



Attachment 2

Financial Summary

From Annual Report 2013

Tipco Foods Public Company Limited

MESSAGE FROM THE CHAIRMAN



“ In 2013, Thailand experienced fluctuations and economic slowdown due to the world economic crisis and Thailand’s economic, social and political factors. The world GDP was at 2.9% while Thailand’s GDP was also at 2.9%. The 2013 GDP dropped from 6.5% in 2012. However, throughout the last 3 years, the Company achieved ongoing growth in terms of sales, both domestic and export. In 2012, domestic and export sales grew at the same rate of 12% while in 2013 domestic sales were 5% higher than the previous year and the export sales decreased slightly. ”

As for the 2013 business outlook, the canned pineapple and concentrate pineapple juice export business still experienced problems in terms of sales and profits. The problems were mainly caused by the fact that the supply of pineapples in Thailand was less than expected and the export price did not increase at the same rate as the fresh pineapple purchase price in the market even though the market in the United States of America revived slightly. Therefore, the Company adjusted the short-term and medium-term policies on food business such that focus is made on the expansion of export of fruits in packages, the research and development and placement of new products into the market to increase opportunities for export and domestic sales growth, and the development of products from recycled materials to ensure maximum value added.

As for the ready-to-drink beverage business, this year marked another year of great success in the domestic sales growth. Despite the impact from situations in Thailand at a certain level, TIPCO fruit juice remained the domestic market share leader as the Company developed new products including TIPCO 100% fruit juice under the Tipco Super Kid brand for customers who are young students and oolong tea product with OTTP nutrient named T Plus under the Suntory brand. The Company adopted a fully integrated communication approach which covers various kinds of marketing activities while reinforcing its presence by expanding market base to the countries in the Asian region. During the past two years, the Company achieved tremendous success in South Korea as it could create sales and wide recognition of its products including fruit juice and vegetable juice under the Tipco brand in the market.

“As for the ready-to-drink beverage business, this year marked another year of great success in the domestic sales growth.”

Throughout all these years, the Company’s Board of Directors continuously focused on and studied the industrial trends in relation to global and Thailand economic outlook and used such information as a guideline for determining policies on driving, improving and developing the business structure, management, marketing strategies, collaboration with business alliances and human resources management in order to keep up with changes and move towards the long-term business goals of the four business groups, namely food business, ready-to-drink beverage business, retail business and agricultural and plant-extract business. The Company also stressed importance on the development of new business opportunities which promoted and contributed to the Company’s sustainable growth. The Company additionally reinforced the concept of development of goods and services that help improve the quality of life.

As the representative of the Company’s Board of Directors, I would like to thank all executives, employees, entities, business alliances and other involved parties for hard efforts and strong commitment to perform duties actively and for steering the organization to weather all obstacles to achieve the established goals. I also would like to thank stakeholders, financial institutions, customers and trading partners for continued support in operations and trust in our products and services which have fostered the Company’s prosperity and growth until present.



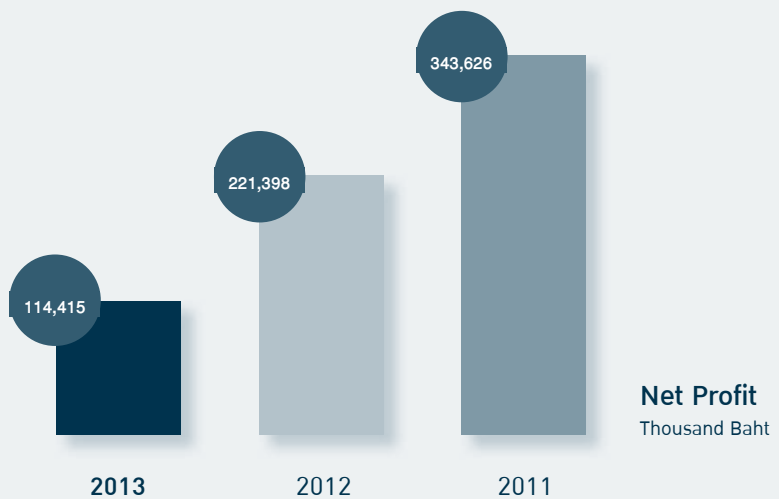
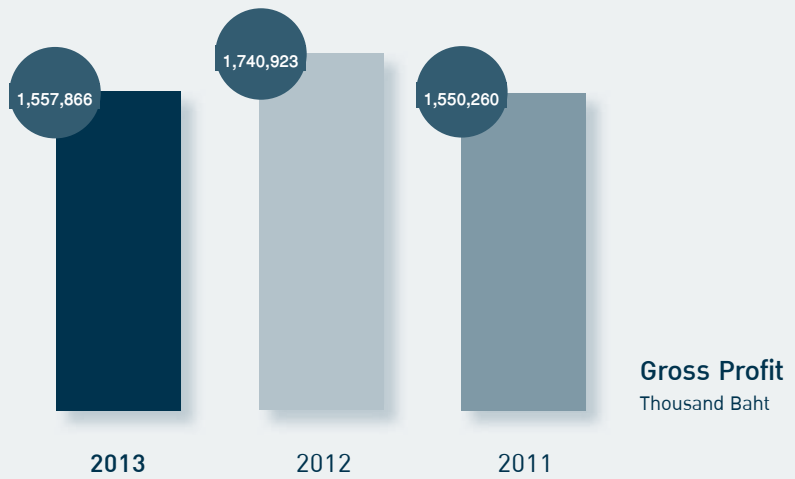
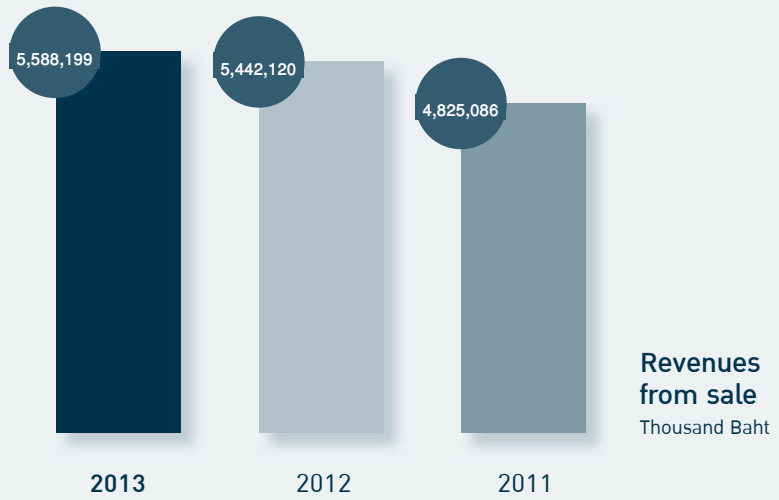
(Laksana Supsakorn)

Chairman of the Board of Directors

FINANCIAL HIGHLIGHT

Thousand Baht

As of for the year ending 31 December	2013 (Consolidated)	2013 (Company)	2012 (Consolidated)	2012 (Company)	2011 (Consolidated)	2010 (Consolidated)	2009 (Consolidated)
Common Share							
Per share Per value *	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Book value	4.86	3.29	4.58	3.47	4.27	3.46	3.40
Basic earnings per share	0.2371	(0.1578)	0.4588	0.1380	0.7121	0.3045	0.4272
Diluted earnings per share	0.2371	(0.1578)	0.4588	0.1380	0.7121	0.3045	0.4272
Operation Results (Thousand Baht)							
Revenues from sale	5,585,288	2,260,587	5,441,970	2,395,287	4,825,056	4,713,779	4,457,005
Total Revenues	5,588,199	2,268,038	5,442,120	2,397,625	4,825,086	4,713,779	4,457,005
Gross Profit	1,557,866	105,853	1,740,923	356,609	1,550,260	1,181,897	1,253,577
Earning before interest and tax	241,926	(14,192)	367,875	139,246	463,593	235,713	306,960
Net Profit	114,415	(76,146)	221,398	66,593	343,626	146,951	206,162
Balance Sheets (Thousand Baht)							
Current Assets	2,158,227	1,046,635	2,220,165	1,180,028	2,121,119	1,489,590	1,754,267
Total Assets	6,158,732	3,201,077	6,033,458	3,336,145	5,792,137	4,797,587	4,670,420
Current Liabilities	3,071,065	1,427,216	2,636,214	1,204,643	2,198,866	1,642,550	1,477,456
Total Liabilities	3,350,755	1,615,293	3,394,072	1,663,821	3,333,112	2,745,831	2,679,678
Issued and paid-up share capital	482,580	482,580	482,580	482,580	482,580	482,580	482,580
Shareholder's equity of the parent	2,347,347	1,585,785	2,211,728	1,672,324	2,062,011	1,670,651	1,641,444
Shareholder's equity	2,807,977	1,585,785	2,639,387	1,672,324	2,459,025	2,051,757	1,990,742
Financial Ratios							
Gross Profit margin (%)	27.9%	4.7%	32.0%	14.9%	32.1%	25.1%	28.1%
EBIT margin (%)	4.3%	(0.6%)	6.8%	5.8%	9.6%	5.0%	6.9%
Net Profit margin (%)	2.0%	(3.4%)	4.1%	2.8%	7.1%	3.1%	4.6%
Dividend Payout ratio (%)	0.0%	0.0%	0.0%	0.0%	16.9%	0.0%	35.1%
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	3.0%	0.0%	3.1%
Return on Equity (%)	4.9%	(4.8%)	10.0%	4.0%	16.7%	8.8%	12.6%
Return on Fixed assets (%)	4.3%	(7.5%)	8.3%	6.6%	13.0%	5.8%	8.8%
Return on Total assets (%)	1.9%	(2.4%)	3.7%	2.0%	5.9%	3.1%	4.4%
Time interest earned	2.7	(0.3)	3.6	2.3	4.9	4.1	4.6
P/E as of Dec 31	29.9	(45.0)	11.9	39.5	5.3	13.9	11.2
Current ratio	0.7	0.7	0.8	1.0	1.0	0.9	1.2
Quick ratio	0.3	0.2	0.3	0.3	0.3	0.4	0.5
Debt - equity ratio	1.2	1.0	1.3	1.0	1.4	1.3	1.3



TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2013

Consolidated Financial Statements				
	Note	Dec. 31, 2013	Dec. 31, 2012 Restated	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4.2 and 6	36,913,985	46,699,175	
Current investments	7	673,668	395,191	
Trade and other receivables	4.3 and 8	759,646,693	786,799,817	
Short - term loans to related parties	9	0	0	
Inventories	4.4 and 10	1,340,461,255	1,365,154,174	
Forward exchange contracts	22	0	7,000,926	
Other current assets	11	20,531,775	14,116,046	
Total current assets		2,158,227,376	2,220,165,329	
NON-CURRENT ASSETS				
Available-for-sale investments	4.5 and 12	720,282	6,633,875	
Investments in associated company	4.5 and 13	1,274,972,938	1,076,469,639	
Investments in subsidiary companies	4.5 and 13	0	0	
Deposits at bank used as collateral	14	4,000,000	4,000,000	
Property, plant and equipment	4.7 and 15	2,634,511,730	2,637,139,788	
Intangible assets	4.8 and 16	37,787,739	27,655,347	
Interest rate swap contract		0	3,454,114	
Deposits and guarantees	17	11,949,567	23,763,422	
Deferred tax assets, net	29	33,563,535	30,166,865	
Other non-current assets		2,998,816	4,009,997	
Total non-current assets		4,000,504,607	3,813,293,047	
Total assets		6,158,731,983	6,033,458,376	

Notes to financial statements are an integral part of these statements.

Unit : Baht

Separate Financial Statements			
Jan. 1, 2012	Dec. 31, 2013	Dec. 31, 2012 Restated	Jan. 1, 2012
41,149,809	15,495,930	27,555,705	21,454,864
307,527	0	0	0
577,511,511	197,442,414	243,023,283	226,099,806
0	51,000,000	31,500,000	289,300,000
1,480,003,676	771,018,677	860,134,938	1,023,874,563
0	0	7,564,375	0
22,146,505	11,677,610	10,249,455	15,478,160
2,121,119,028	1,046,634,631	1,180,027,756	1,576,207,393
11,142,199	720,282	6,633,875	11,142,199
976,513,405	647,109,739	647,109,739	647,109,739
0	465,336,902	465,361,642	210,811,670
4,180,000	0	0	0
2,607,003,580	986,020,250	980,532,017	904,247,597
30,279,803	33,413,972	27,080,485	27,388,041
4,254,143	0	3,454,114	4,254,143
15,835,856	2,328,970	2,146,870	2,325,470
12,870,222	17,942,051	21,958,602	8,516,569
8,938,944	1,570,625	1,839,875	3,948,712
3,671,018,152	2,154,442,791	2,156,117,219	1,819,744,140
5,792,137,180	3,201,077,422	3,336,144,975	3,395,951,533

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2013

Consolidated Financial Statements

	Note	Dec. 31, 2013	Dec. 31, 2012 Restated	
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and short-term loans from financial institutions	18	1,734,754,078	1,356,898,529	
Trade and other payables	19	814,286,607	864,181,503	
Account payable for machinery		0	0	
Current portion of long-term liabilities	20	490,090,017	393,338,733	
Accrued income tax		3,419,082	3,697,170	
Forward exchange contracts	22	11,873,274	0	
Other current liabilities		16,642,254	18,097,937	
Total current liabilities		3,071,065,312	2,636,213,872	
NON-CURRENT LIABILITIES				
Long-term liabilities	20	234,283,801	721,134,919	
Interest rate swap contract		3,718,105	0	
Provision for dismantling cost		2,660,000	2,366,250	
Employee benefit obligations	21	39,028,205	34,356,758	
Total non-current liabilities		279,690,111	757,857,927	
Total liabilities		3,350,755,423	3,394,071,799	
SHAREHOLDERS' EQUITY				
Share capital	23			
Authorized share capital				
500,000,000 Ordinary shares of Baht 1 each,		500,000,000	500,000,000	
Issued and paid-up share capital				
482,579,640 Ordinary shares of Baht 1 each, fully paid		482,579,640	482,579,640	
Non-controlling interests in subsidiary of the associated company acquired at price lower than book value		1,517,573	1,517,573	
Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate		3,139,507	3,139,507	
Capital reserve for share-based payment transactions of the associated company		5,656,439	3,196,988	
Retained earnings				
Appropriated for legal reserve	23.2	50,000,000	50,000,000	
Unappropriated		1,821,062,834	1,706,647,844	
Other components of equity		[16,609,136]	[35,353,563]	
Total equity holders of the parent		2,347,346,857	2,211,727,989	
Non-controlling interests		460,629,703	427,658,588	
Total shareholders' equity		2,807,976,560	2,639,386,577	
Total liabilities and shareholders' equity		6,158,731,983	6,033,458,376	

Unit : Baht

	Separate Financial Statements		
Jan. 1, 2012	Dec. 31, 2013	Dec. 31, 2012 Restated	Jan. 1, 2012
1,238,070,822	939,754,078	750,000,000	746,000,000
552,466,741	194,056,789	269,278,539	189,881,667
69,614,192	0	0	4,151,863
302,995,245	281,621,798	180,615,991	124,656,681
8,295,873	0	0	7,825,924
10,850,481	7,017,226	0	10,854,624
16,572,162	4,766,002	4,748,578	4,215,700
2,198,865,516	1,427,215,893	1,204,643,108	1,087,586,459
1,091,366,701	152,854,729	431,237,627	606,888,603
0	3,718,105	0	0
2,830,000	0	0	0
40,050,132	31,503,833	27,940,192	34,005,459
1,134,246,833	188,076,667	459,177,819	640,894,062
3,333,112,349	1,615,292,560	1,663,820,927	1,728,480,521
500,000,000	500,000,000	500,000,000	500,000,000
482,579,640	482,579,640	482,579,640	482,579,640
1,517,573	0	0	0
3,139,507	0	0	0
1,129,990	0	0	0
50,000,000	50,000,000	50,000,000	50,000,000
1,543,158,771	1,055,583,749	1,131,729,293	1,123,045,622
[19,514,362]	[2,378,527]	8,015,115	11,845,750
2,062,011,119	1,585,784,862	1,672,324,048	1,667,471,012
397,013,712	0	0	0
2,459,024,831	1,585,784,862	1,672,324,048	1,667,471,012
5,792,137,180	3,201,077,422	3,336,144,975	3,395,951,533

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2013

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012 Restated	Dec. 31, 2013	Dec. 31, 2012 Restated
Revenues from the sales of goods and the rendering of services	25	5,588,199,446	5,442,119,706	2,268,038,088	2,397,625,366
Cost of the sales of goods and the rendering of services		4,030,333,797	3,701,196,706	2,162,185,556	2,041,016,263
Gross profit		1,557,865,649	1,740,923,000	105,852,532	356,609,103
Other incomes	26	305,611,939	245,304,281	186,697,443	195,295,084
Profit before expenses		1,863,477,588	1,986,227,281	292,549,975	551,904,187
Selling expenses		(1,373,626,430)	(1,288,208,433)	(160,451,295)	(186,806,350)
Administrative expenses		(420,623,830)	(453,564,759)	(116,493,673)	(193,014,679)
Management benefit expenses		(29,797,196)	(32,837,428)	(29,797,196)	(32,837,428)
Profit (loss) before Share of profit from investments in associated company		39,430,132	211,616,661	(14,192,189)	139,245,730
Share of profit from investments in associated company		202,495,709	156,258,029	0	0
Profit (loss) before finance costs and income tax		241,925,841	367,874,690	(14,192,189)	139,245,730
Finance costs		(89,357,586)	(102,485,443)	(55,338,394)	(61,861,115)
Profit (loss) before income tax expenses		152,568,255	265,389,247	(69,530,583)	77,384,615
Income tax expenses	29	(5,182,150)	(13,346,324)	(6,614,961)	(10,791,970)
Profit (loss) for the years		147,386,105	252,042,923	(76,145,544)	66,592,645
Other comprehensive income					
Change in fair value of interest rate swap contract		(7,221,760)	(874,069)	(7,221,760)	(874,069)
Available-for-sale investments		(5,770,292)	(4,491,128)	(5,770,292)	(4,491,128)

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2013

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2012
	Note		Restated		Restated
Exchange differences on translation of financial statements in foreign currencies		(1,523,236)	(31,232)	0	0
Income tax effect		2,598,410	1,534,562	2,598,410	1,534,562
Share of comprehensive income (loss) in associated company		30,721,784	(12,109,821)	0	0
Income tax effect		(60,479)	132,487	0	0
Other comprehensive income for the years		18,744,427	(15,839,201)	(10,393,642)	(3,830,635)
Total comprehensive income for the years		166,130,532	236,203,722	(86,539,186)	62,762,010
Profit attributable to :					
Equity holders of the parent		114,414,989	221,398,047	(76,145,544)	66,592,645
Non-controlling interests		32,971,116	30,644,876	0	0
		147,386,105	252,042,923	(76,145,544)	66,592,645
Total comprehensive income attributable to :					
Equity holders of the parent		133,159,416	205,558,846	(86,539,186)	62,762,010
Non-controlling interests		32,971,116	30,644,876	0	0
		166,130,532	236,203,722	(86,539,186)	62,762,010
Basic earnings per share					
Profit of shareholders' equity-parent company	(Baht)	0.237	0.459	(0.158)	0.138

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONSOLIDATED FINANCIAL STATEMENTS)

For the year ended December 31, 2013

	Issued and paid-up share capital	Non-controlling interest in subsidiary of the associated company acquired at price lower than book value	Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate	Capital reserve for share-based payment transactions of the associate	Retained earnings	
					Appropriated Legal reserve	
Balance as at December 31, 2011 -as previously reported Impact of change in accounting policy Income tax (Note 3) Income tax - in associated company Inventories - in associated company	482,579,640	1,517,573	3,139,507	1,129,990	50,000,000	
Balance as at December 31, 2011 - After adjusted Share-based payment transactions of the associated company Dividend Payment Total comprehensive income for the year 2012 (as Restated)	482,579,640	1,517,573	3,139,507	1,129,990 2,066,998	50,000,000	
Balance as at December 31, 2012 - After adjusted	482,579,640	1,517,573	3,139,507	3,196,988	50,000,000	
Balance as at December 31, 2012 -as previously reported Impact of change in accounting policy Income tax (Note 3) Income tax - in associated company	482,579,640	1,517,573	3,139,507	3,196,988	50,000,000	
Balance as at December 31, 2012 - After adjusted Share-based payment transactions of the associated company Total comprehensive income for the year 2013	482,579,640	1,517,573	3,139,507	3,196,988 2,459,451	50,000,000	
Balance as at December 31, 2013	482,579,640	1,517,573	3,139,507	5,656,439	50,000,000	

Unit : Baht

Equity holders of the parent

	Other components of equity					Total equity holders of the parent	Non-controlling Interest	Total Shareholders' Equity
	Other comprehensive income				Total other components of equity			
	Fair value of interest rate swap contract	Available-for-sale investments	Exchanges differences on translation of financial statement in foreign currencies	Share of comprehensive income in associate				
Unappropriated								
1,489,476,487	4,604,880	10,779,211	1,554,468	(33,329,460)	(16,390,901)	2,011,452,296	394,836,885	2,406,289,181
14,231,736	(1,059,122)	(2,479,219)			(3,538,341)	10,693,395	2,176,827	12,870,222
36,767,978				414,880	414,880	37,182,858		37,182,858
2,682,570						2,682,570		2,682,570
1,543,158,771	3,545,758	8,299,992	1,554,468	(32,914,580)	(19,514,362)	2,062,011,119	397,013,712	2,459,024,831
						2,066,998		2,066,998
(57,908,974)						(57,908,974)		(57,908,974)
221,398,047	(561,109)	(3,269,526)	(31,232)	(11,977,334)	(15,839,201)	205,558,846	30,644,876	236,203,722
1,706,647,844	2,984,649	5,030,466	1,523,236	(44,891,914)	(35,353,563)	2,211,727,989	427,658,588	2,639,386,577
1,653,483,168	3,730,811	6,288,083	1,523,236	(45,306,794)	(33,764,664)	2,160,152,212	423,554,456	2,583,706,668
28,066,513	(746,162)	(1,257,617)			(2,003,779)	26,062,734	4,104,131	30,166,865
25,098,164				414,880	414,880	25,513,044		25,513,044
1,706,647,845	2,984,649	5,030,466	1,523,236	(44,891,914)	(35,353,563)	2,211,727,990	427,658,587	2,639,386,577
						2,459,451		2,459,451
114,414,989	(5,777,408)	(4,616,234)	(1,523,236)	30,661,305	18,744,427	133,159,416	32,971,116	166,130,532
1,821,062,834	(2,792,759)	414,232	0	(14,230,609)	(16,609,136)	2,347,346,857	460,629,703	2,807,976,560

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (SEPARATE FINANCIAL STATEMENTS)

For the year ended December 31, 2013

	Retained earnings		
	Issued and paid-up share capital	Appropriated Legal reserve	
Balance as at December 31, 2011			
-as previously reported	482,579,640	50,000,000	
Impact of change in accounting policy			
Income tax (Note 3)			
Balance as at January 1, 2012 - After adjusted	482,579,640	50,000,000	
Dividend Payment			
Total comprehensive income for the year 2012 (as Restated)			
Balance as at December 31, 2012 - After adjusted	482,579,640	50,000,000	
Balance as at December 31, 2012			
-as previously reported	482,579,640	50,000,000	
Impact of change in accounting policy			
Income tax (Note 3)			
Balance as at December 31, 2012 - After adjusted	482,579,640	50,000,000	
Total comprehensive income for the year 2013			
Balance as at December 31, 2013	482,579,640	50,000,000	

Unit : Baht

Other components of equity

Othe comprehensive income				
Unappropriated	Fair value of interest rate swap contract	Available-for-sale investments	Total other components of equity	Total Shareholders' Equity
1,110,990,712	4,604,880	10,779,211	15,384,091	1,658,954,443
12,054,910	(1,059,122)	(2,479,219)	(3,538,341)	8,516,569
1,123,045,622	3,545,758	8,299,992	11,845,750	1,667,471,012
(57,908,974)				(57,908,974)
66,592,645	(561,109)	(3,269,526)	(3,830,635)	62,762,010
1,131,729,293	2,984,649	5,030,466	8,015,115	1,672,324,048
1,107,766,912	3,730,811	6,288,083	10,018,894	1,650,365,446
23,962,381	(746,162)	(1,257,617)	(2,003,779)	21,958,602
1,131,729,293	2,984,649	5,030,466	8,015,115	1,672,324,048
(76,145,544)	(5,777,408)	(4,616,234)	(10,393,642)	(86,539,186)
1,055,583,749	(2,792,759)	414,232	(2,378,527)	1,585,784,862

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2013

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2012
			Restated		Restated
Cash flows from operating activities :					
Profit (loss) before income tax		152,568,255	265,389,247	(69,530,583)	77,384,615
Adjustments to reconcile profit before income tax to net cash provided by operating activities					
Depreciation and amortization		236,540,467	220,722,404	118,464,208	106,413,301
Withholding tax - written off		156,182	20,986	0	716
Bad debts		0	506,762	0	506,762
Doubtful accounts (reversal)		0	(528,537)	0	(528,537)
Loss on expired goods (reversal)		(45,807,882)	54,758,396	(26,415,724)	45,023,794
Loss on decline in value of inventories		7,972,619	0	7,972,619	0
(Gain) loss on exchange rate		21,640,129	(12,008,415)	13,115,572	(12,505,745)
Gain from liquidation of subsidiary		(1,523,236)	0	(705,933)	26,821,005
Gain on sales of available-for-sale investments		(10,067,850)	(591,804)	(10,067,850)	(591,804)
(Gain) loss on sales of fixed assets and writting off		(728,128)	4,678,351	(1,929,523)	(1,616,863)
Loss on impairment of assets		0	20,203,995	0	0
Employee benefit expenses		5,824,557	5,527,196	4,201,431	4,037,303
Dividend income		0	0	(37,113,166)	(46,391,458)
Share of profit from investments in associated company		(202,495,709)	(156,258,029)	0	0
Interest income		(99,754)	(97,249)	(1,532,115)	(10,067,518)

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2013

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2012
			Restated		Restated
Interest expenses		88,771,674	101,582,457	55,159,822	61,682,543
		252,751,324	503,905,760	51,618,758	250,168,114
Change in operating assets and liabilities					
(Increase) decrease in assets					
Trade and other receivables		21,471,884	(205,129,433)	47,995,330	(12,558,368)
Inventories		63,643,105	58,523,416	107,476,618	117,965,869
Other current assets		795,761	10,285,996	1,735,375	3,617,650
Deposits and guarantees		(1,267,056)	(7,566)	(182,100)	178,600
Other non-current assets		892,973	3,166,049	269,250	269,250
Increase (decrease) in liabilities					
Trade and other payables		(84,448,453)	276,641,517	(80,991,807)	53,550,290
Other current liabilities		1,221,055	1,525,777	(3,915,301)	13,882,237
Employee benefit obligations		(1,153,110)	(11,220,570)	(637,790)	(10,102,570)
Exchange differences on translation of financial statements in foreign currencies		0	(31,232)	0	0
Cash generated from operations		253,907,483	637,659,714	123,368,333	416,971,072
Interest paid		(92,807,578)	(98,826,280)	(56,606,724)	(61,073,563)
Refund of prepaid company income tax		0	1,838,872	0	1,838,872
Income taxes paid		(8,920,958)	(35,997,758)	(2,488,373)	(32,780,902)
Net cash provided by operating activities		152,178,947	504,674,548	64,273,236	324,955,479

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2013

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2012
	Note		Restated		Restated
Cash flows from investing activities :					
(Increase) decrease in current investments		(278,477)	92,336	0	0
Increase in short-term loans to related parties		0	0	(19,500,000)	(23,200,000)
Sales of Available-for-sale investments		10,211,150	609,000	10,211,150	609,000
Cash received from liquidation of subsidiary		0	0	0	62,071
Sales of fixed assets		6,156,406	2,919,110	2,267,245	2,687,287
Purchases of fixed assets		(194,618,263)	(244,589,952)	(112,297,182)	(171,303,924)
Payment for intangible assets		(4,610,109)	(820,050)	(4,225,210)	(514,400)
Payment for deposit of machinery		0	(7,920,000)	0	0
Repayment for account payable for machinery		0	(69,614,192)	0	(4,151,863)
Dividend received		37,113,166	46,391,458	37,113,166	46,391,458
Interest received		99,754	97,249	1,532,115	10,067,518
Net cash used in investing activities		(145,926,373)	(272,835,041)	(84,898,716)	(139,352,853)
Cash flows from financing activities :					
Increase (decrease) in bank overdrafts		2,855,549	(172,294)	4,754,078	0
Increase (decrease) in loans from financial institutions		375,000,000	119,000,000	185,000,000	4,000,000

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2013

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2012
			Restated		Restated
Repayment for long - term machinery payable		(9,260,016)	(9,260,016)	0	0
Repayment for liabilities under finance lease		(5,188,035)	(4,112,472)	(3,263,771)	(2,529,642)
Proceeds from long - term loans		0	20,000,000	0	0
Repayment for long - term loans		(379,538,461)	(293,769,231)	(178,000,000)	(123,000,000)
Dividend paid		0	(57,908,974)	0	(57,908,974)
Net cash provided by (used in) financing activities		(16,130,963)	(226,222,987)	8,490,307	(179,438,616)
Effect from exchange rate in cash and cash equivalents		93,199	(67,154)	75,398	(63,169)
Increase (decrease) in cash and cash equivalents, net		(9,785,190)	5,549,366	(12,059,775)	6,100,841
Cash and cash equivalents as at January 1,		46,699,175	41,149,809	27,555,705	21,454,864
Cash and cash equivalents as at December 31,	4.2 and 6	36,913,985	46,699,175	15,495,930	27,555,705
Supplemental disclosures of cash flows information					
Non-cash items :					
Lease contract liabilities		3,268,832	6,441,960	3,268,832	5,136,960

EXPLANATION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Annual operating results

In 2013, the Company's net profit totaled Baht 114.4 million, a decrease of Baht 107 million (or 48%) compared to the previous year, due to the decrease in sales and profits in the canned fruit export business as a result of the increase in the price of pineapples used as raw materials during the second half of the year and the sales price which could not be adjusted upwardly in line with the increasing material prices. The revenue from sales and services totaled Baht 5,588.2 million, an increase of Baht 146.1 million from the previous year (or 2.7%). The increase in revenue was due to the beverage and the agricultural and plant-extract businesses. Other income amounted to Baht 305.6 million, an increase of Baht 60.3 million compared to 2012 (or 24.6%). Cost of goods sold and services totaled Baht 4,030.3 million, an increase of Baht 329.1 million (or 8.9%), resulting in a gross profit of Baht 1,557.9, a decrease of Baht 183.1 million (or 10.5%).

Revenue Analysis

Analysis of Total Sales Revenue

Sales revenue	2011		2012		2013		Growth rate (%)	
	Revenue	%	Revenue	%	Revenue	%	2555/2554	2556/2555
Domestic	2,917.3	60.5	3,292.3	60.5	3,460.6	61.9	12.9	5.1
Export	1,907.8	39.5	2,149.8	39.5	2,127.6	38.1	12.7	-1.0
Total	4,825.1	100.0	5,442.1	100.0	5,588.2	100.0	12.8	2.7

Proportion of Domestic Sales Revenue to Export Sales Revenue

In 2013, the proportion of domestic sales revenue to export sales revenue was equal to 62:38 with the increase in the domestic sales as compared with 2012. This was because the export sales of the canned fruit products and the concentrated fruit juice products decreased while the growth rate of the domestic ready-to-drink beverage sales was higher as compared with 2012.

Total sales in 2013

In 2013, total sales grew 2.7% due to the increase in sales in the ready-to-drink beverage business, both domestic and export.

1. Food Business

The canned pineapple and concentrated pineapple juice export sales decreased partly because of the lack of materials, i.e. fresh pineapples. The shortage of pineapples in the region was caused by the Thailand's drought climate resulting in the small supply of pineapple into the market as well as the natural disaster in the Philippines which is one of the world's main pineapple exporters. As a result, the fresh pineapple price in Thailand increased unusually during the 4th quarter, the regular pineapple production season. Meanwhile, the export price did not increase in line with the increase in the cost of fresh pineapples going to the factory. This situation continued from 2012 when the economies of the United States of America and Europe were sluggish although the export prices started to rebound from the end of the 2nd quarter of 2013 as a result of the slight recovery of the market in the United States of America following its reviving economy. The highly competitive environment put pressure on prices since the demand level still did not rise back to the expected level. However, the sales in certain markets grew well such as South Korea and China. The Company also expanded its market base to cover markets of countries in Eastern Europe and South Africa.

With an aim to expand the scope of food business to cater to the needs of a wider range of customers, in 2013 the Company exported new products such as canned coconut milk as the Company was located close to the sources of materials and had experiences in the production of canned fruit products. The production line of the new products gained recognition and had competitive advantages. The sales of new products were expected to have a potential to grow further. In addition, as for the fruits in plastic cups products segment, the Company added a new product which is mango in 4-oz plastic cup to meet the demand of the market.

2. Ready-to-Drink Beverage Business

Both domestic and export sales grew although the overall domestic economy was still in a slowdown period. Sales increase was owing to the 100% fruit juice segment. The Company still focused on the improvement of awareness and understanding of benefits of fruit juice among consumers. Furthermore, the Company developed a wide range of products to cater to the higher demands of the consumers. In 2013, the Company issued new products as follows:

1. The 100% juice category: The formulas of the juice products for kids under the Super Kid brand were improved and the copyright of the Disney cartoon characters for the production of the Company's products was obtained.

2. The tea category: The oolong tea product named "T Plus" under the Suntory brand with the OTPP nutrient in the PET bottle with 3 flavors, namely "original", "sugar-free", and "gardenia with lemon".

The newly issued products received a very warm welcome. The fruit juice products under the Super Kid brand featuring the Disney cartoon characters drew high attention from kids which are the main target group. The oolong tea product named T Plus, despite its launch to the market during the 4th quarter, was a key factor in boosting sales considerably.

The export sales in the ready-to-drink beverage business saw an increasing trend as well due to the continued support from countries like South Korea and China.

As regards the Aura mineral water product, the business saw high sales growth. However, in 2013, the Company experienced the inadequate production capacity, making the Company unable to accommodate the higher sales. The Company thus had to invest in new machines in order to be ready for full production capacity to support the market share which was expected to grow significantly. The machines were expected to be completely installed and the production would start in the first quarter of 2014.

3. Retail business

The sales of the Squeeze Juice Bar slowed down due to the overall retail business environment where daily wages were adjusted upwardly to Baht 300 and space rental prices rose considerably since 2012. Also, as a result of the political situation at the end of 2013, the Company postponed its business expansion and focused on adjustment of its business model to be in line with the changing business environment at the end of 2013. In so doing, the Company, for example, adjusted the space areas, identified new potential areas such as hospitals and fitness centers, and changed catalogs and price list. The Squeeze Juice Bar had a total of 59 branches of which 48 were operated by the Company and 11 were franchises.

4. Agricultural and Plant Extract Businesses

As regards the fresh fruit business, in 2013 Homsuwan pineapple grew significantly as compared with 2012 due to its unique and outstanding features. In addition, the Marketing Department focused on placing of the product through distribution channels such as supermarkets, hypermarkets (premium), general leading stores and markets in tourist attractions to ensure that the product reached a much larger scale of target customers.

As regards the plant extract business, in 2013 the Company additionally developed several plant and herbal extract products such as extracts from mangosteen, aloe vera, roselle, emblic, pineapple dietary fiber and coconut dietary fiber as well as adopted new technology in the production of extracts. This helped generated higher sales for the Company. Besides, the Company conducted more marketing activities such as participation in product exhibitions in order to promote image and wider recognition of the Company's presence in the plant extract industry. The Company's plant extract business received high attention from the public.

Analysis of Other Income

Other Income	2011	2012	2013
Gain from exchange rates	2.4	43.7	-
Reversal of doubtful accounts	-	0.5	-
Loss from reversal of allowance for expired goods	7.8	-	45.8
Gain from sale of investment	-	0.6	10.1
Market promotion support	248.7	144.9	194.9
Revenue from selling raw materials and scraps materials	6.3	6.0	7.4
Others	59.0	49.6	47.4
Total	324.2	245.3	305.6

Gain from exchange rates: In 2013, there was no recognition of gain from exchange rates as exchange rates were extremely volatile in the second quarter and Thai Baht value depreciated drastically during the end of the year, causing the burden from conversion of exchange rate based on market price according to the forward contracts made during the first half of the year. While at the end of 2012 Thai Baht value strengthened, leading to the recognition of a relatively high amount of gain from exchange rates.

Reversal of doubtful accounts: As one of the doubtful accounts was classified as bad debt, the amount was included in the category of other expenses.

Loss on reversal of allowance for expired goods: The allowance set aside by the Company for expired goods was in accordance with the accounting standard based on the remaining useful life which was over-recorded during the previous year and was reversed and booked as income.

Marketing promotion support: This was a financial support provided by Suntory Beverage and Food Asia Ltd. (previously known as "Suntory Beverage and Food Ltd.") for advertisement and sales promotion for products under its commercial brand, produced and distributed by the subsidiary company (Tipco F&B Co., Ltd.). This amount included also the special rebate for purchasing goods according to the set target.

Gain from sale of investment: This was a profit from the sale of warrants of Tipco Asphalt Pcl.

Other income: The Company's recorded sales revenues were on the FOB basis and revenues from shipping and insurance under CIF term were booked as other income while expenses on shipping and insurance were booked under selling and administrative expenses.

Analysis of Cost of Goods Sold and Gross Profit

	2011		2012		2013	
	Baht Million	% of sales	Baht Million	% of sales	Baht Million	% of sales
Total sales	4,825.1	100.0	5,442.1	100.0	5,588.2	100.0
Cost of goods sold	3,274.8	67.9	3,701.2	68.0	4,030.3	72.1
Gross profit	1,550.3	32.1	1,740.9	32.0	1,557.9	27.9

In 2013, the gross profit ratio declined considerably due to the export of canned pineapple business. The price of fresh pineapple which is the main cost substantially increased due to the domestic supply of pineapple which was less than expected and the natural disaster suffered by the Philippines resulting in inadequate output. Consequently, there was a high completion of pineapple purchase price in the market. But the export prices of canned pineapple and concentrated pineapple juice were not adjusted upwardly in line with the increasing price of fresh pineapple which is the key cost in the selling costs. As for domestic businesses including ready-to-drink beverage business, retail business, and agricultural and plant extract businesses, the gross profit ratio remained almost unchanged as compared to the previous year.

Selling and Administrative Expenses

Expenses	2011		2012		2013	
	Baht Million	% of sales	Baht Million	% of sales	Baht Million	% of sales
Selling and administrative expenses	1,560.4	32.3	1,741.8	32.0	1,794.2	32.1

In 2013, the selling and administrative expenses increased since during the year the Company established a subsidiary company, namely TFB Distribution Co., Ltd. in which Tipco F&B Co., Ltd. holds 100% of shares, to be engaged in the new business which is the retail and wholesale business. This led to a dramatic increase in the selling expenses. Subsequently, the Company deemed that this business incurred excessive expenses and thus temporarily suspended the business.

Report on Cash Flow Analysis

Expense	2011	2012	2013
Cash flow from operations			
Profit before income tax	369.8	265.4	152.6
Adjustments to reconcile profit before income tax to net cash provided by operating activities	101.4	238.5	100.2
Adjustments to decrease (increase) in working capital	-638.6	0.8	-100.6
Net cash provided by (used in) operating activities	-167.4	504.7	152.2
Net cash provided by (used in) investing activities	-258.7	-272.8	-145.9
Net cash provided by (used in) financing activities	422.4	-226.2	-16.1
Effects of foreign currency exchange on cash & cash equivalents	0.1	0.1	0.1
Increase (decrease) in cash & cash equivalents	-3.6	5.5	-9.8
Cash & cash equivalents at the beginning of the periods	44.7	41.1	46.7
Cash & cash equivalents at the end of the periods	41.1	46.7	36.9

In 2013, the Company had net cash provided by operating activities of Baht 152 million, a decrease from 2012, due to the decrease in the operating profit, the provisioning of allowance for expired goods, asset impairment and trade creditors. As regards the net cash provided by investing and financial activities, the net cash used decreased in 2013 as compared with 2012 due to the decrease in the investment in fixed assets, the receipt of cash from sale of investment available for sale, the increase in loans from financial institutions compared with the payment of long-term loans, and no dividend payment.

Liquidity

Liquidity ratio (times)	2011	2012	2013
Current Ratio	1.0	0.8	0.7
Interest Coverage Ratio	4.9	3.6	2.7
Debt to Equity Ratio	1.4	1.3	1.2

In 2013, the current ratio slightly declined as compared with 2012 due to the increase in current liabilities as a result of the higher amount of short-term loans to support additional working capital required for payment of selling and administrative expenses additionally incurred from increasing sales and production and for payment of long-term loans.

Interest Coverage Ratio: In 2013, the Company's interest coverage ratio declined from 2012 due to the decrease in the Company's profit before interest and tax.

Debt to Equity Ratio: The Company's debt to equity ratio slightly increased in 2013 due to the Company's net profit of Baht 114.4 million as a result of the recognition of share of profit from investment in Tipco Asphalt Pcl. and hence the increase in retained earnings. Also, the Company's equity of 2013 increased as compared to that of 2012 while the Company's liabilities with financial institutions decreased approximately Baht 390 million.

Profitability

Profitability ratio	2011	2012	2013
Gross profit margin (%)	32.1	32.0	27.9
Net profit margin (%)	7.1	4.1	2.0
Return on equity (%)	16.7	10.0	4.9

Gross profit margin: In 2013, the gross profit margin declined as compared with 2012 mainly due to the impact from the canned fruit export business. This was because the average cost of materials increased considerably and the volume of raw materials available for the production was lower than the target, resulting in the increase in the selling costs. However, the Company could not upwardly adjust the selling price to reflect the increase in the selling costs. As regards the ready-to-drink beverage business, the retail business and the agricultural and plant extract businesses, the gross profit margin was almost the same as last year.

Net profit margin: In 2013, the Company's net profit margin decrease due to the decrease in the gross profit margin along with the increase in sales promotion expenses following the launches of new products. Part of the expenses was funded through the financial support for market promotion from Suntory Beverage and Food Asia Ltd. (previously known as "Suntory Beverage and Food td.") for advertisement and sales promotion for products under its commercial brand and classified as other income.

Return on equity: In 2013, the return on equity went down due to the decrease in the net profit and the increase in the shareholders' equity.

Asset Quality and Financial Ratio

% of Total Assets	2011	2012	2013
Accounts receivable – net	8%	13%	12%
Inventory	26%	23%	22%
Investments and loans-net	16%	18%	21%
Property, plant and equipment-net	45%	44%	43%
Deposits and guarantees	-	-	-
Others	5%	5%	2%

The ratio of accounts receivable to total assets increased from 2011 to 2012. The average collection period in 2011 was 33 days and in 2012 was 39 days similar to that in 2013. The Company expanded its market to attract new customers in replacement of the existing customers in countries with economic problems. On entering new markets with risks, the Company had to exercise extra caution in considering and granting credits to new customers and strictly follow up on debt payment. Due to the sluggish economic recovery, certain debtors requested to extend the debt payment period to avoid the liquidity problem and the Company granted relaxations as deemed appropriate for regular and long-term customers, hence an increase in the average collection period to 39 days.

In 2011, the ratio of inventory to total assets increased because fresh fruit supply in the market was at a high level, hence a reduction in costs. The Company, therefore, gradually produced and kept finished goods in inventory for further sale according to the inventory management policy, resulting in the increase in the ratio of inventory to total assets and the increase in the number of days in inventory to 165 days. In 2012, the Company gradually exported finished goods in inventory and the fresh and the fresh fruit prices decreased and were unlikely to increase due to the oversupply of fresh fruits in the market. As a result, the Company did not have a policy to keep a high level of inventory, hence the decrease in the number of days in inventory to 135 days.

In 2013, due to the low supply of the raw materials which was inadequate for the production, the Company gradually delivered finished goods to the customers, resulting in the decrease in the number of days in inventory to 121 days.

Investment: The Company made an investment in Tipco Asphalt Pcl. in which the company had the policy to hold 20-25% of shares. Such investment was recorded using the equity method in accordance with generally accepted accounting principles. The investment cost was shown in the notes to the financial statements.

Property, plant and equipment: The Company has regularly undertaken repairs and maintenance on a yearly basis. In 2012, additional investment was made to support the existing production line at the beverage factory while at the canned fruit factory, investment was made to support the new production line applicable to pineapple in plastic cup and pineapple in retort pouch. At the Aura mineral water factory, investment was related to repairs and maintenance of existing machines and equipment. In 2013, investments were made to support the existing production line at the ready-to-drink beverage factory, the purchase of additional machines for the coconut milk product, and the Green Energy project at the canned fruit factory. At the mineral water factory, investment was made in the purchase of additional machines for enhanced production capacity which were expected to be completely installed in 2014.

Operating Efficiency

Operating Efficiency Ratio (%)	2011	2012	2013
Return on assets	5.9	3.7	1.9
Return on fixed assets	13.0	8.3	4.3

In 2011, sales bounced back and the Company did not make additional investment in assets while enjoying and optimizing the benefits of assets it had invested in earlier. Thus, the return on assets and the return on fixed assets increased substantially. In 2012, both ratios decreased due to the decrease in sales in the canned pineapple business and the setting aside of an allowance for expired goods, hence a decrease in the net profit. In 2013, both ratios decreased significantly due to the decrease in the operating results of the canned pineapple business.

