exercise ratio is 1 unit to 1.8884 common stocks, which become effective on March 11, 2008.

On April 8, 2009, the exercise has been revised with the new exercise price of Baht 2.195 per share and the new exercise ratio is 1 unit to 1.95 common stocks, which become effective on March 16, 2009.

The exercise dates	Amount exercised (units)	Balance (units)
June 20, 2006	-	5,000,000
Exercised in year 2006	1,312,800	3,687,200
Exercised in year 2007	614,734	3,072,466
Exercised in year 2008	66,400	3,006,066
October 31, 2010	-	3,006,066

ESOP PROGRAMME 2/2550

On April 3, 2007, the Ordinary General Shareholders' Meeting was held and approved a resolution to issue and offer warrants to the directors and employees of the Company under the Company's ESOP programme of 1,125,000 units with 5 year maturity at the offering price of Baht zero. The exercise ratio is 1 unit of warrant to 1 common stock, and the Company has appropriated and offering on August 31, 2007, with the exercise price at Baht 5.67 per share. The exercise dates for purchasing common stocks are fixed on every last working day in the month of January, April, July and October, through the 5 year period of warrants. The first exercise date was effective on August 31, 2007, and the last exercise date will be on August 31, 2012.

On April 3, 2008, the exercise has been revised with the new exercise price of Baht 4.5040 per share and the new exercise ratio is 1 unit to 1.2589 common stocks, which become effective on March 11, 2008.

On April 8, 2009, the exercise has been revised with the new exercise price of Baht 4.362 per share and the new exercise ratio is 1 unit to 1.30 common stocks, which become effective on March 16, 2009.

The exercise dates	Amount exercised (units)	Balance (units)
August 31, 2007	-	1,125,000
Exercised in year 2007	18,822	1,106,178
Exercised in year 2008	14,050	1,092,128
October 31, 2010	-	1,092,128

15. DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION

On April 8, 2010, the Ordinary General Shareholders' Meeting was held and have consented not to pay cash dividend, but consented to pay for directors' remuneration for the year with the amount not exceeding to Baht 2.73 million.

On April 8, 2009, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay cash dividend at Baht 0.10 per share to the shareholders of 566.28 million shares, totalling Baht 56.63 million, by fixing the payment date for the cash dividend on April 30, 2009, and approved to pay for 2009 directors' remuneration at maximum Baht 2.73 million.

In 2010 and 2009, the subsidiaries have paid directors' remuneration, which were shown in the consolidated financial statements.

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set aside a portion not less than 5% of annual net profit for legal reserve until this reserve is not less than 10% of authorized capital. Such reserve is not allowed to pay for dividend. The Company has appropriated net profit of 2010 for legal reserve amount of Baht 5,237,500.

16. FOREIGN CURRENCY TRANSACTIONS

16.1 The Company has a policy to cover foreign exchange exposure of assets and liabilities in foreign currencies whereby the Company will deposit money received from sales in foreign currencies with bank for payment of expenses and creditors in foreign currencies.

As at December 31, 2010 and 2009, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows:

(AMOUNT IN THOUSAND)

PARTICULARS	CONSOLIDATED			
	Foreign currencies		Converted to Baht	
	2010	2009	2010	2009
ASSETS				
USD	15,124.68	8,484.41	453,835.56	281,792.87
EUR	9.50	18.33	376.62	869.99
TOTAL			454,212.18	282,662.86
LIABILITIES				
USD	10,648.32	4,195.20	322,604.82	140,609.66
EUR	261.58	169.56	10,527.65	8,160.85
TOTAL			333,132.47	148,770.51

(AMOUNT IN THOUSAND)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS			
	Foreign currencies		Converted to Baht	
	2010	2009	2010	2009
ASSETS				
USD	14,857.09	7,790.53	445,806.39	258,741.64
LIABILITIES				
USD	11,130.86	4,098.51	337,224.35	137,368.83
EUR	268.06	71.10	10,788.32	3,421.97
DKK	-	10.06	-	65.10
TOTAL			348,012.67	140,855.90

16.2 As at December 31, 2010 and 2009, the Company has entered into Selling Forward Exchange Contracts with the local commercial bank for hedging against any risk in exchange rate fluctuation which might affect to Baht received from export trade accounts receivable that can be summarized as follow:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS		
	Amount (million)	Delivery will be made during	Exchange rate on delivery date (Currency in Baht)
2010 USD	3.85	April - May 2011	29.64 - 30.266
2009 USD	1.19	May - June 2010	33.14 - 33.25

17. 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	1265(4)/2551	1355(1)/2553	1356(1)/2553
2. Date of promotional certificates	12/11/1996	04/10/2000	21/03/1991	06/03/2007	13/03/2008	24/3/2010	24/3/2010
3. Date of generating income	01/12/1996	10/11/2004	13/11/1990	06/07/2007	-	-	-
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	Electronics design and products from electronics design	Medical products, electronic products, and printed circuit board assembly (PCBA) for automotive parts or telecommunication parts	Medical products, electronic products, and printed circuit board assembly (PCBA) for automotive parts or telecommunication parts
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	-	5 years (tax values not over Baht 251.94 million)	8 years	8 years	8 years
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	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	5 years	-	-	-	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 Nov. 30, 2004)	8 years	-	5 years	8 years	8 years	8 years
5.5 Exemption from import duty on raw materials and necessary supplies imported from overseas for export manufacturing.	2 years (will be Expired on Feb 24 2010)	5 years	2 years (will be Expired on May 15, 2011)	1 year (will be Expired on May 10, 2010)	1 year	1 year	5 year

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

The Company has local and export sales for the years ended December 31, 2010 and 2009 as follows :-

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS			
	2010		2009	
	Baht	%	Baht	%
Export sales	2,092,010,134	97.05	1,410,062,992	96.32
Local sales	63,688,416	2.95	53,914,282	3.68
Total sales	2,155,698,550	100.00	1,463,977,274	100.00

18. EXPENSES BY NATURE

PARTICULARS	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
(Increase) decrease in the changes in finished goods and work in process	(18,637,136)	5,540,713	(18,637,136)	5,540,713
Raw material and consumables used	1,547,029,102	1,010,467,333	1,577,854,863	1,030,419,746
Management benefit expenses	45,321,857	46,884,126	44,735,157	46,300,072
Employee benefit expenses	287,574,438	203,036,750	283,041,043	197,797,813
Depreciation and amortization expenses	47,266,397	86,683,073	47,238,599	86,489,326
Other expenses	171,613,883	150,165,971	149,760,689	144,120,602
TOTAL	2,080,168,541	1,502,777,966	2,083,993,215	1,510,668,272

19. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate in one business of producing and assembling printed circuit and electronics circuit board in geographical areas, Thailand and overseas. Both local and export sales are presented in Note 17 to the financial statements.

20. 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 8	Subsidiary
2. TEAM PRECISION (SINGAPORE) PTE. LTD.	See Note 8	Subsidiary
3. Energy Innovation Co.,Ltd.	Distribution of electrical and electronic equipment	Director is shareholder

The significant related accounting transactions are as follows:

RELATED TRANSACTIONS IN BALANCE SHEETS	(THOUSAND BAHT)			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
Trade accounts receivable				
- Energy Innovation Co.,Ltd.	1,018	98	1,018	98
Advance payment				
- Team Precision (Europe) ApS	-	-	5	252
Trade accounts payable				
- Team Precision (Europe) ApS	-	-	27,900	18,002
- TEAM PRECISION (SINGAPORE) PTE LTD.	-	-	16,090	31,007
Total trade accounts payable	-	-	43,990	49,009

RELATED TRANSACTIONS IN INCOME STATEMENTS	(THOUSAND BAHT)			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
Sales				
- Energy Innovation Co.,Ltd. (Normal business quotation)	1,253	443	1,253	443
Purchase of goods and raw materials				
- Team Precision (Europe) ApS (Actual raw material cost plus estimation of related sourcing and marketing expenses 1.50%, 3.00%, 7.00% in 2010 and 7.00% in 2009)	-	-	226,613	175,596
- TEAM PRECISION (SINGAPORE) PTE. LTD. (Actual raw material cost plus estimation of related sourcing and marketing expenses 5.27%)	-	-	192,660	178,941
Total purchase of goods and raw materials	-	-	419,273	354,537

21. COMMITMENT AND CONTINGENT LIABILITIES

21.1 As at December 31, 2010 and 2009, the Company has commitment and contingent liabilities as follows:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS			
	Foreign currency		Baht	
	2010	2009	2010	2009
Letters of credit				
- USD	32,787	278,777	-	-
Letters of guarantee from				
commercial bank	-	-	62,308,647	41,161,493

As at December 31, 2010 and 2009 the Company has credit lines of letters of credit and trust receipt within Baht 600 million and Baht 475 million, respectively.

21.2 Operating lease commitment

The Company and subsidiaries have entered into several lease agreements in respect of the lease of offices and vehicles. The terms of the agreements are generally between 1 year to 3 years.

As at December 31, 2010, The Company and its subsidiaries have future minimum lease payments under these operating leases contracts as follows:

	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	Foreign currency	Baht	Foreign currency	Baht
Within one year				
BAHT	-	1,042,200	-	1,042,200
DKK	50,430	-	-	-
SGD	19,200	-	-	-
After one year but within two years				
BAHT	-	376,100	-	376,100
SGD	11,200	-	-	-

22. DILUTED EARNINGS (LOSS) PER SHARE RECONCILIATION

<u>CONSOLIDATED</u>	For the years ended					
	December 31, 2010			December 31, 2009		
	Net profit (Baht)	Number of shares (Shares)	Earnings per share (Baht)	Net loss (Baht)	Number of shares (Shares)	Loss per share (Baht)
<u>Basic earnings (loss) per share</u>						
Net profit (loss) available to ordinary shareholders	106,274,730	566,279,715	0.19	(26,450,627)	566,279,715	(0.05)
<u>Effect of assumed conversion</u>						
Warrants						
ESOP 1/2549	-	421,358	-	-	337,263	-
ESOP 2/2550	-	-	-	-	-	-
<u>Diluted earnings (loss) per share</u>						
Net profit (loss) available to ordinary shareholders plus assumed conversion	106,274,730	566,701,073	0.19	(26,450,627)	566,616,978	(0.05)

<u>THE SEPARATE FINANCIAL STATEMENTS</u>	For the years ended					
	December 31, 2010			December 31, 2009		
	Net profit (Baht)	Number of shares (Shares)	Earnings per share (Baht)	Net loss (Baht)	Number of shares (Shares)	Loss per share (Baht)
<u>Basic earnings (loss) per share</u>						
Net profit (loss) available to ordinary shareholders	103,520,356	566,279,715	0.18	(33,553,055)	566,279,715	(0.06)
<u>Effect of assumed conversion</u>						
Warrants						
ESOP 1/2549	-	421,358	-	-	337,263	-
ESOP 2/2550	-	-	-	-	-	-
<u>Diluted earnings (loss) per share</u>						
Net profit (loss) available to ordinary shareholders plus assumed conversion	103,520,356	566,701,073	0.18	(33,553,055)	566,616,978	(0.06)

23. INCOME TAX

Corporate income taxes of the Company for the years ended December 31, 2010 and 2009, are calculated from the accounting profit 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 25 per cent .

BOI business operation, income tax is calculated according to the privileges which are granted (see also Note 17).

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

24. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company and its subsidiaries have information relating to financial instruments both in and off balance sheets as follows :

24.1 Accounting policies and procedures

- See Note 4.

24.2 Risk from breach of contracts

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

24.3 Risk relating to interest rate

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

24.4 Risk from exchange rate

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

24.5 Fair value of financial instruments

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

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

25. SUBSEQUENT EVENTS

On February 22, 2011, the Board of Directors' Meeting No. 1/2011 was held and passed a resolution for the dividend payment of Baht 0.15 per share at total of Baht 84.94 million and consented to pay for director remuneration for the year with the amount not exceeding to Baht 2.73 million and bonus to directors with the amount not exceeding to Baht 0.55 million. The Company will request for the approval to pay the dividend, the directors' remuneration and bonus in the annual general meeting of shareholders.

26. LEGAL ISSUE / LITIGATION

The Company has a civil court case regarding to the remuneration to a sale and service representative for the principal of Baht 12.30 million together with its related interest at 7.50 percent per annum to the claim amount. The Civil Court had an order that the Company had to pay this claim. However, the Company has already appealed to the Supreme Court and the case is under the consideration by the Supreme Court.

The Company has already recorded an accrued expense for this transaction in full amount equivalent to US Dollars being specified in arbitral award on May 17, 2006.

27. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's director on February 22, 2011.



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