

TEAM PRECISION PUBLIC COMPANY LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

AND THE SEPARATE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS
สำนักงานใหญ่ เลขประจำตัวผู้เสียภาษี 0105556000751

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AUDITOR'S REPORT

To The Shareholders of

Team Precision Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Team Precision Public Company Limited and its subsidiary, which comprise the consolidated statements of financial position as at December 31, 2022, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Team Precision Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Team Precision Public Company Limited and its subsidiary and of Team Precision Public Company Limited as at December 31, 2022, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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



1. The completeness of allowance for diminution in inventories

As at December 31, 2022, as described in Note 6 to the financial statements, the Company has allowance for diminution in inventories amount of Baht 58.29 million. According to Note 3.4, the Company has provided allowance for diminution in inventories by considering the current condition of inventories whether it is deteriorated or obsolete, which may result the completeness of recording allowance for diminution in inventories.

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

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

2. The completeness of the revenue recognition from export sales

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

As at December 31, 2022, as described in Note 21 to the financial statements, the Company has export sales amount of Baht 3,023.99 million accounted for 98.83% of total sales, which is significant to the financial statements. Due to the term of transferring the control to customer is different. Therefore, the revenues recognition from export sale from many condition terms may have effect to the accuracy and completeness of revenues recognition.

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

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

Other Information

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

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

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



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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

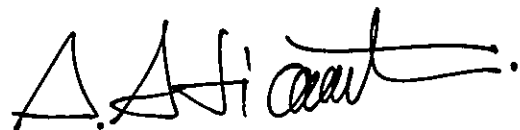


- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for our audit opinion.

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

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

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



(Mr. Apiruk Ati-anuwat)

Certified Public Accountant Registration No. 5202

Dr. Virach & Associates Office Co., Ltd.

Bangkok : February 22, 2023

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2022	2021	2022	2021
ASSETS					
Current Assets					
Cash and cash equivalents	3.2 and 4	124,314,441	176,990,999	121,635,279	173,928,044
Trade and other current receivables	3.3 and 5	503,402,592	319,490,564	503,073,891	319,368,766
Current contract assets		9,758,557	6,540,099	9,758,557	6,540,099
Inventories	3.4 and 6	1,021,053,246	901,640,246	1,019,087,697	901,477,947
Other current financial assets					
Receivables from selling					
forward exchange contract		215,128	-	215,128	-
Other current assets		2,040,423	1,944,558	2,040,423	1,944,558
Total Current Assets		1,660,784,387	1,406,606,466	1,655,810,975	1,403,259,414
Non-current Assets					
Investments in subsidiary	3.5 and 7	-	-	9,788,311	9,788,311
Property, plant and equipment	3.6 and 8	430,793,421	450,735,246	430,793,421	450,735,246
Right-of-use assets	3.7 and 9	2,031,138	368,113	2,031,138	368,113
Intangible assets	3.8 and 10	1,288,115	1,976,013	1,288,115	1,976,013
Other non-current assets					
Withholding income tax		748,484	669,134	748,484	669,134
Others		9,378	67,378	9,378	67,378
Total other non-current assets		757,862	736,512	757,862	736,512
Total Non-current Assets		434,870,536	453,815,884	444,658,847	463,604,195
TOTAL ASSETS		2,095,654,923	1,860,422,350	2,100,469,822	1,866,863,609

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL	
		2022	2021	2022	2021
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
Current Liabilities					
Short-term loans from financial institutions	11	252,031,992	121,710,026	252,031,992	121,710,026
Trade and other current payables	12	474,472,588	553,467,685	472,100,022	552,430,910
Accrued interest expenses		76,518	17,534	76,518	17,534
Current contract liabilities		93,329,802	127,994,147	93,329,802	127,994,147
Current portion of long-term liabilities					
leases payable	3.7 and 13	442,013	137,090	442,013	137,090
Other current financial liabilities					
Payables from selling					
forward exchange contract		-	199,927	-	199,927
Total Current Liabilities		820,352,913	803,526,409	817,980,347	802,489,634
Non-current Liabilities					
Leases payable	3.7 and 13	1,331,755	51,518	1,331,755	51,518
Deferred tax liabilities	3.9 and 16	6,126,622	6,768,536	6,126,622	6,768,536
Non-current provisions for employee benefits	3.10 and 14	108,755,404	96,647,968	108,755,404	96,647,968
Other non-current liabilities		1,122,060	1,122,060	1,122,060	1,122,060
Total Non-current Liabilities		117,335,841	104,590,082	117,335,841	104,590,082
TOTAL LIABILITIES		937,688,754	908,116,491	935,316,188	907,079,716

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
(CONTINUED)					
Shareholders' Equity					
Share capital					
Authorized share capital					
		637,063,385	637,063,385	637,063,385	637,063,385
		637,063,385 ordinary shares of Baht 1 par value			
Issued and paid share capital					
		637,063,385	637,063,385	637,063,385	637,063,385
		637,063,385 ordinary shares at Baht 1 each			
		42,543,406	42,543,406	42,543,406	42,543,406
		Share premium on ordinary shares			
Retained earnings					
Appropriated					
	15.2	63,706,339	63,706,339	63,706,339	63,706,339
		Legal reserve			
Unappropriated					
		344,890,098	139,156,085	347,229,689	141,859,948
		Other components of shareholders' equity			
		69,762,941	69,836,644	74,610,815	74,610,815
		Total Shareholders' Equity			
		1,157,966,169	952,305,859	1,165,153,634	959,783,893
		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			
		2,095,654,923	1,860,422,350	2,100,469,822	1,866,863,609

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

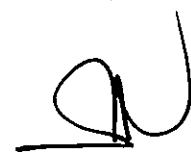
FOR THE YEAR ENDED DECEMBER 31, 2022

	NOTES	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Revenues					
Sales		3,059,927,841	2,500,244,232	3,059,927,841	2,500,244,232
Interest income		-	1,150,824	-	740,401
Other incomes					
Gain on exchange rate		-	7,322,168	-	7,207,924
Gain on assets disposal		54,661	322,631	54,661	322,631
Others		11,853,640	9,094,117	11,853,640	9,094,117
Total other incomes		11,908,301	16,738,916	11,908,301	16,624,672
Total Revenues		3,071,836,142	2,518,133,972	3,071,836,142	2,517,609,305
Expenses					
Cost of sales		2,583,791,620	2,162,121,855	2,584,805,350	2,162,531,100
Distribution cost		30,135,869	29,963,092	30,135,869	29,963,092
Administrative expenses		110,261,096	120,370,103	109,448,487	103,223,901
Directors' remuneration	15.1	3,400,000	2,702,500	3,400,000	2,702,500
Other expenses					
Loss on exchange rates		19,168,691	-	19,297,523	-
Loss on debt reduction	22	-	-	-	32,621,333
Loss on investments in dissolution subsidiaries	7	-	11,730	-	-
Other (gain) loss					
(Reversal) of loss on diminution inventory values		11,412,683	(4,083,200)	11,412,683	(4,083,200)
(Gain) loss on measurement at fair value of selling forward exchange contracts		(415,055)	1,132,963	(415,055)	1,132,963
Total Expenses		2,757,754,904	2,312,219,043	2,758,084,857	2,328,091,689
Profit from operating activities		314,081,238	205,914,929	313,751,285	189,517,616
Finance income		145,155	89,714	108,149	89,555
Finance cost	19	(7,577,429)	(750,929)	(7,574,742)	(741,875)
Gain and reversal of impairment loss					
(impairment loss) in accordance with TFRS 9					
- Reversal (loss) on expected credit		373,277	(830,561)	373,277	14,625,819
Profit before Income Tax		307,022,241	204,423,153	306,657,969	203,491,115
Income Tax Revenues (Expenses)	3.11 and 16	641,914	(1,751,588)	641,914	(1,751,588)
Profit for the years		307,664,155	202,671,565	307,299,883	201,739,527

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

	BAHT				
	NOTES	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Other comprehensive income (loss)					
Components of other comprehensive income (loss) that will be reclassified to profit or loss :					
Translation of financial statement differences		(73,703)	(2,513,842)	-	-
Components of other comprehensive income that will not be reclassified to profit or loss :					
Actuarial gain from employee benefit plan		-	9,258,051	-	9,258,051
Components of income tax		-	(996,067)	-	(996,067)
Actuarial gain from employee benefit plan-net of tax		-	8,261,984	-	8,261,984
Other comprehensive income (loss) for the year-net of tax		(73,703)	5,748,142	-	8,261,984
Total comprehensive income for the years		<u>307,590,452</u>	<u>208,419,707</u>	<u>307,299,883</u>	<u>210,001,511</u>
Earnings Per Share	3.12				
Basic earnings per share		0.483	0.318	0.482	0.317
The number of ordinary shares used in computation (shares).		637,063,385	637,063,385	637,063,385	637,063,385



TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

CONSOLIDATED

BAHT

	Issued and paid-up share capital	Retained earnings (deficits)				Other components of shareholders' equity				Total shareholders' equity
		Share premium on ordinary shares	Legal reserve	Unappropriated	Revaluation surplus on assets	Other comprehensive income (loss)			Total other components of shareholders' equity	
						Translation of financial statement difference	Actuarial gain from employee benefit plan			
Beginning balances, January 1, 2021	637,063,385	42,543,406	63,706,339	(31,662,311)	53,250,820	(2,260,329)	13,098,011	-	64,088,502	775,739,321
Dividend payment				(31,853,169)						(31,853,169)
Profit for the year				202,671,565						202,671,565
Other comprehensive income (loss)				-		(2,513,842)	-		(2,513,842)	(2,513,842)
Translation of financial statement differences				-		-	8,261,984		8,261,984	8,261,984
Actuarial gain from employee benefit plan - net of tax				-		-	8,261,984		8,261,984	8,261,984
Comprehensive income (loss) for the year				202,671,565		(2,513,842)	8,261,984		5,748,142	208,419,707
Ending balances, December 31, 2021	637,063,385	42,543,406	63,706,339	139,156,085	53,250,820	(4,774,171)	21,359,995		69,836,644	952,305,859
Dividend payment				(101,930,142)						(101,930,142)
Profit for the year				307,664,155						307,664,155
Other comprehensive income (loss)				-		(73,703)	-		(73,703)	(73,703)
Translation of financial statement differences				-		-	21,359,995		21,359,995	21,359,995
Comprehensive income (loss) for the year				307,664,155		(73,703)			(73,703)	307,590,452
Ending balances, December 31, 2022	637,063,385	42,543,406	63,706,339	344,890,098	53,250,820	(4,847,874)	21,359,995		69,762,941	1,157,966,169

NOTES

15.1

15.1

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022
THE SEPARATE FINANCIAL STATEMENTS

BAHT

	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings (deficits)		Other components of shareholders' equity			Total shareholders' equity
			Legal reserve	Unappropriated	Revaluation surplus on assets	Actuarial gain from employee benefit plan	Total other components of shareholders' equity	
Beginning balances, January 1, 2021	637,063,385	42,543,406	63,706,339	(28,026,410)	53,250,820	13,098,011	66,348,831	781,635,551
Dividend payment				(31,853,169)	-	-	-	(31,853,169)
Profit for the year				201,739,527				201,739,527
Other comprehensive income				-		8,261,984	8,261,984	8,261,984
Actuarial gain from employee benefit plan - net of tax				201,739,527		8,261,984	8,261,984	210,001,511
Comprehensive income for the year	637,063,385	42,543,406	63,706,339	141,859,948	53,250,820	21,359,995	74,610,815	959,783,893
Ending balances, December 31, 2021				(101,930,142)	-	-	-	(101,930,142)
Dividend payment				307,299,883				307,299,883
Comprehensive income for the year	637,063,385	42,543,406	63,706,339	347,229,689	53,250,820	21,359,995	74,610,815	1,165,153,634
Ending balances, December 31, 2022								

NOTES

15.1

15.1

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

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (1/4)

FOR THE YEAR ENDED DECEMBER 31, 2022

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the years	307,664,155	202,671,565	307,299,883	201,739,527
ADJUSTMENTS TO RECONCILIATION PROFIT FOR THE YEARS				
TO NET CASH PROVIDED FROM (USED IN) OPERATION				
Income tax expenses (revenues)	(641,914)	1,751,588	(641,914)	1,751,588
Depreciation				
- Plant and equipment	47,434,080	49,248,538	47,434,080	49,248,538
- Right-of-use assets	373,616	1,135,553	373,616	1,135,553
Amortization of intangible assets	687,898	468,615	687,898	468,615
Difference from rental reduction	-	(1,211)	-	(1,211)
(Reversed) impairment loss according to TFRS 9				
- Accounts receivable	(373,277)	830,561	(373,277)	830,561
- Short-term loans to subsidiary	-	-	-	(15,456,379)
Loss on debt reduction from dissolution of subsidiaries				
- Short-term loans	-	18,011,962	-	18,011,962
- Receivable from right assignment of accounts receivable	-	14,537,835	-	14,537,835
- Accrued interest income	-	71,536	-	71,536
Share of profit on subsidiaries as at dissolution date	-	(15,056,572)	-	-
Loss on investments in dissolution subsidiaries	-	11,730	-	-
(Reversal) of loss on diminution inventory values	11,412,683	(4,083,200)	11,412,683	(4,083,200)
Loss on obsolete goods	1,859,670	9,084,143	1,859,670	9,084,143
Unrealized (gain) loss from selling forward exchange contracts	(215,128)	199,927	(215,128)	199,927
Unrealized gain on exchange rates	(10,726,493)	(9,057,958)	(10,795,925)	(8,737,361)
Gain on disposal of equipment	(54,661)	(322,631)	(54,661)	(322,631)
Interest expenses	7,577,429	750,929	7,574,742	741,875
Long-term employee benefits expenses	12,107,436	11,176,707	12,107,436	11,176,707
Increase in expense from constuction in process	216,980	-	216,980	-
Profit from operation before changes in operating assets and liabilities items	377,322,474	281,429,617	376,886,083	280,397,585



TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (2/4)

FOR THE YEAR ENDED DECEMBER 31, 2022

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other current receivables	(165,557,115)	(2,959,543)	(165,427,671)	(2,731,633)
Contract assets	(8,360,855)	5,304,348	(8,360,855)	5,304,348
Receivable from right assignment of accounts receivable	-	25,198,075	-	25,198,075
Inventories	(127,542,956)	(416,390,575)	(125,739,706)	(416,235,377)
Receivables from selling forward exchange contract	-	933,035	-	933,035
Other current assets	(95,865)	(469,998)	(95,865)	(469,998)
Other non-current assets	58,000	1,715,727	58,000	1,715,727
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other current payables	(94,867,203)	195,642,275	(96,056,103)	194,986,222
Contract liabilities	(34,664,345)	13,331,550	(34,664,345)	13,331,550
Payables from selling forward exchange contracts	(199,927)	-	(199,927)	-
Provision for long-term employee benefits	-	(4,170,053)	-	(4,170,053)
CASH PROVIDED FROM (USED IN) OPERATION	(53,907,792)	99,564,458	(53,600,389)	98,259,481
Interest expenses paid	(7,518,445)	(707,491)	(7,515,758)	(725,230)
Income tax expenses paid	(79,350)	(669,134)	(79,350)	(669,134)
Proceeds from withholding tax refund	-	2,003,658	-	2,003,658
Translation of financial statement differences	(73,703)	(1,347,412)	-	-
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(61,579,290)	98,844,079	(61,195,497)	98,868,775
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to subsidiaries	-	(742,492)	-	(742,492)
Purchase of building and equipment	(26,447,481)	(79,006,829)	(26,447,481)	(79,006,829)
Proceeds from disposal of equipment	74,766	1,576,545	74,766	1,576,545
Purchase of intangible assets	-	(1,918,327)	-	(1,918,327)
Payment deposit for assets	-	(10,000)	-	(10,000)
NET CASH USED IN INVESTING ACTIVITIES	(26,372,715)	(80,101,103)	(26,372,715)	(80,101,103)

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (3/4)

FOR THE YEAR ENDED DECEMBER 31, 2022

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term loans from financial institutions	137,772,278	71,980,651	137,772,278	71,980,651
Repayment for leases payables	(451,481)	(1,383,805)	(451,481)	(1,383,805)
Repayment for assets acquisition payable	(1,953,047)	(23,859,353)	(1,953,047)	(23,859,353)
Dividend payment	(101,930,142)	(31,853,169)	(101,930,142)	(31,853,169)
NET CASH PROVIDED FROM FINANCING ACTIVITIES	33,437,608	14,884,324	33,437,608	14,884,324
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
BEFORE EXCHANGE RATE EFFECTS	(54,514,397)	33,627,300	(54,130,604)	33,651,996
EXCHANGE RATES EFFECTS ON CASH AND CASH EQUIVALENTS				
	1,837,839	13,419,377	1,837,839	13,419,377
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(52,676,558)	47,046,677	(52,292,765)	47,071,373
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	176,990,999	130,645,628	173,928,044	126,856,671
LESS CASH AND CASH EQUIVALENTS TRANSFERRED OUT FROM DISPOSAL OF SUBSIDIARY (SUPPLEMENTARY STATEMENT)	-	(701,306)	-	-
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	124,314,441	176,990,999	121,635,279	173,928,044
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
NON-CASH FLOWS ITEMS COMPRISE :				
Increase in inventories from current contract assets	5,142,397.00	-	5,142,397.00	-
Increased vehicles from transferred right-of-use assets	-	2,906,260	-	2,906,260
Increase in equipment from assets payable	1,281,859	1,860,608	1,281,859	1,860,608
Increase in right-of-use assets from leases payable	2,036,641	-	2,036,641	-
Effect of adjusted actuarial estimation				
from employee benefit plan				
- Increase in deferred tax liabilities	-	996,067	-	996,067
- Decrease in provision for long-term employee benefits	-	(9,258,051)	-	(9,258,051)
- Increase in retained earnings	-	8,261,984	-	8,261,984.00

TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (4/4)

FOR THE YEAR ENDED DECEMBER 31, 2022

SUPPLEMENTARY STATEMENT

Disposal of investments in subsidiary

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

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

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



TEAM PRECISION PUBLIC COMPANY LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

1. GENERAL INFORMATION

Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
Company and factory Location	- 198 Moo 13, Tambol Dong Khee-Lek, Amphur Muang Prachinburi, Prachinburi Province, Thailand. - 152/8, 152/9, 152/15 Moo 3, Thunyaburi-Lumlukga Road, Tambol Rungsit, Amphur Thunyaburi, Pathumtani Province, Thailand.
Type of business and operations	1) Producing and assembling printed circuit and electronics circuit board. 2) Investing in its subsidiary which carries on business according to Note 7 to the financial statements.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

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

2.2 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes

directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.3 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

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

2.5 These consolidated financial statements included the financial statements of Team Precision Public Company Limited with its subsidiary as follow :

COMPANY	% HOLDING		ESTABLISHED IN
	2022	2021	
Team Precision (Europe) ApS	100.00	100.00	Denmark

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

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

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

Other income and expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

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

3.3 Trade accounts receivable and allowance for expected credit loss

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

3.4 Inventories

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

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

3.5 Investments in subsidiary

Subsidiary is company in which the group of the Company has power to govern the financial and operating policies. The Company included the subsidiary in the consolidated financial statements since the date that the group Company has power to govern until the date of the power to govern is ended.

The investments in subsidiary for the separate financial statements are presented by the cost method after deducting impairment of investment.

3.6 Property, plant and equipment

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

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

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

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

3.7 Leases

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, the recognized right-of-use assets are depreciated on a straight-

line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

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

Leases liabilities

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

Short-term lease and lease of low-value assets

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

3.8 Intangible assets

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

3.9 Deferred tax assets/liabilities

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

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

As each statement of financial position date, the Company reviews and adjusts the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets or deferred tax liabilities to be utilized.

3.10 Employee benefits

Short-term employee benefits

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

Long-term employee benefits

Defined contribution plan

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

Defined benefit plan

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

3.11 Income tax expenses (revenues)

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

3.12 Earnings per share

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

3.13 Foreign currency transactions

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

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

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

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

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

3.14 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortized cost

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

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

Financial assets at fair value through profit or loss

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

Classification and measurement of financial liabilities

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

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

Impairment of financial assets

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

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

Offsetting of financial instruments

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

3.15 Derivatives and hedge accounting

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

Hedge accounting

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

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

Fair value hedges

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

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

3.16 Fair value measurement

Fair value is the amount for which an asset could be exchange, or a liabilities settled between knowledgeable, willing parties in an arm's length transaction. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an active market for such assets or liabilities.
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly.
- Level 3 Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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

3.17 Presentation currency

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

3.18 Significant accounting judgments and estimates

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

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed

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

4. **CASH AND CASH EQUIVALENTS**

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Bank deposits - Savings	124,122,952	176,726,571	121,443,790	173,663,616
- Current	191,489	264,428	191,489	264,428
Total cash and cash equivalents	124,314,441	176,990,999	121,635,279	173,928,044

5. TRADE AND OTHER RECEIVABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
<u>Trade accounts receivable</u>				
Current	331,283,493	231,805,840	331,283,493	231,805,840
Overdue within 3 months	153,050,843	75,525,950	153,050,843	75,525,950
Over 3-6 months	5,398,931	100,435	5,398,931	100,435
Over 6-12 months	243,489	21,541	243,489	21,541
Total	489,976,756	307,453,766	489,976,756	307,453,766
<u>Less</u> : Allowance for expected credit loss	(530,928)	(904,205)	(530,928)	(904,205)
Trade accounts receivable-net	489,445,828	306,549,561	489,445,828	306,549,561
<u>Other current receivables</u>				
Refundable value added tax	7,243,387	4,820,450	7,108,087	4,698,652
Others	6,713,377	8,120,553	6,519,976	8,120,553
Total other current receivables	13,956,764	12,941,003	13,628,063	12,819,205
Total trade and other current receivables	503,402,592	319,490,564	503,073,891	319,368,766

6. INVENTORIES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Finished goods	64,431,161	52,923,509	62,184,426	52,489,493
Work in process	112,595,661	54,730,709	112,595,661	54,730,709
Raw materials	892,536,330	813,525,277	892,817,516	813,796,994
Raw materials in transit	9,782,889	27,340,863	9,782,889	27,340,863
Total	1,079,346,041	948,520,358	1,077,380,492	948,358,059
<u>Less</u> : Allowance for diminution in inventory values	(58,292,795)	(46,880,112)	(58,292,795)	(46,880,112)
Inventories-net	1,021,053,246	901,640,246	1,019,087,697	901,477,947

7. INVESTMENTS IN SUBSIDIARY

(BAHT)

SUBSIDIARY COMPANY	% HOLDING		COST METHOD	
	2022	2021	2022	2021
Team Precision (Europe) ApS	100	100	9,788,311 (DKK 1,500,000)	9,788,311 (DKK 1,500,000)

SUBSIDIARY COMPANY	TYPE OF BUSINESS	PAID-UP CAPITAL		DIVIDEND	
		2022	2021	2022	2021
Team Precision (Europe) ApS	Trading electronics components and distributing electronics products	DKK 500,000	DKK 500,000	--	--

On December 24, 2021, the Board of Directors of Team Precision Public Company Limited passed a resolution to liquidate TPA Holding LLC, the Company's subsidiary in the foreign country which registered the dissolution under foreign law on December 29, 2021.

The Company has loss on investments in dissolution subsidiary and presented in consolidated financial statements amount Baht 11,730.

Financial statements of subsidiary in the foreign country

The financial statements of the Company's subsidiary in the foreign country were audited by other certified public accountants, and were used to prepare consolidated financial statements for the years ended December 31, 2022 and 2021 have been translated into Baht, the details are as follows :

(MILLION BAHT)

SUBSIDIARY COMPANY	TOTAL ASSETS		TOTAL REVENUES	
	2022	2021	2022	2021
Team Precision (Europe) ApS	9.08	8.93	45.76	42.81

8. PROPERTY, PLANT AND EQUIPMENT

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)										
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction	Total	
<u>Cost</u>											
January 1, 2021	61,683,434	8,356,558	275,646,736	770,509,739	22,026,068	74,959,003	44,438,997	69,315,237	1,292,470	1,328,228,242	
Increase	--	--	810,775	66,209,835	620,600	2,785,460	--	2,355,937	8,084,830	80,867,437	
Disposal / Unused	--	--	(84,800)	(4,185,417)	(3,094,740)	--	--	(1,266,419)	--	(8,631,376)	
Transferred in (out)	--	--	--	691,093	--	--	--	--	(691,093)	--	
Transfer from right-of-use assets	--	--	--	--	7,000,120	--	--	--	--	7,000,120	
December 31, 2021	61,683,434	8,356,558	276,372,711	833,225,250	26,552,048	77,744,463	44,438,997	70,404,755	8,686,207	1,407,464,423	
Increase	--	22,400	4,468,628	9,775,216	--	664,892	469,224	5,612,216	6,716,764	27,729,340	
Disposal / Unused	--	--	--	(513,872)	--	--	(36,975)	(5,292,570)	--	(5,843,417)	
Transferred in (out)	--	639,640	4,399,081	1,201,863	--	851,838	703,836	515,469	(8,311,727)	--	
Transferred to expenses	--	--	--	--	--	--	--	--	(216,980)	(216,980)	
December 31, 2022	61,683,434	9,018,598	285,240,420	843,688,457	26,552,048	79,261,193	45,575,082	71,239,870	6,874,264	1,429,133,366	
<u>Accumulated depreciation</u>											
January 1, 2021	--	8,283,156	144,311,365	638,387,801	20,051,391	57,125,171	43,146,286	66,022,596	--	977,327,766	
Depreciation for the year 2021	--	26,789	9,371,071	33,967,588	646,117	3,097,148	18,819	2,121,006	--	49,248,538	
Disposal / Unused	--	--	(84,797)	(3,884,691)	(2,185,738)	--	--	(1,222,236)	--	(7,377,462)	
Transfer from right-of-use assets	--	--	--	--	4,093,860	--	--	--	--	4,093,860	
December 31, 2021	--	8,309,945	153,597,639	668,470,698	22,605,630	60,222,319	43,165,105	66,921,366	--	1,023,292,702	
Depreciation for the year 2022	--	137,733	9,674,001	30,782,567	862,505	3,439,324	188,719	2,349,231	--	47,434,080	
Disposal / Unused	--	--	--	(499,950)	--	--	(36,974)	(5,286,388)	--	(5,823,312)	
December 31, 2022	--	8,447,678	163,271,640	698,753,315	23,468,135	63,661,643	43,316,850	63,984,209	--	1,064,903,470	

NOTES TO THE FINANCIAL STATEMENTS

Particulars	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS (BAHT)											Total	
	Land	Land improvement	Building and improvement	Machinery and accessories	Vehicles	Cooling systems	Electricity and telephone systems	Office furniture and fixtures	Assets under construction				
Additional appraisal value													
January 1, 2021	66,563,525	--	--	--	--	--	--	--	--	--	--	--	66,563,525
December 31, 2021	66,563,525	--	--	--	--	--	--	--	--	--	--	--	66,563,525
December 31, 2022	66,563,525	--	--	--	--	--	--	--	--	--	--	--	66,563,525
Net book value													
December 31, 2021	128,246,959	46,613	122,775,072	164,754,552	3,946,418	17,522,144	1,273,892	3,483,389	8,686,207				450,735,246
December 31, 2022	128,246,959	570,920	121,968,780	144,935,142	3,083,913	15,599,550	2,258,232	7,255,661	6,874,264				430,793,421

The Company has depreciation of plant and equipment presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021, as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Cost of sales	45,258,917	47,623,564
Distribution cost	225,970	153,234
Administrative expenses	1,949,193	1,471,740
Total	47,434,080	49,248,538

(BAHT)

9. RIGHT-OF-USE ASSETS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
At cost	
As at January 1, 2021	7,574,902
Adjustment beginning balance	441,835
Transferred to fixed assets	(7,000,120)
As at December 31, 2021	1,016,617
Increase during the year	2,036,641
End of contract	(450,068)
Ending balance, December 31, 2022	2,603,190
Accumulated depreciation	
As at January 1, 2021	3,140,415
Adjustment beginning balance	441,835
Depreciation for the year 2021	1,135,553
Transferred to fixed assets	(4,093,860)
Difference from rental reduction	24,561
As at December 31, 2021	648,504
Depreciation for the year 2022	373,616
End of contract	(450,068)
As at December 31, 2022	572,052
Net book value	
As at December 31, 2021	368,113
As at December 31, 2022	2,031,138

The Company has depreciation right-of-use assets presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021 as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Cost of sales	101,198	491,833
Administrative expenses	272,418	643,720
Total	373,616	1,135,553

The Company has expenses relating to leases presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021 as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Depreciation right-of-use assets	373,616	1,135,553
Interest expenses of lease liabilities	60,382	40,184
Expenses relating to leases of low-value assets	359,980	423,081

10. INTANGIBLE ASSETS

(BAHT)

COMPUTER SOFTWARE	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS					
	JAN 1, 2021	INCREASE	DEC 31, 2021	INCREASE	UNUSED	DEC 31, 2022
Cost	32,676,224	1,918,327	34,594,551	--	(72,400)	34,522,151
Less Accumulated amortization	(32,149,923)	(468,615)	(32,618,538)	(687,898)	72,400	(33,234,036)
Net book value			1,976,013			1,288,115
Amortization for the year			468,615			687,898

The Company has amortization intangible assets presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Cost of sales	55,532	446,152
Administrative expenses	632,366	22,463
Total	687,898	468,615

11. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Trust receipt	252,031,992	121,710,026

As at December 31, 2022, short-term loans from financial institutions bear interest at 2.50% - 5.90% per annum. (Year 2021 : 1.85% - 1.95%)

12. TRADE AND OTHER CURRENT PAYABLES

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Trade accounts payables	444,481,572	524,087,526	442,383,964	523,379,094
Accrued expenses	21,486,815	20,128,170	21,486,815	20,128,170
Assets payable	1,281,859	1,953,047	1,281,859	1,953,047
Others	7,222,342	7,298,942	6,947,384	6,970,599
Total	474,472,588	553,467,685	472,100,022	552,430,910

13. LEASE LIABILITIES

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Liabilities under the lease agreement as at January 1,	194,166	1,644,005
<u>Add</u> Increase during the years	2,220,000	--
<u>Less</u> Payment during the years	(511,863)	(1,423,989)
<u>Less</u> Decrease from rental reduction	--	(25,850)
Liabilities under lease agreement at the ended of years	1,902,303	194,166
Deferred interest as at January 1,	5,558	45,820
<u>Add</u> Increase during the years	183,359	--
<u>Less</u> Interest expenses during the years	(60,382)	(40,184)
<u>Less</u> Decrease from rental reduction	--	(78)
Deferred interest as at the ended of years	128,535	5,558
Lease liabilities	1,773,768	188,608
<u>Less</u> Current portion of lease liabilities	(442,013)	(137,090)
Lease liabilities - net	1,331,755	51,518

The Company has interest expenses on lease liabilities presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021, amount Baht 0.06 million and Baht 0.04 million, respectively.

Liabilities under financial leases are fixed for monthly payment which will be finished within 2027.

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

14. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Defined benefit obligation		
Beginning balances	96,647,968	98,899,365
<u>Add</u> Current service cost	11,092,684	10,245,154
Interest cost	1,014,752	931,553
<u>Less</u> Actuarial gain from employee benefit plans (recognized in other comprehensive income)	--	(9,258,051)
<u>Less</u> Employee benefits paid during the year	--	(4,170,053)
Ending balances	108,755,404	96,647,968

The Company has provision for long-term employee benefits presented in the statements of comprehensive income for the years ended December 31, 2022 and 2021, as follows :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Cost of sales	8,438,846	7,633,434
Distribution cost	1,105,768	927,751
Administrative expenses	2,562,822	2,615,522
Total	12,107,436	11,176,707

Principal actuarial assumptions at the calculation date were as follows :

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Discount rate	1.05%	1.05%
Future salary increase rate	1-3%	1-3%
Disability rate	5%	5%
Staff turnover rate	0-49%	0-49%

Sensitivity analysis of key assumptions in calculation

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Discount rate		
Decrease 1 percent	8,581,085	8,037,382
Increase 1 percent	(7,569,839)	(7,068,191)
Salary increase rate		
Decrease 1 percent	(8,832,602)	(7,305,648)
Increase 1 percent	9,887,238	8,162,351
Turnover rate		
Decrease 1 percent	2,047,486	2,031,992
Increase 1 percent	(7,907,955)	(7,396,025)

15. DIVIDEND PAYMENT, LEGAL RESERVE AND DIRECTORS' REMUNERATION

15.1 Dividend payment and directors' remuneration

The meeting	Month/Day/Year		Dividend payment		Number of shares (million)	The dividend payment		Directors' Remuneration (million Baht)	Directors' Extra bonus (million Baht)
	Resolution	Dividend payment	Dividend	Year		Per share (Baht)	Total (million Baht)		
The Ordinary General Shareholders	April 23, 2021	--	--	--	--	--	--	2.73	--
The Board of Directors	August 10, 2021	September 7, 2021	Interim	2021	637.06	0.05	31.85	--	--
The Ordinary General Shareholders	April 26, 2022	May 17, 2022	Annual	2021	637.06	0.11	70.08	2.73	1.00
The Board of Directors	August 9, 2022	September 7, 2022	Interim	2022	637.06	0.05	31.85	--	--

15.2 Legal reserve

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

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

16. INCOME TAXES

Corporate income taxes of the Company for the years ended December 31, 2022 and 2021, are calculated from the accounting profit (loss) and adjusted with some other revenues and expenses which are exempted from income tax or being disallowable expenses in tax computation purposes.

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

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

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

Income taxes expenses (revenues) recognized in the statements of comprehensive income for the years ended December 31, 2022 and 2021, consist :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Corporate income tax for the years	--	--
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(641,914)	1,751,588
Income tax expenses (revenues)	(641,914)	1,751,588

As at December 31, 2022 and 2021, the deferred tax assets/liabilities arose from the following temporary differences :

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Income tax rate 20%		
Temporary differences in the statements of comprehensive income		
Provision for diminution in inventories	15,060,078	6,332,591
Loss on deteriorated goods	15,644	1,789,135
Receivable of the selling forward exchange contracts	(13,229)	--
Payables of the selling forward exchange contracts	--	48,573
Depreciation rate different from tax rates	(67,035,566)	(66,919,386)
Provision for long-term employee benefits	79,859,834	83,061,260
Other	(110)	21,631
Total	27,886,651	24,333,804
Temporary differences in the other comprehensive income		
Recognized in other component of shareholders' equity		
Revaluation surplus on assets	(66,563,525)	(66,563,525)
Temporary differences in the retained earnings		
Provision for long-term employee benefits	--	(4,155,285)
Total	(38,676,874)	(46,385,006)
Income tax rate 10% (BOI-50% of normal tax rate)		
Temporary differences in the statements of comprehensive income		
Provision for diminution in inventories	--	6,842,813
Loss on deteriorated goods	--	2,073,087
Payables of the selling forward exchange contracts	--	61,421
Depreciation rate different from tax rates	(2,191,315)	(2,198,879)
Provision for long-term employee benefits	18,278,837	19,928,939
Other	--	27,352
Total	16,087,522	26,734,733

(BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Temporary differences in the retained earnings		
Provision for long-term employee benefits	--	(1,650,102)
Total	16,087,522	25,084,631
Deferred tax liabilities calculated		
From income tax rate 20%.	(7,735,375)	(9,277,000)
From income tax rate 10% (BOI-50% of normal tax rate)	1,608,753	2,508,464
Total deferred tax liabilities	(6,126,622)	(6,768,536)

17. PROMOTIONAL PRIVILEGES

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

1.Promotional certificates Nos.	2. Effective dates of Promotional Certificates	3. The promotional privileges for manufacturing of	4. Expiry dates according to items 5.1 and 5.3
1759/2539 November 12, 1996	December 1, 1996	Component or accessories used with electronics products	November 30, 2004
1760/2543 October 4, 2000	November 10, 2004	Printed circuit board assembly (PCBA)	November 9, 2012
1696/O./2546 (Replace No. 1057/2534) March 21, 1991	November 13, 1990	Production or assemble electronics products	--
1218(2)/2550 March 6, 2007	July 6, 2007	Printed circuit board assembly (PCBA) and electronics products	July 5, 2012
1355(1)/2553 March 24, 2010	February 17, 2011	Medical products electronic products	February 16, 2019
		Printed circuit board assembly (PCBA)	February 16, 2016
1356(1)/2553 March 24, 2010	February 23, 2011	Electronic products for industrial	February 22, 2019
		Printed circuit board assembly (PCBA)	February 22, 2019
59-1112-0-00-1-0 August 29, 2016	August 2, 2021	Electronic products, part and/or electronic equipment, component or accessories used with electronics products	August 1, 2029 or tax value not over Baht 114.89 million
59-1186-0-00-1-0 September 15, 2016	August 2, 2021	Medical products, electronic products, part and/or electronic equipment, component or accessories used	August 1, 2029 or tax value not over Baht 96.03 million
<p>5. Important privileges which are granted</p> <p>5.1 Exemption from corporate income tax on net profit of promotional operations for 8 years. (Exemption promotional certificates No.1218(2)/2550 and 1355(1)/2553 specifically printed circuit board assembly (PCBA) received 5 years). Where by the promotional certificates No.59-1112-0-00-1-0 and 59-1186-0-00-1-0 have limited amount for corporate income tax exemption maximum of Baht 114.89 million and Baht 96.03 million, respectively. In this regard, the corporate income tax exemption for net profit from the promoted business is not more than 100 percent of the total investment, excluding the cost of land and working capital, for 8 years starting from the date of earning from the promoted business.</p> <p>5.2 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption of 5.1 for 5 years expired of the promotional certificates No.1355(1)/2553 specifically medical products and electronic products and 1356(1)/2553 specifically electronic products for industrial.</p> <p>5.3 Exemption from income tax on dividends from promoted business which was exempted from income tax as 5.1, Income tax is calculated during the exemption income tax period of each card.</p> <p>5.4 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit incurred since the exemption from corporate income tax was expired within 5 years, by which can be deducted from net profit of any year or several years.</p>			

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

The Company has sales both local and overseas for the years ended December 31, 2022 and 2021, according to Note 21 to the financial statements.

18. EXPENSES BY NATURE

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Increase in the changes of finished goods and work in process	(69,372,604)	(4,967,620)	(67,559,885)	(4,967,620)
Raw material and consumables used	2,268,116,572	1,793,620,345	2,267,317,583	1,794,029,591
Director and management benefit expenses	37,334,759	36,806,417	37,334,759	36,806,417
Employee benefit expenses	295,076,951	284,446,137	295,076,951	284,446,137
Depreciation and amortization expenses	48,495,594	50,852,706	48,495,594	50,852,706

19. FINANCE COST

(BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Interest expense on lease liabilities	60,382	40,184	60,382	40,184
Other finance cost	7,517,047	710,745	7,514,360	701,691
Total	7,577,429	750,929	7,574,742	741,875

20. FOREIGN CURRENCY TRANSACTIONS

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

As at December 31, 2022 and 2021, the Company and subsidiary have outstanding assets and liabilities denominated in foreign currencies as follows :

(THOUSAND)

PARTICULARS	Foreign currencies		Converted to Baht	
	2022	2021	2022	2021
<u>CONSOLIDATED</u>				
ASSETS				
USD	15,810	13,231	543,724	439,901
EUR	10	3	366	108
TOTAL			544,090	440,009
LIABILITIES				
Portion due within one year				
USD	16,750	16,088	581,773	540,440
GBP	1	--	52	--
EUR	43	274	1,605	10,482
DKK	--	5	--	26
JPY	--	121,855	--	35,874
TOTAL			583,430	586,822
<u>THE SEPARATE</u>				
<u>FINANCIAL STATEMENTS</u>				
ASSETS				
USD	15,741	13,151	541,344	437,216
LIABILITIES				
Portion due within one year				
USD	16,668	16,321	578,951	545,253
GBP	1	--	52	--
EUR	44	97	1,644	3,720
DKK	130	86	652	445
JPY	--	121,855	--	35,874
TOTAL			581,299	585,292

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

As at December 31, 2022 and 2021, 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 :

(MILLION)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS		
	Foreign currency	Fair value in Baht	Settlement date
As at December 31, 2022			
USD	0.05	1.80	February 2023
	0.84	28.93	March 2023
As at December 31, 2021			
USD	0.52	17.36	May 2022

21. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiary operate business of producing and assembling printed circuit and electronics circuit board, and in geographical areas, Thailand and overseas. Both local and export sales for the years ended December 31, 2022 and 2021, as follows :

(MILLION BAHT)

PARTICULARS	CONSOLIDATED					
	2022			2021		
	Local	Overseas	Total	Local	Overseas	Total
Sales revenues	35.94	3,023.99	3,059.93	58.45	2,441.79	2,500.24
Cost of sales	(30.36)	(2,553.43)	(2,583.79)	(50.56)	(2,111.56)	(2,162.12)
Distribution cost	(0.12)	(30.02)	(30.14)	(0.25)	(29.71)	(29.96)
Profit by segment	5.46	440.54	446.00	7.64	300.52	308.16
Profit for the year			307.66			202.67
Property, plant and equipment			430.79			450.74

22. DEBT REDUCTION TO SUBSIDIARY

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

Short-term loans to subsidiary

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

Receivable from right assignment of account receivable

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

Loss on debt reduction

PARTICULARS	BAHT
Loss on debt reduction :	
Short-term loans to subsidiary	18,011,962
Receivable from right assignment of account receivable	14,537,835
Accrued interest income	71,536
Total	32,621,333

23. 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 7	Subsidiary
2) Energy Innovation Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder
3) Alpine Technology Manufacturing (Thailand) Co., Ltd.	Distribution of electrical and electronic equipment	Director is shareholder and director
4) Finest Med Design Co., Ltd.	Design and distribution part of electronics circuits board and printed circuits	Major shareholder is shareholder and director

The significant related accounting transactions are as follows :

(BAHT)

THE STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Trade accounts receivables				
- Alpine Technology Manufacturing (Thailand) Co., Ltd.	2,922,987	958,989	2,922,987	958,989
Trade accounts payables				
- Team Precision (Europe) ApS	--	--	3,849,200	5,333,556
Current contract liabilities				
- Finest Med Design Co., Ltd.	70,859	70,859	70,859	70,859

(BAHT)

THE STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Sales				
- Alpine Technology Manufacturing (Thailand) Co., Ltd. (Mutual agreement)	20,791,908	15,051,615	20,791,908	15,051,615
Other income				
- Alpine Technology Manufacturing (Thailand) Co., Ltd. (Mutual agreement)	180,000	180,000	180,000	180,000
Purchase of goods and raw materials				
- Team Precision (Europe) ApS (Mutual agreement)	-	-	42,592,430	42,691,228
Other expenses				
- Energy Innovation Co., Ltd. (Mutual agreement)	226,410	233,171	226,410	233,171

24. COMMITMENT AND CONTINGENT LIABILITIES

As at December 31, 2022 and 2021, the Company has commitment and contingent liabilities as follows :

(MILLION BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2022	2021
Letters of credit	297.97	426.42
Letters of guarantee from commercial bank	3.80	5.60

As at December 31, 2022 and 2021, the Company has credit lines of letters of credit and trust receipt, totaling Baht 550 million.

25. PROVIDENT FUND

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

Provident fund contributions made by the Company for the employees and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2022 and 2021, are Baht 4.39 million and Baht 4.25 million, respectively.

26. DISCLOSURE OF FINANCIAL INSTRUMENTS

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

26.1 Accounting policies and procedures

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

26.2 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 subsidiary.
- Risk from the customers who do not open the bank's letter of credit. In order to reduce such risk, the Company has the policy to provide credit carefully. Moreover, the Company has the policy to analyze regularly the customers' financial position.
- The Company has credit risk with respect to the trade accounts receivable due to the majority of sales are supplied to limited number of customers. In order to reduce such risk, the Company has the policy to increase its production capacity to meet other customers' requirement and to expand wider base of customers to meet the proper customers' proportion.

- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

26.3 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.

26.4 Risk from exchange rate

The Company and its subsidiary 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.

26.5 Determination of fair values

As at December 31, 2022 and 2021, the Group had the assets and liability that were measured at fair value were disclosed using different levels of inputs as follows :

	(BAHT)			
	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Financial assets measured at fair value through profit or loss				
Receivables of the selling forward exchange contracts	--	215,128	--	215,128

(BAHT)

CONSOLIDATED AND THE SEPARATE
FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

	Level 1	Level 2	Level 3	Total
Liability measured at fair value				
Financial liability measured at fair value through profit or loss				
Payables of the selling forward exchange contracts	--	199,927	--	199,927

27. CAPITAL MANAGEMENT

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

28. EVENT AFTER THE REPORTING PERIOD

On February 22, 2023, the Board of Directors' Meeting No.1/2023 was held and passed a resolution to pay the dividends for the year 2022 to the shareholders of 637,063,385 shares at Baht 0.20 per share, totaling Baht 127,412,677 by fixing the payment date for dividend on May 23, 2023. The Company will request for the approval to pay the dividend in the annual general meeting of shareholders.

29. RECLASSIFICATION

The Group certain accounting transactions in the financial statements for the year 2021, has been reclassified to conform to the financial statements for the year 2022. The reclassifications had no effect to previously reported profit for the year or shareholders' equity.

30. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 22, 2023.