

TIPCO FOODS PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
JANUARY 1, 2014 TO DECEMBER 31, 2014

## Independent Auditor's Report

To the Shareholders and Board of Directors of TIPCO FOODS PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and separate financial statements of TIPCO FOODS PUBLIC COMPANY LIMITED and its subsidiaries, and of TIPCO FOODS PUBLIC COMPANY LIMITED, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2014, the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standard 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.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

*/I believe*

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at December 31, 2014 and the financial performance and cash flows for the year then ended of TIPCO FOODS PUBLIC COMPANY LIMITED and its subsidiaries and TIPCO FOODS PUBLIC COMPANY LIMITED, respectively, in accordance with Thai Financial Reporting Standards.

(Suwanee Kittipanya-ngam)

Certified Public Accountant

Registration No. 2899

Bunchikij Co., Ltd.

Bangkok

February 20, 2015

## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2014

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalent	3.2 and 5	41,657,226	36,913,985	18,045,188	15,495,930
Current investments	6	3,737,499	673,668	0	0
Trade and other receivable	3.3 and 7	485,733,407	759,646,693	144,715,767	197,442,414
Short - term loans to related parties	8	0	0	33,500,000	51,000,000
Inventories	3.4 and 9	935,936,521	1,340,461,255	352,607,853	771,018,677
Other current asset	10	13,178,195	20,531,775	3,771,052	11,677,610
<b>Total current assets</b>		<b>1,480,242,848</b>	<b>2,158,227,376</b>	<b>552,639,860</b>	<b>1,046,634,631</b>
<b>NON-CURRENT ASSETS</b>					
Available-for-sale investments	3.5 and 11	0	720,282	0	720,282
Investments in associated company	3.5 and 12	1,431,925,238	1,274,972,938	647,109,739	647,109,739
Investments in subsidiary companies	3.5 and 12	0	0	465,336,902	465,336,902
Restricted deposit at bank	13	1,016,000	4,000,000	0	0
Investment properties	14	18,284,061	11,014,500	18,284,061	11,014,500
Property, plant and equipment	3.8 and 15	2,418,612,564	2,623,497,230	962,650,392	975,005,750
Intangible assets	3.9 and 16	39,319,719	37,787,739	33,057,906	33,413,972
Deposits and guarantee		11,938,598	11,949,567	2,328,970	2,328,970
Deferred tax assets, net	28	115,572,456	33,563,535	62,473,017	17,942,051
Other non-current asset		4,552,829	2,998,816	3,789,749	1,570,625
<b>Total non-current assets</b>		<b>4,041,221,465</b>	<b>4,000,504,607</b>	<b>2,195,030,736</b>	<b>2,154,442,791</b>
<b>Total assets</b>		<b>5,521,464,313</b>	<b>6,158,731,983</b>	<b>2,747,670,596</b>	<b>3,201,077,422</b>

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

## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

As at December 31, 2014

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term loans from financial institution	17	1,467,108,976	1,734,754,078	990,000,000	939,754,078
Trade and other payable	18	494,381,633	814,286,607	124,679,665	194,056,789
Current portion of long-term liability	19	182,351,801	490,090,017	80,922,729	281,621,798
Accrued income tax		8,251,145	3,419,082	0	0
Forward exchange contract	21	202,983	11,873,274	156,444	7,017,226
Other current liability		17,653,164	16,642,254	3,867,495	4,766,002
<b>Total current liabilities</b>		<b>2,169,949,702</b>	<b>3,071,065,312</b>	<b>1,199,626,333</b>	<b>1,427,215,893</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term liabilities	19	551,932,000	234,283,801	71,932,000	152,854,729
Interest rate swap contract		2,434,749	3,718,105	2,434,749	3,718,105
Provision for dismantling cost		2,391,500	2,660,000	0	0
Employee benefit obligations	20	39,778,761	39,028,205	23,358,762	31,503,833
<b>Total non-current liabilities</b>		<b>596,537,010</b>	<b>279,690,111</b>	<b>97,725,511</b>	<b>188,076,667</b>
<b>Total liabilities</b>		<b>2,766,486,712</b>	<b>3,350,755,423</b>	<b>1,297,351,844</b>	<b>1,615,292,560</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	22				
Authorized share capital					
500,000,000 Ordinary shares of Baht 1 each		500,000,000	500,000,000	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	482,579,640	482,579,640
Non-controlling interests in subsidiary of the associated company acquired at price lower than book value		1,510,347	1,517,573	0	0
Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate		(74,686,161)	3,139,507	0	0
Capital reserve for share-based payment transactions of the associated company		9,305,759	5,656,439	0	0
Retained earnings:					
Appropriated for legal reserve	22.1	50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated		1,892,590,342	1,821,062,834	919,521,008	1,055,583,749
Other components of equity		(31,213,680)	(16,609,136)	(1,781,896)	(2,378,527)
<b>Total equity holders of the parent</b>		<b>2,330,086,247</b>	<b>2,347,346,857</b>	<b>1,450,318,752</b>	<b>1,585,784,862</b>
Non-controlling interest:		424,891,354	460,629,703	0	0
<b>Total shareholders' equity</b>		<b>2,754,977,601</b>	<b>2,807,976,560</b>	<b>1,450,318,752</b>	<b>1,585,784,862</b>
<b>Total liabilities and shareholders' equity</b>		<b>5,521,464,313</b>	<b>6,158,731,983</b>	<b>2,747,670,596</b>	<b>3,201,077,422</b>

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

## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2014

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013
Revenues from the sales of goods and the rendering of services	24	5,507,795,418	5,588,199,446	2,113,300,476	2,268,038,088
Cost of the sales of goods and the rendering of service		3,825,352,997	4,030,333,797	2,009,078,836	2,162,185,556
Gross profit		1,682,442,421	1,557,865,649	104,221,640	105,852,532
Other incomes	25	339,998,171	305,611,939	152,046,131	186,697,443
Profit before expenses		2,022,440,592	1,863,477,588	256,267,771	292,549,975
Selling expenses		(1,490,144,806)	(1,373,626,430)	(129,600,420)	(160,451,295)
Administrative expenses		(518,108,243)	(450,421,026)	(215,077,656)	(146,290,869)
Loss on impairment of asset:	15 and 27	(229,272,680)	0	(37,628,708)	0
Profit (loss) before Share of profit from investments in associated company		(215,085,137)	39,430,132	(126,039,013)	(14,192,189)
Share of profit from investments in associated compan		283,450,215	202,495,709	0	0
Profit (loss) before finance costs and income tax		68,365,078	241,925,841	(126,039,013)	(14,192,189)
Finance cost:	27	(83,415,143)	(89,357,586)	(50,891,328)	(55,338,394)
Profit (loss) before income tax expenses		(15,050,065)	152,568,255	(176,930,341)	(69,530,583)
Income tax expense:	28	68,777,738	(5,182,150)	43,917,619	(6,614,961)
Profit (loss) for the years		53,727,673	147,386,105	(133,012,722)	(76,145,544)
Other comprehensive income					
Change in fair value of interest rate swap contra		1,263,578	(7,221,760)	1,263,578	(7,221,760)
Available-for-sale investment:		(517,791)	(5,770,292)	(517,791)	(5,770,292)
Exchange differences on translation of financial statements in foreign currei		0	(1,523,236)	0	0
Actuarial gain (losses)		(9,808,276)	0	(3,812,523)	0
Share of comprehensive income (loss) in associated compan		(15,051,679)	30,721,784	0	0
Income tax effect		1,375,110	2,537,931	613,348	2,598,410
Other comprehensive income for the years		(22,739,058)	18,744,427	(2,453,388)	(10,393,642)
Total comprehensive income for the years		30,988,615	166,130,532	(135,466,110)	(86,539,186)
Profit attributable to					
Equity holders of the paren		77,693,007	114,414,989	(133,012,722)	(76,145,544)
Non-controlling interest		(23,965,334)	32,971,116	0	0
		53,727,673	147,386,105	(133,012,722)	(76,145,544)
Total comprehensive income attributable to					
Equity holders of the paren		56,922,964	133,159,416	(135,466,110)	(86,539,186)
Non-controlling interest		(25,934,349)	32,971,116	0	0
		30,988,615	166,130,532	(135,466,110)	(86,539,186)
Basic earnings per shar					
Profit of shareholders' equity-parent compari	(Baht)	0.1610	0.2371	(0.2756)	(0.1578)

Notes to financial statements are an integral part of these statemen

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONSOLIDATED FINANCIAL STATEMENTS)**  
For the year ended December 31, 2014

Unit : Baht

	Equity holders of the parent													
	Change in the interest					Other components of equity								
	Non-controlling interest		in subsidiary of the			Other comprehensive income								
	in subsidiary of the		associated company	Capital reserve for		Retained earnings			Exchanges differences			Total other		
	Issued and	associated company	which not resulted	share-based payment	Appropriated	Unappropriated	Fair value of	Available-for-sale	financial statement	Share of	Total other	Total equity holders	Non-controlling	Total
paid-up	acquired at price lower	in loss of control	transactions of	Legal reserve		interest rate	investments	on translation of	comprehensive income	components of	of the parent	Interest	Shareholders'	
share capital	then book value	of the associate	the associate			swap contract		in foreign currencies	in associate	equity			Equity	
Balance as at December 31, 2012	482,579,640	1,517,573	3,139,507	3,196,988	50,000,000	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
Share-based payment transactions of the associated company	0	0	0	2,459,451	0	0	0	0	0	0	0	2,459,451	0	2,459,451
Total comprehensive income for the year 2013	0	0	0	0	0	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
Balance as at December 31, 2013	482,579,640	1,517,573	3,139,507	5,656,439	50,000,000	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
Balance as at December 31, 2013	482,579,640	1,517,573	3,139,507	5,656,439	50,000,000	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
Share-based payment transactions of the associated company	0	(7,226)	(77,825,668)	3,649,320	0	0	0	0	0	0	0	(74,183,574)	0	(74,183,574)
Dividend paid	0	0	0	0	0	0	0	0	0	0	0	0	(9,804,000)	(9,804,000)
Total comprehensive income for the year 2014	0	0	0	0	0	77,693,007	1,010,862	(414,232)	0	(15,201,174)	(14,604,544)	63,088,463	(25,934,349)	37,154,114
Actuarial gain (losses)	0	0	0	0	0	(6,165,499)	0	0	0	0	0	(6,165,499)	0	(6,165,499)
Balance as at December 31, 2014	482,579,640	1,510,347	(74,686,161)	9,305,759	50,000,000	1,892,590,342	(1,781,897)	0	0	(29,431,783)	(31,213,680)	2,330,086,247	424,891,354	2,754,977,601

Notes to financial statements are an integral part of these statements

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (SEPARATE FINANCIAL STATEMENTS)**

*For the year ended December 31, 2014*

*Unit : Baht*

	<i>Issued and paid-up share capital</i>	<i>Retained earnings</i>		<i>Other components of equity</i>			<i>Total Shareholders' Equity</i>
		<i>Appropriated Legal reserve</i>	<i>Unappropriated</i>	<i>Othe comprehensive income</i>			
				<i>Fair value of interest rate swap contract</i>	<i>Available-for-sale investments</i>	<i>Total other components of equity</i>	
<i>Balance as at December 31, 2012</i>	482,579,640	50,000,000	1,131,729,293	2,984,649	5,030,466	8,015,115	1,672,324,048
<i>Total comprehensive income for the year 201.</i>	0	0	(76,145,544)	(5,777,408)	(4,616,234)	(10,393,642)	(86,539,186)
<i>Balance as at December 31, 2013</i>	482,579,640	50,000,000	1,055,583,749	(2,792,759)	414,232	(2,378,527)	1,585,784,862
<i>Balance as at December 31, 2013</i>	482,579,640	50,000,000	1,055,583,749	(2,792,759)	414,232	(2,378,527)	1,585,784,862
<i>Total comprehensive income for the year 201.</i>	0	0	(133,012,722)	1,010,863	(414,232)	596,631	(132,416,091)
<i>Actuarial gain (losses)</i>	0	0	(3,050,019)	0	0	0	(3,050,019)
<i>Balance as at December 31, 2014</i>	482,579,640	50,000,000	919,521,008	(1,781,896)	0	(1,781,896)	1,450,318,752

*Notes to financial statements are an integral part of these statemen*



## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

For the year ended December 31, 2014

Unit : Baht

Note	Consolidated Financial Statements		Separate Financial Statements	
	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013
<b>Cash flows from operating activities :</b>				
Profit (loss) before income tax	(15,050,065)	152,568,255	(176,930,341)	(69,530,583)
Adjustments to reconcile profit before income tax to net cash provided by operating activities				
Depreciation and amortization	250,991,741	236,540,467	135,366,046	118,464,208
Withholding tax - written off	0	156,182	0	0
Doubtful accounts (reversal)	388,618	0	0	0
Loss on expired goods (reversal)	39,888,624	(45,807,882)	38,521,839	(26,415,724)
Loss on decline in value of inventories	(7,210,016)	7,972,619	(7,210,016)	7,972,619
(Gain) loss on exchange rate	(12,146,589)	21,640,129	(7,154,131)	13,115,572
Gain from liquidation of subsidiary	0	(1,523,236)	0	(705,933)
Gain on sales of available-for-sale investments	(4,770,430)	(10,067,850)	(4,770,430)	(10,067,850)
(Gain) loss on sales of fixed assets and writing off	2,751,171	(728,128)	(513,475)	(1,929,523)
Loss on impairment of asset	229,272,680	0	37,628,708	0
Employee benefit expenses	8,184,787	5,824,557	5,284,913	4,201,431
Dividend income	0	0	(46,917,164)	(37,113,166)
Share of profit from investments in associated companies	(283,450,214)	(202,495,709)	0	0
Interest income	(94,656)	(99,754)	(1,549,244)	(1,532,115)
Interest expenses	85,957,011	88,771,674	50,891,328	55,159,822
	294,712,662	252,751,324	22,648,033	51,618,758
<b>Change in operating assets and liabilities</b>				
<b>(Increase) decrease in asset</b>				
Trade and other receivable	275,209,190	21,471,884	58,673,798	47,995,330
Inventories	370,865,356	63,643,105	386,474,172	107,476,618
Other current asset	2,108,944	795,761	73,629	1,735,375
Deposits and guarantee	(1,688,552)	(1,267,056)	0	(182,100)
Other non-current asset	919,752	892,973	269,250	269,250
<b>Increase (decrease) in liability</b>				
Trade and other payable	(338,296,823)	(84,448,453)	(68,815,714)	(80,991,807)
Other current liability	2,450,469	1,221,055	(656,601)	(3,915,301)
Employee benefit obligation	(17,242,507)	(1,153,110)	(17,242,507)	(637,790)
Cash generated from operation	589,038,491	253,907,483	381,424,060	123,368,333
Interest paid	(87,388,824)	(92,807,578)	(52,328,501)	(56,606,724)
Refund of prepaid company income tax	2,255,537	0	2,255,537	0
Income taxes paid	(6,874,515)	(8,920,958)	(2,086,826)	(2,488,373)
Net cash provided by operating activities	497,030,689	152,178,947	329,264,270	64,273,236

Notes to financial statements are an integral part of these statements

## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2014

Unit : Baht

Note	Consolidated Financial Statements		Separate Financial Statements		
	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2014	Dec. 31, 2013	
<b>Cash flows from investing activities :</b>					
(Increase) decrease in current investmen	(79,831)	(278,477)	0	0	
Increase in short-term loans to related partie	0	0	17,500,000	(19,500,000)	
Sales of Available-for-sale investment:	4,972,921	10,211,150	4,972,922	10,211,150	
Sales of fixed assets	3,469,744	6,156,406	2,064,917	2,267,245	
Purchases of fixed asset.	(270,092,020)	(194,618,263)	(168,166,056)	(112,297,182)	
Payment for intangible asset	(214,400)	(4,610,109)	(170,900)	(4,225,210)	
Dividend received	37,113,166	37,113,166	46,917,164	37,113,166	
Interest receivea	94,656	99,754	1,549,244	1,532,115	
Net cash used in investing activities	(224,735,764)	(145,926,373)	(95,332,709)	(84,898,716)	
<b>Cash flows from financing activities :</b>					
Increase (decrease) in bank overdraft	(2,645,102)	2,855,549	(4,754,078)	4,754,078	
Increase (decrease) in loans from financial institutio	(265,000,000)	375,000,000	55,000,000	185,000,000	
Repayment for long - term machinery payabl	(5,863,576)	(9,260,016)	0	0	
Repayment for liabilities under finance leas	(4,687,980)	(5,188,035)	(3,621,798)	(3,263,771)	
Proceeds from long - term loan	500,000,000	0	0	0	
Repayment for long - term loan.	(479,538,462)	(379,538,461)	(278,000,000)	(178,000,000)	
Dividend paia	(9,804,000)	0	0	0	
Net cash provided by (used in) financing activities	(267,539,120)	(16,130,963)	(231,375,876)	8,490,307	
Effect from exchange rate in cash and cash equivalents	(12,564)	93,199	(6,427)	75,398	
Increase (decrease) in cash and cash equivalents, net	4,743,241	(9,785,190)	2,549,258	(12,059,775)	
Cash and cash equivalents as at January 1,	36,913,985	46,699,175	15,495,930	27,555,705	
Cash and cash equivalents as at December 31,	4.2 and 6	41,657,226	36,913,985	18,045,188	15,495,930
<b>Supplemental disclosures of cash flows information</b>					
<b>Non-cash items :</b>					
Lease contract liabilitie:	0	3,268,832	0	3,268,832	

Notes to financial statements are an integral part of these statemen

## TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the Financial Statements (Consolidated and separate financial statements)

*For the year ended December 31, 2014*

## 1. General information

1.1 The Company was incorporated in Thailand on March 22, 1976, and has been listed in the Stock Exchange of Thailand since 1989. The Company and its subsidiaries are engaged in the manufacture and distribution of products of pineapple in syrup, pineapple juice, mixed fruit juice, and natural mineral water.

1.2 The address of the company and its subsidiaries are 118/1 Rama 6 Rd., Samsen Nai, Bangkok 10400 and the factories are as follows :

- 212 Phetkasem Rd., Moo 16, Aownoi, Amphur Muang, Prachaubkhirikhan 77210
- 504 Phetkasem Rd., Prachaubkhirikhan, Amphur Muang, Prachaubkhirikhan 77000
- 205/1 Moo 2, Pongyaeng, Amphur Mae-Rim, Chiang Mai 50180
- 90/1 Moo 7, Phaholyothin Rd., Sanubtueb, Amphur Wangnoi, Ayuthaya 13170

1.3 The major shareholders of the Company is Supsakorn family.

## 2. Basis for the preparation and presentation of the financial statements

2.1 The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles, which are issued under the Accounting Professions Act B.E.2547, and have been presented under the Accounting Act B.E. 2543, and according to the requirements of the Securities and Exchange Commission, and the regulation of the Stock Exchange of Thailand.

2.2 The financial statements are presented for Thai currency reporting purposed and prepared in Thai language. This English translation of financial statements has been prepared for the convenience of the readers who were not conversant with Thai language.

## 2.3 Basis of preparation of the consolidated financial statements

The consolidated financial statements included the accounts of the company and the subsidiaries as follows :

Name	Paid – up share capital		% of investments	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
<b>SUBSIDIARIES</b>				
Tipco Biotech Co., Ltd.	50,000,000	50,000,000	99.9988	99.9988
Tipco F&B Co., Ltd.	600,000,000	600,000,000	50.00	50.00
Tipco Retail Co., Ltd.	50,000,000	50,000,000	75.50	75.50
<b>INDIRECT SUBSIDIARIES</b>				
TFB Distribution Co., Ltd. (indirect portion by Tipco F&B Co., Ltd.)	1,000,000	1,000,000	50	50

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

2. Basis for the preparation and presentation of the financial statements (Continued)

2.3 Basis for the preparation and presentation of financial statements (Continued)

Outstanding intragroup balances, significant intragroup transactions, and the investment of the Company in subsidiary companies and shareholders' equity of the subsidiaries have been eliminated in this consolidation.

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

2.4 Notification of applying the Financial Reporting Standards

The Federation of Accounting Professions has issued the following new and Revised Financial Reporting standards.

2.4.1 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2014.

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 2. Basis for preparation and presentation of the financial statements (Continued)

## 2.4 Notification of applying the Financial Reporting Standards (Continued)

## 2.4.1 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2014. (Continued)

## Accounting Standard Interpretations

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements - Disclosure
TSIC 32	Intangible Assets - Web Site Costs

## Financial Reporting Standard Interpretations

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfer of Assets from Customers

The adoption of the above Thai Financial Reporting Standards are not material impact on the financial statements for this accounting period.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 2. Basis for preparation and presentation of the financial statements (Continued)

## 2.4 Notification of applying the Financial Reporting Standards (Continued)

2.4.2 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2015.

## Accounting Standards

TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events after the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2014)	Earnings per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provision, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 2. Basis for preparation and presentation of the financial statements (Continued)

## 2.4 Notification of applying the Financial Reporting Standards (Continued)

## 2.4.2 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2015. (Continued)

## Financial Reporting Standards

TFRS 2 (revised 2014)	Share - based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 5 (revised 2014)	Non - current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

## Accounting Standard Interpretations

TSIC 10 (revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases - Incentives
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets-Web Site Costs

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

2. Basis for preparation and presentation of the financial statements (Continued)

2.4 Notification of applying the Financial Reporting Standards (Continued)

2.4.2 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2015. (Continued)

Financial Reporting Standard Interpretations

TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

2.4.3 The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2016.

Financial Reporting Standard

TFRS 4 (revised 2014)	Insurance Contracts
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The Company and its subsidiaries would not yet adopt the above standards before the effective date. The management of the Company and its subsidiaries will assess the impacts on the financial statements in the year when they are initially applied.

2.5 Preparation of financial statements in conformity with the Generally Accepted Accounting Principles, which requires management to make estimates and assumptions that affect the reported amounts of these interim financial statements. The actual results may differ from such estimates.



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

3. Summary of significant accounting policies

3.1 Measurement basis used in preparing the financial statements

Historical cost is used as measurement basis in preparing these financial statements except some items indicated in relevant notes.

3.2 Cash and cash equivalents

Cash represents cash on hand and demand deposits with banks.

Cash equivalents comprise fixed deposit and short-term highly liquid investments which are not restricted in their uses, and that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value, such as deposit expiring less than 3 months from acquisition date or investments.

3.3 Trade receivables

Trade receivables are stated at net realizable value which are the amount of invoices netted from the allowance for doubtful account. Allowance for doubtful account is based on the estimated uncollectible amounts by considering from the present financial status of each account receivable.

Besides, the management of company and its subsidiaries will also provide the allowance for doubtful accounts by considering from the status of each account receivable.

3.4 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The costs of purchased inventories comprise the purchase price and other costs directly attributed to the acquisition of goods. Manufacturing cost of finished good and work in process comprise raw materials, labour and manufacturing overhead. The cost of inventories are calculated as follow :

- |                                                |                                                         |
|------------------------------------------------|---------------------------------------------------------|
| Raw material, spare parts and factory supplies | - Valued at cost price under average method.            |
| Work in process                                | - Valued at production cost price under average method. |
| Finished goods                                 | - Valued at production cost price under average method. |

The Company and its subsidiary provided the allowance for expired goods from the goods which were considered to expire and expected to damage.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)**

## 3. Summary of significant accounting policies (Continued)

## 3.5 Investments

Available-for-sale investments represent investments in marketable equity securities-available for sale, which was accounted for at fair value (the lasted bid price) as at the close of business on the Statements of Financial Position date by reference to the Stock Exchange of Thailand. Unrealized gain (loss) on adjustment of the investments value are recognized in shareholder' equity

Investments in associated company in the Consolidated financial statements are accounted for by the equity method. (See Note *to the Financial Statements No.12*)

Investments in subsidiaries and associated companies in the Separate financial statements are accounted for by the cost method less allowance for decline in value of investments. (See Note *to the Financial Statements No.12*)

## 3.6 Lease agreements

## Financial leases

The leases of assets, which the substantially all the risks and rewards associated with the ownership of the assets have been transferred to the lessee, title may or may not eventually be transferred to the lessee under the finance lease arrangements, are classified as finance leases. The lessee is to record the finance lease as an asset and obligation at an amount equal to the fair value of the leased asset or the present value of the minimum lease payment whichever is lower. The interest expense is charged to the profit or loss over the lease period. The leased asset is depreciated over the useful life of the asset.

## Operating leases

The leases of assets, which the substantially all the risks and rewards associated with the ownership of the assets have not been transferred to the lessee, are classified as operating leases. The payments made under operating leases are charged to the profit or loss on a straight-line method over the period of the lease.

## 3.7 Investment property

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 3. Summary of significant accounting policies (Continued)

## 3.8 Property, plant and equipment

Property is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets. Depreciation is calculated by straight-line method based on the estimated useful lives of the assets and in accordance with the estimated production capacity of machinery as the following :

Land development	10 Years
Building and complement	10-25 Years
Machinery and equipment	
- Straight-line method	10-20 Years
- Estimated production capacity	919.04 million bottles
Tools and equipment	5-20 Years
Furniture and office equipment	3-10 Years
Vehicles	5-10 Years

An initial estimate of the costs of dismantling and removing the item and restoring the site, when the Company and its subsidiaries have obligation to do, have been included in cost of property, plant and equipment.

Cost of addition, improvement, repair or extension of lease agreement that increase the future economic benefits are recognized as assets.

Depreciation is separately calculated on each component of assets, when the cost of each component is significant in relation to the total cost of the item.

The useful life and residual value of assets, and depreciation method are reviewed at least at each financial year-end.

Depreciation is recognized as expense for each accounting period.

## 3.9 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and allowance for loss on impairment of assets (if any). Amortization is charged to the statements of income by the straight-line method from the date that intangible assets are available for use over the estimated useful lives of the economic benefit of the assets, Unless such lives are indefinite, intangible assets with an indefinite useful life are not amortized but are systematically tested for impairment at each statement of financial position date. The estimated useful lives are as follows:

Computer Softwares	3-10 Years
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The Company and its subsidiaries recorded the amortization as expenses for each accounting period.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

3. Summary of significant accounting policies (Continued)

**3.10 Impairment of assets**

*The Company and its subsidiaries should assess the impairment of assets i.e. Property, Plant and Equipment and Intangible assets whenever there is indication that an asset may be impaired, the impairment will be assessed by estimating the recoverable amount of asset, if it is below the carrying amount of the asset, it signs an asset is impairment. The company should recognize the impairment loss in the profit or loss.*

*Recoverable amount of assets is the higher of an asset's net selling price and its value in use, and it is determined from an individual asset or a cash-generating unit.*

**3.11 Liabilities, provisions and expenses**

*The Company and its subsidiaries recognizes liabilities, provisions and expenses in the financial statements when it has legal obligation or possible obligation arising from past events, the settlement of which is expected to be made in the amount that can be estimated with sufficient reliability.*

*The Company and its subsidiaries recognize accrued the dividend, approved by the resolution of ordinary shareholders' meeting.*

**3.12 Revenue recognition**

*Revenue from sales of goods is recognized when significant risks and rewards of ownership have been transferred to the buyer based on the invoices value less discount, goods return, and amounting to the estimates (if any).*

*Revenue from services is recognized when the outcome of a service can be estimated reliably based on the stage of completion of the transaction at the balance sheet date. When the outcome of a service can not be estimated reliably, revenue is recognized only to the extent of expenses that are recoverable.*

Interest income is recognized on the period of time.

Rental income is recognized on the period of agreement.

Dividend income is recognized when the right of receiving dividend is announced.

**3.13 Employee benefits**

**Short – term employee benefits**

*Short – term employee benefits, which fall due wholly within 12 months after the end of period in which the employees render the related service, are recognized as expenses when incurred.*

**Postemployment benefits**

*The Company and its subsidiaries and their employees have jointly a provident fund. The contributions from employees are deducted from monthly salaries and contributions by the Company and the subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognized as expenses when incurred.*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 3. Summary of significant accounting policies (Continued)

**3.13 Employee benefits** (Continued)

The severance payments retirement under the labor law as a defined benefit plan, was calculated by a qualified actuary by using the projected unit credit method.

The Company and its subsidiaries recognizes the actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to postemployment benefit plans in profit or loss.

**3.14 Income tax**

*Income tax expense represents the aggregate of current income tax expense and deferred tax.*

*Current income tax expense and deferred tax are recognized in profit or loss, except for the extent that they related to a business combination, or items recognized directly in equity or in other comprehensive income.*

*Current income tax represents the amount of expected income tax payable or recoverable on the taxable profit or loss for the period, using tax rates in accordance with the regulation in the Revenue Code.*

*Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.*

*The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.*

*Deferred tax liabilities is recognized for all income taxes payable in the future periods in respect of taxable temporary differences.*

*Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.*

**3.15 Translation of foreign currency transactions**

*Foreign currency transactions are translated into Thai Baht at the exchange rate on the transaction date. The remaining balances of assets and liabilities denominated in foreign currency at the end of reporting periods are translated into Thai Baht at the exchange rate of that date. Exchange differences are accounted for as profit or loss in the statements of income.*

*The foreign investment was translated at the historical rate.*

*Equity in profit (loss) of foreign subsidiary company was translated at the average exchange rate for the periods of 12 months.*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 3. Summary of significant accounting policies (Continued)

**3.16 Basic earnings per share**

*Basic earnings per share are computed by dividing the profit (loss) for the years attributable to equity holders of the parent by the number of weighted average ordinary shares which are issued during of the years (482,579,640 shares).*

## 4. Related party transactions

## 4.1 The relationship of person or related parties

Person or related parties	The relationship
Tipco F&B Co., Ltd.	Holding and co-directors
Tipco Biotech Co., Ltd.	Holding and co-directors
Tipco Marketing Co., Ltd.	Holding and co-directors
Tipco Beverage Co., Ltd.	Holding and co-directors
Tipco Retail Co., Ltd.	Holding and co-directors
Suntory Beverage & Food Asia PTE LTD. In Singapore	Holding and co-directors
Tipco Asphalt PCL.	Holding and co-directors
Thanomwongse Service Co., Ltd.	Co-directors
Ruamsapsin Co., Ltd.	Co-directors
Raycol Asphalt Co., Ltd.	Indirect portion
Thai Slurry Seal Co., Ltd.	Holding by associates' directors
Ekachaicontainer Terminal Co., Ltd.	Co-directors
Thai Crushing Co., Ltd.	Co-directors
Rattanajit Co., Ltd.	Co-directors
Siamcontainer Transport Co., Ltd.	Holding by directors
Suratt Bittumen Co., Ltd.	Co-directors
Bitumen Marine Co., Ltd.	Co-directors
Thai Bitumen Co., Ltd.	Co-directors
Tasco Shipping Co., Ltd.	Co-directors
Vital Well Co., Ltd.	Co-directors
Tipco Maritime Co., Ltd.	Co-directors
Alpah Maritime Co., Ltd.	Co-directors

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 4. Related party transactions (Continued)

4.2 The company and its subsidiaries's policy about the price charge to the related parties are as follows:

Type of transactions	Policies of price setting
Transactions between the company and its subsidiaries	
- Sales and services to the subsidiary companies	Cost plus contribution margin
- Sales and services from the subsidiary companies	Cost plus contribution margin
Transactions related to the company, its subsidiaries with the related parties	Market price

The financial statements included related party transactions by considering the following: intercompany shareholding or the same group of shareholders, directors or management team. Besides, the related parties are considered when one of parties has the ability to control the other party or can exercise significant influence over the other party in making financial and operating decisions. Some part of the Company's assets, liabilities, revenues and expenses arose from transaction with the persons and related parties. The effects of these transactions are reflected in the accompanying financial statements on the basis determined by the normal business.

The related party transaction are as follows :

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Balance at the end periods				
Trade receivables				
-Subsidiary company				
Tipco F&B Co., Ltd.			26,533,035	12,993,806
Tipco Retail Co., Ltd.			1,002,112	888,066
Tipco Biotech Co., Ltd.			31,319	39,362
-Related companies				
Tipco Asphalt PCL.	940,264	1,018,639		
Thai Slurry Seal Co., Ltd.	39,033	18,724		
Thanomwongse Service Co., Ltd.	1,014,685	1,076,141		
Rattanjit Co., Ltd.	99,760	42,600		
Siamcontainer Transport Co., Ltd.	142,850	292,466		
Raycol Asphalt Co., Ltd.	93,812	118,644		
Tipco Maritime Co., Ltd.	45,516	52,240		
Thai Bitumen Co., Ltd.	131,200	136,382		
Bitumen Marine Co., Ltd.	0	1,098		

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 4. Related party transactions (Continued)

The related party transaction are as follows : (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Balance at the end periods (Continued)				
<b>Other receivables</b>				
-Subsidiary companies				
Tipco F&B Co., Ltd.			3,054,486	2,374,235
Tipco Biotech Co., Ltd.			57,535	482,162
Tipco Retail Co., Ltd.			21,711	27,671
TFB Distribution Co., Ltd.			1,859	1,859
-Related parties				
Tipco Asphalt PCL.	41,730	165,406	11,235	147,750
Tasco Shipping Co., Ltd.	1,605	3,210		
Alpah Maritime Co., Ltd.	16,853	1,605		
Raycol Asphalt Co., Ltd.	1,605	7,352	0	5,748
Thai Bitumen Co., Ltd.	20,063	11,235		
Bitumen Marine Co., Ltd.	1,605	1,605		
Suntory Beverage & Food Limited in Japan	5,922,845	69,515,058		
Suntory Beverage & Food Asia PTE LTD. In Singapore	18,763	659		
Suntory Beverage & Food (Thailand)Ltd.	33,170	0		
Loans receivable				
-Subsidiary companies				
Tipco Biotech Co., Ltd.				
Balance brought forward			51,000,000	31,500,000
Increase in loans receivable in the period			8,001,020	31,700,000
Repayment of loans receivable in the period			25,501,020	12,200,000
Balance carried forward			33,500,000	51,000,000
Fixed Assets				
-Related company				
Thanomwongse Service Co., Ltd.	5,356,283	11,688,943	5,356,283	0



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 4. Related party transactions (Continued)

The related party transaction are as follows : (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Balance at the end periods (Continued)				
Trade accounts payable				
-Subsidiary company				
Tipco F&B Co., Ltd.			3,022,911	2,715,719
Tipco Biotech Co., Ltd.			109,824	4,906,098
TFB Distribution Co., Ltd.			0	140,171
-Related companies				
Tipco Asphalt PCL.	665,817	928,143	268,462	542,017
Thanomwongse Service Co., Ltd.	609,232	5,568,549	304,240	4,675,387
Siamcontainer Transport Co., Ltd.	96,406	146,789	63,554	111,742
Ruamsapsin Co., Ltd.	305,533	0		
Other payables				
-Related parties				
Tipco Asphalt PCL.	201,576	558,551	201,576	558,551
Thanomwongse Service Co., Ltd.	541,267	529,375	259,782	270,499
Suntory Beverage & Food Limited in Japan	376,754	376,754		
Ruamsapsin Co., Ltd.	171,750	0		
Siamcontainer Transport Co., Ltd.	450	0		

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 4. Related party transactions (Continued)

The related party transaction are as follows : (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Revenues and expenses for the periods				
Sales				
-Subsidiary companies	3,653,759	0	272,092,628	207,995,959
-Related companies	0	6,296,685		
Rental income				
-Subsidiary companies			1,646,533	2,718,112
Interest income				
-Subsidiary companies			1,547,738	1,527,266
Dividend income				
-Subsidiary companies			9,803,998	0
-Related companies			37,113,166	37,113,166
Other income				
-Subsidiary companies			67,400,935	70,035,461
-Related companies	182,815,175	131,374,408	110,757	546,682
Purchases				
-Subsidiary company			27,639,203	93,515,372
<b>-Related companies</b>			0	1,139,400
Rental and services expenses				
-Related companies	41,332,237	22,890,496	15,187,748	10,465,237
Marketing support expenses				
-Subsidiary companies			54,519,596	54,923,650
Other expenses				
-Related companies	0	376,814		
Key management personnel				
- Short-term employee benefits	39,903,785	39,503,463	26,840,875	30,832,575
- Post-employment benefits	1,105,213	377,058	962,918	315,008
Total key management personnel benefit expenses	41,008,998	39,880,521	27,803,793	31,147,583

The Group paid the director and administrative remunerations which are comprised of salaries, bonus, defined contribution, other benefits meeting perdium, and post-employee benefits, etc.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

**5. Cash and cash equivalents**

*Unit : Baht*

<i>Consist of :</i>	<i>Consolidated Financial Statements</i>		<i>Separate Financial Statements</i>	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
<i>Cash on hand</i>	1,548,791	2,365,603	511,529	1,101,349
<i>Demand deposits</i>	40,108,435	34,548,382	17,533,659	14,394,581
<i>(As at December 31, 2014 and 2013 the interest rate are 0.01 %-0.10% p.a. and 0.01%-0.75% p.a. respectively)</i>				
<b>Total</b>	41,657,226	36,913,985	18,045,188	15,495,930

**6. Current investments**

*They represent the fixed deposit (6 months) of the subsidiaries which are free of commitments. (The interest rate as at December 31, 2014 and 2013 are at 1.85% - 1.95% p.a. and 1.95% - 2.10% p.a. respectively).*

**7. Trade and other receivables**

*Unit : Baht*

<i>Consist of :</i>	<i>Consolidated Financial Statements</i>		<i>Separate Financial Statements</i>	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Trade receivables				
- Domestic	291,084,016	439,228,614	11,396,584	32,971,660
- Foreign	108,746,427	162,155,004	94,801,928	134,678,866
- Related parties	2,507,120	2,756,934	27,566,466	13,921,234
	402,337,563	604,140,552	133,764,978	181,571,760
Less Allowance for doubtful accounts	(6,937,320)	(6,548,703)	(6,548,703)	(6,548,703)
Total trade receivables	395,400,243	597,591,849	127,216,275	175,023,057
Other receivables				
- Other receivables - others	50,861,046	67,578,799	1,979,523	11,567,713
- Other receivables – related parties	6,058,239	69,706,130	3,146,826	3,039,425
- Prepaid expenses	23,115,897	18,974,416	7,071,058	7,704,251
- Advance to employees	126,756	758,667	62,706	54,304
- Accrued income	10,171,226	5,036,832	5,239,379	53,664
Total other receivables	90,333,164	162,054,844	17,499,492	22,419,357
<b>Total</b>	485,733,407	759,646,693	144,715,767	197,442,414

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 7. Trade and other receivables (Continued)

Aging schedule as at **December 31, 2014**

Unit : Baht

	Consolidated Financial Statements	Separate Financial Statements
Not yet due	359,319,763	106,694,039
Overdue 1-90 Days	35,650,012	20,522,236
Overdue 91-180 Days	34,455	0
Overdue 181-270 Days	451,156	0
Overdue 271-360 Days	108,886	0
Overdue 360 Days	6,773,291	6,548,703
Total	402,337,563	133,764,978

Aging schedule as at December 31, 2013

Unit : Baht

	Consolidated Financial Statements	Separate Financial Statements
Not yet due	415,847,846	128,275,011
Overdue 1-90 Days	176,120,196	41,337,811
Overdue 91-180 Days	148,266	0
Overdue 181-270 Days	1,966	0
Overdue 271-360 Days	0	0
Overdue 360 Days	12,022,278	11,958,938
Total	604,140,552	181,571,760

## 8. Short - term loans to related parties

*Loans to Tipco Biotech Co., Ltd. are in the form of promissory notes. The interest rate at 3.25% p.a. and 3.75% p.a. as at December 31, 2014 and 2013 respectively.*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 9. Inventories

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Finished goods	439,342,306	738,081,528	224,671,549	521,702,536
Work in process	103,665,941	145,504,361	19,366,732	44,994,260
Raw materials	402,982,506	437,963,218	139,557,376	209,363,264
Spare parts and factory supplies	50,626,658	45,905,023	28,781,588	24,102,238
Less Allowance for loss on decline	996,617,411	1,367,454,130	412,377,245	800,162,298
in value of inventories	(762,604)	(7,972,619)	(762,604)	(7,972,619)
Allowance for expired goods	(63,558,689)	(23,670,066)	(61,503,948)	(22,982,110)
	932,296,118	1,335,811,445	350,110,693	769,207,569
Goods in transit	3,640,403	4,649,810	2,497,160	1,811,108
<b>Total</b>	<b>935,936,521</b>	<b>1,340,461,255</b>	<b>352,607,853</b>	<b>771,018,677</b>

## 10. Other current assets

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Value added tax	7,961,826	13,428,032	694,492	6,238,993
<b>Short – term deposits</b>	<b>1,375,370</b>	<b>1,419,249</b>	<b>0</b>	<b>0</b>
Prepaid company income tax	0	2,255,537	0	2,255,537
<b>Withholding tax</b>	<b>2,279,430</b>	<b>2,662,478</b>	<b>2,086,826</b>	<b>2,488,373</b>
<b>Others</b>	<b>1,561,569</b>	<b>766,479</b>	<b>989,734</b>	<b>694,707</b>
<b>Total</b>	<b>13,178,195</b>	<b>20,531,775</b>	<b>3,771,052</b>	<b>11,677,610</b>

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 11. Available - for - sale investments (Consolidated and Separate financial statement)

Unit : Baht

	31 Dec 2014	31 Dec 2013
Opening cost amount	720,282	345,792
Additions	0	0
Disposals	(720,282)	(143,300)
Closing cost amount	0	202,492
Changes in fair value	0	517,790
Closing net book amount	0	720,282

In the year 2011, the Company has received free warrants for purchasing new ordinary shares in totally 3,711,316 units, which the term is 3 years. The Company classified the investment as available-for-sale, which were accounted for at fair value.

*As at December 31, 2014 and 2013, the remaining warrants are 0 units and 706,159 units respectively.*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 12. Investments in subsidiaries and associated companies

Investments in associated company in the Consolidated financial statements are accounted for by the equity method.

Unit : Thousand Baht

Name	Business	Relationship	Consolidated Financial Statements					
			Paid-up share capital		%		Investments (Equity method)	
			31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
The local subsidiary companies								
TIPCO F&B COMPANY LIMITED	Manufacturer of Fruit Juice	Shareholder	600,000	600,000	50.00	50.00	407,260	441,917
TIPCO RETAIL COMPANY LIMITED	Retail of Foods and Beverage	Shareholder	50,000	50,000	75.50	75.50	17,669	23,343
TIPCO BIOTECH COMPANY LIMITED	Pharmaceutical ingredients	Shareholder	36,800	36,800	99.99	99.99	141,094	139,999
Total							566,023	605,259
Less Eliminated intragroup transactions							(566,023)	(605,259)
							0	0
The local associated company								
TIPCO ASPHALT PUBLIC COMPANY LIMITED	Manufacturer of Asphalt	Shareholder	1,532,780	1,525,480	24.2130	24.3236	1,431,925	1,274,973

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 12. Investments in subsidiaries and associated companies (Continued)

Investments in subsidiaries and associated companies in the Separate financial statements are accounted for by the cost method less allowance for decline in value of investments.

Unit : Thousand Baht

Name	Business	Shareholder	Separate Financial Statements								
			Paid-up share capital		%		Investments (Cost method)		Dividend received		
			31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	
The local subsidiary companies											
TIPCO F&B COMPANY LIMITED	Manufacturer of Fruit Juice	Shareholder	600,000	600,000	50.00	50.00	279,050	279,050	9,804	0	
TIPCO RETAIL COMPANY LIMITED	Retail of Foods and Beverage	Shareholder	50,000	50,000	51.00	51.00	25,500	25,500	0	0	
TIPCO BIOTECH COMPANY LIMITED	Pharmaceutical ingredients	Shareholder	36,800	36,800	99.99	99.99	160,787	160,787	0	0	
							465,337	465,337	9,804	0	
The local associated company											
TIPCO ASPHALT PUBLIC COMPANY LIMITED	Manufacturer of Asphalt	Shareholder	1,532,780	1,525,480	24.2130	24.3236	647,110	647,110	37,113	37,113	
							1,112,447	1,112,447	46,917	37,113	



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 12. Investments in subsidiaries and associated companies (Continued)

The financial statements of associated company, named Tipco Asphalt PCL. *as at December 31, 2014 and 2013* were reviewed and audited by the other auditor, which the financial statements reflected investment in associated company by the equity method are as follows:

Unit : Baht

Consist of :	Consolidated Financial Statements	
	31 Dec 2014	31 Dec 2013
Investment in associated company	1,431,925,238	1,274,972,938
Percentage of total assets in consolidation	25.93	20.70
Equity in profit for the periods of associated company		
<b><i>For the year ended December 31,</i></b>		
Percentage of total revenues in consolidation	4.62	3.32

The financial statements of associated company are as follows :

Unit : Thousand Baht

Consist of :	Consolidated Financial Statements	
	31 Dec 2014	31 Dec 2013
Total assets	15,145,118	20,273,519
Total liabilities	9,020,101	14,382,582
Total revenues	46,249,063	34,140,374
Profit for the period	1,157,109	861,607

13. *Restricted deposit at bank*

*This represent the fixed deposit (6 months) of a subsidiary company which was used as collateral for issuing Bank of Guarantee as indicated in Note 35 to the financial statements.*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 14. Investment property

Unit : Baht

Consist of :	Consolidated Financial Statements					Separate Financial Statements				
	31 Dec 2013	Increase (Decrease) in the period			31 Dec 2014	31 Dec 2013	Increase (Decrease) in the period			31 Dec 2014
		Purchases	Disposal	Transfer			Purchases	Disposal	Transfer	
Cost of assets										
Land cost	11,014,500	7,269,561	0	0	18,284,061	11,014,500	7,269,561	0	0	18,284,061
Total	11,014,500	7,269,561	0	0	18,284,061	11,014,500	7,269,561	0	0	18,284,061

Unit : Baht

Consist of :	Consolidated Financial Statements					Separate Financial Statements				
	31 Dec 2012	Increase (Decrease) in the period			31 Dec 2013	31 Dec 2012	Increase (Decrease) in the period			31 Dec 2013
		Purchases	Disposal	Transfer			Purchases	Disposal	Transfer	
Cost of assets										
Land cost	11,014,500	0	0	0	11,014,500	11,014,500	0	0	0	11,014,500
Total	11,014,500	0	0	0	11,014,500	11,014,500	0	0	0	11,014,500

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)**

15. Property, plant and equipment

Unit : Baht

Consist of :	Consolidated Financial Statements					Separate Financial Statements				
	31 Dec 2013	Increase (Decrease) in the period			31 Dec 2014	31 Dec 2013	Increase (Decrease) in the period			31 Dec 2014
		Purchases	Disposal	Transfer			Purchases	Disposal	Transfer	
<b>Cost of assets</b>										
Land-original cost	275,716,969	0	0	950,000	276,666,969	154,573,986	0	0	950,000	155,523,986
Land development	58,057,992	0	0	0	58,057,992	54,589,902	0	0	0	54,589,902
Building and complement	1,140,379,069	285,000	(30,785,300)	57,650,782	1,167,529,551	617,928,803	205,500	0	37,439,733	655,574,036
Machinery and equipment	2,716,935,267	2,811,125	(17,361,802)	252,595,641	2,954,980,231	1,334,663,720	270,000	(8,267,358)	186,983,408	1,513,649,770
Tools and equipment	305,126,290	9,362,708	(18,464,065)	16,720,146	312,745,079	129,954,221	2,063,659	(4,572,855)	5,111,722	132,556,747
Furniture and office equipment	89,554,118	2,979,919	(11,394,999)	4,488,891	85,627,929	52,760,077	757,584	(4,874,668)	1,033,316	49,676,309
Vehicles	49,643,256	0	(4,124,194)	262,617	45,781,679	33,181,235	0	(2,930,849)	0	30,250,386
<b>Total</b>	<b>4,635,412,961</b>	<b>15,438,752</b>	<b>(82,130,360)</b>	<b>332,668,077</b>	<b>4,901,389,430</b>	<b>2,377,651,944</b>	<b>3,296,743</b>	<b>(20,645,730)</b>	<b>231,518,179</b>	<b>2,591,821,136</b>
<b>Accumulated depreciation</b>										
Land development	29,198,887	3,994,140	0	0	33,193,027	28,640,579	3,756,599	0	0	32,397,178
Building and complement	514,726,936	54,135,350	(29,776,111)	0	539,086,175	365,002,211	30,395,216	0	0	395,397,427
Machinery and equipment	1,279,103,259	136,823,139	(15,887,425)	0	1,400,038,973	919,681,337	77,620,314	(8,156,706)	0	989,144,945
Tools and equipment	198,936,055	37,411,575	(15,451,942)	0	220,895,688	86,092,534	13,855,974	(3,495,657)	0	96,452,851
Furniture and office equipment	63,740,497	9,005,612	(10,849,784)	0	61,896,325	38,689,561	4,452,936	(4,571,538)	0	38,570,959
Vehicles	39,148,240	3,524,344	(4,066,335)	0	38,606,249	27,836,133	1,836,496	(2,870,563)	0	26,802,066
<b>Total</b>	<b>2,124,853,874</b>	<b>244,894,160</b>	<b>(76,031,597)</b>	<b>0</b>	<b>2,293,716,437</b>	<b>1,465,942,355</b>	<b>131,917,535</b>	<b>(19,094,464)</b>	<b>0</b>	<b>1,578,765,426</b>
<b>Less Impairment of assets</b>	<b>2,510,559,087</b>	<b>(229,272,680)</b>			<b>2,607,672,993</b>	<b>911,709,589</b>				<b>1,013,055,710</b>
	<b>(35,292,089)</b>				<b>(264,564,769)</b>	<b>(15,088,095)</b>	<b>(37,628,709)</b>			<b>(52,716,804)</b>
	<b>2,475,266,998</b>				<b>2,343,108,224</b>	<b>896,621,494</b>				<b>960,338,906</b>
Assets in transit and in progress	119,171,004	157,531,478		(201,198,142)	75,504,340	51,361,518	45,635,669			2,311,486
Machinery in transit	29,059,228	126,852,927		(155,912,155)	0	27,022,738	117,061,643			0
<b>Total property, plant and equipment, net</b>	<b>2,623,497,230</b>				<b>2,418,612,564</b>	<b>975,005,750</b>				<b>962,650,392</b>

As at December 31, 2014 The cost of plant and equipment, which were depreciated in fully amount in Consolidated Financial Statements is in the amount of Baht 1,538 million (2013 : Baht 1,551 million) and in Separate Financial Statements is in the amount of Baht 895 million (2013 : Baht 917 million). In 2014, the BOD's committee resolve the value of set aside impairment asset as amount of Baht 37,628,709 on November 13,2014. The BOD of subsidiary company's committee resolve the value of set aside impairment asset as amount baht 191,643,972 on November 25, 2014

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)**

15. Property, plant and equipment (Continued)

Unit : Baht

Consist of :	Consolidated Financial Statements					Separate Financial Statements				
	31 Dec 2012	Increase (Decrease) in the period			31 Dec 2013	31 Dec 2012	Increase (Decrease) in the period			31 Dec 2013
		Purchases	Disposal	Transfer			Purchases	Disposal	Transfer	
<b>Cost of assets</b>										
Land-original cost	275,716,969	0	0	0	275,716,969	154,573,986	0	0	0	154,573,986
Land development	57,904,442	153,550	0	0	58,057,992	54,589,902	0	0	0	54,589,902
Building and complement	1,073,107,028	13,246,483	(425,751)	54,451,309	1,140,379,069	572,312,553	3,734,328	(425,752)	42,307,674	617,928,803
Machinery and equipment	2,534,990,489	54,880,528	(4,800,139)	131,864,389	2,716,935,267	1,185,584,477	35,371,010	(4,746,467)	118,454,700	1,334,663,720
Tools and equipment	286,296,860	23,079,186	(16,343,420)	12,093,664	305,126,290	116,545,063	8,807,484	(4,161,602)	8,763,276	129,954,221
Furniture and office equipment	89,185,203	9,935,261	(12,435,710)	2,869,364	89,554,118	55,830,804	5,336,403	(8,989,999)	582,869	52,760,077
Vehicles	61,745,972	3,861,754	(15,964,470)	0	49,643,256	46,564,977	204,600	(13,588,342)	0	33,181,235
<b>Total</b>	<b>4,378,946,963</b>	<b>105,156,762</b>	<b>(49,969,490)</b>	<b>201,278,726</b>	<b>4,635,412,961</b>	<b>2,186,001,762</b>	<b>53,453,825</b>	<b>(31,912,162)</b>	<b>170,108,519</b>	<b>2,377,651,944</b>
<b>Accumulated depreciation</b>										
Land development	24,949,802	4,249,085	0	0	29,198,887	24,623,922	4,016,657	0	0	28,640,579
Building and complement	464,772,488	50,296,490	(342,042)	0	514,726,936	337,674,156	27,670,097	(342,042)	0	365,002,211
Machinery and equipment	1,153,727,321	129,817,465	(4,441,527)	0	1,279,103,259	859,683,718	64,435,619	(4,438,000)	0	919,681,337
Tools and equipment	177,786,265	35,532,169	(14,382,379)	0	198,936,055	76,948,455	13,175,690	(4,031,611)	0	86,092,534
Furniture and office equipment	66,822,984	8,925,708	(12,008,195)	0	63,740,497	42,898,649	4,699,921	(8,909,009)	0	38,689,561
Vehicles	49,487,803	4,282,604	(14,622,167)	0	39,148,240	38,872,096	2,552,374	(13,588,337)	0	27,836,133
<b>Total</b>	<b>1,937,546,663</b>	<b>233,103,521</b>	<b>(45,796,310)</b>	<b>0</b>	<b>2,124,853,874</b>	<b>1,380,700,996</b>	<b>116,550,358</b>	<b>(31,308,999)</b>	<b>0</b>	<b>1,465,942,355</b>
	2,441,400,300				2,510,559,087	805,300,766				911,709,589
Less Impairment of assets	(35,292,089)				(35,292,089)	(15,088,095)				(15,088,095)
	2,406,108,211				2,475,266,998	790,212,671				896,621,494
Assets in transit and in progress	220,017,077	106,401,262		(207,247,335)	119,171,004	179,304,846	42,648,279		(170,591,607)	51,361,518
Machinery in transit	0	29,059,228			29,059,228	0	27,022,738			27,022,738
<b>Total property, plant and equipment, net</b>	<b>2,626,125,288</b>				<b>2,623,497,230</b>	<b>969,517,517</b>				<b>975,005,750</b>

As at December 31, 2013 The cost of plant and equipment, which were depreciated in fully amount in Consolidated Financial Statements is in the amount of Baht 1,551 million (2012 : Baht 1,508 million) and in Separate Financial Statements is in the amount of Baht 917 million (2012 : Baht 879 million )

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

**16. Intangible assets**

*Unit : Baht*

<i>Consist of :</i>	<i>Consolidated Financial Statements</i>				
	<i>31 Dec 2013</i>	<i>Purchase</i>	<i>Decrease</i>	<i>Transfer</i>	<i>31 Dec 2014</i>
<i>Cost price-intangible assets</i>					
<i>Computer software</i>	22,118,630	761,600	2,299,114	5,947,300	26,528,416
<i>Trademarks</i>	26,051,203				26,051,203
<i>Total</i>	48,169,833	761,600	2,299,114	5,947,300	52,579,619
<i>Accumulated amortization-intangible assets</i>					
<i>Computer software</i>	10,382,094	5,176,012	2,298,206	0	13,259,900
<i>Total</i>	10,382,094	5,176,012	2,298,206	0	13,259,900
<i>Total intangible assets</i>	37,787,739				39,319,719

*Unit : Baht*

<i>Consist of :</i>	<i>Separate Financial Statements</i>				
	<i>31 Dec 2013</i>	<i>Purchase</i>	<i>Decrease</i>	<i>Transfer</i>	<i>31 Dec 2014</i>
<i>Cost price-intangible assets</i>					
<i>Computer software</i>	14,631,701	228,100	1,711,625	2,855,300	16,003,476
<i>Trademarks</i>	26,463,244				26,463,244
<i>Total</i>	41,094,945	228,100	1,711,625	2,855,300	42,466,720
<i>Accumulated amortization-intangible assets</i>					
<i>Computer software</i>	7,680,973	3,439,291	1,711,450	0	9,408,814
<i>Total</i>	7,680,973	3,439,291	1,711,450	0	9,408,814
<i>Total intangible assets</i>	33,413,972				33,057,906

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 17. Bank overdrafts and short-term loans from financial institutions

*As at December 31, 2014*

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	Amount	Interest rate at	Amount	Interest rate at
Bank overdrafts	2,108,976	MOR	0	MOR
Loans from financial institutions :				
-Promissory notes	1,465,000,000	MMR	990,000,000	MMR
-Packing Credit	0		0	
Total	1,467,108,976		990,000,000	

*As at December 31, 2013*

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	Amount	Interest rate at	Amount	Interest rate at
Bank overdrafts	4,754,078	MOR	4,754,078	MOR
Loans from financial institutions :				
-Promissory notes	1,730,000,000	MMR	935,000,000	MMR
Total	1,734,754,078		939,754,078	

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 18. Trade and other payables

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Trade payables				
- Others	274,797,507	363,675,117	78,218,298	120,374,871
- Related parties	1,676,988	6,643,481	3,768,991	13,091,134
Total trade payables	276,474,495	370,318,598	81,987,289	133,466,005
Other payables				
- Other payables - others	371,928	377,053	7,414	47,186
- Other payables – related parties	1,291,797	1,464,680	461,358	829,050
- Accrued expenses	171,926,376	417,118,346	23,640,956	41,127,018
- Advance incomes	17,165,622	19,247,778	15,668,331	15,929,771
- Deposit received for goods	27,151,415	5,760,152	2,914,317	2,657,759
Total other payables	217,907,138	443,968,009	42,692,376	60,590,784
Total	494,381,633	814,286,607	124,679,665	194,056,789

## 19. Long-term liabilities

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Facility agreements (Note 19.1)	730,153,846	709,692,308	149,000,000	427,000,000
Machinery payable (Note 19.2)	0	5,863,576	0	0
Lease contract liabilities (Note 19.3)	4,129,955	8,817,935	3,854,729	7,476,527
	734,283,801	724,373,819	152,854,729	434,476,527
Less Current portion of long-term loans	(179,153,846)	(479,538,462)	(78,000,000)	(278,000,000)
Current portion of machinery payable	0	(5,863,576)	0	0
Current portion of lease contract liabilities	(3,197,955)	(4,687,980)	(2,922,729)	(3,621,798)
Net	551,932,000	234,283,801	71,932,000	152,854,729

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 19. Long-term liabilities (Continued)

## 19.1 Loan agreements

19.1.1 As at February 19, 2008, Tipco F&B Co., Ltd. entered into the Facility Agreements for long term-loan facilities in the amount of Baht 700 million for repaying the refinanced debt and for purchasing of machinery. The term of repayment will be quarterly, the interest rate referenced to BIBOR. The first repayment was in May 2010.

19.1.2 As at December 22, 2009, the Company entered into the Loan Agreement with a financial institution for long term-loan facilities in the amount of Baht 500 million for using as working capital. The term of repayment will be quarterly, the interest rate referenced to THBFIX. Land, building were mortgaged to cover the loans from financial institution. The first repayment was in September 2010.

In May 2011, the Company entered into an interest rate swap agreement to swap a floating interest rate on a long-term loan to fixed rate. As at December 31, 2014 and December 31, 2013, the notional amount of Baht 149 million and Baht 227 million was outstanding respectively. The notional amount reduces on a quarterly basis in accordance with the long – term loan repayment schedule.

19.1.3 As at October 22, 2010, Tipco F&B Co., Ltd. entered into the Facility Agreements for long term-loan facilities in the amount of Baht 200 million for purchase of machinery. The term of repayment will be quarterly, the first repayment was in August 2012. The interest rate referenced to BIBOR.

19.1.4 As at September 14, 2011, the Company entered into the Loan Agreement with a financial institution for long term-loan facilities in the amount of Baht 300 million for using as working capital. The term of repayment will be within 3 years, the interest rate referenced to THBFIX

19.1.5 On July 21, 2014, Tipco F&B Co., Ltd. has entered into a 7 year long-term loan agreement amounting to Baht 500 million with a financial institution and an interest rate based on BIBOR. The first installment due after 15 month grace period end since fully draw down (July 25, 2014). The loan principal is repayable in 24 quarterly installments, by repaying the 1st – 22nd installment of Baht 20 million, each and the last 2 installments of Baht 30 million, each. The first installment will be in October 2015 and the last installment will be in July 2021. This subsidiary company should maintain the Negative Pledge, Debt-to-Equity Ratio and the structure of the shareholders in accordance with the loan criterion.



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 19.2 Machinery payable

The subsidiary entered into the purchase of machinery agreement by installment, the terms of payment will be quarterly, the first repayment was in 2009 and the last payment will be in 2014.

## 19.3 Lease contract liabilities

The Company and the subsidiary entered into the lease contracts with 3 financial institutions, the terms of agreement are 36 - 60 months, the first repayment was in 2008 and the last payment will be in 2016.

## 20. Employee benefit obligations

Movement in the present value of the employee benefit obligations

Unit : Baht

<i>Consist of :</i>	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Defined benefit obligations as at the beginning of the period	39,028,205	34,356,758	31,503,833	27,940,192
Current service costs	6,109,316	3,994,500	3,790,790	2,703,765
Interest costs	2,075,471	1,830,057	1,494,123	1,497,666
Benefits paid by the plan	(17,242,507)	(1,153,110)	(17,242,507)	(637,790)
Actuarial (gains) losses	9,808,276	0	3,812,523	0
Defined benefit obligations as at the ending of the period	39,778,761	39,028,205	23,358,762	31,503,833

Unit : Baht

<i>Consist of :</i>	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Expenses recognized in profit or loss				
Current service cost	6,109,316	3,994,500	3,790,790	2,703,765
Interest cost	2,075,471	1,830,057	1,494,123	1,497,666
Total	8,184,787	5,824,557	5,284,913	4,201,431

Principal actuarial assumptions at the reporting date

% per annual

<i>Consist of :</i>	Consolidated and Separate Financial Statements	
	31 Dec 2014	31 Dec 2013
Discount rate	4.30	4.10

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

Future salary increase	3.00 – 5.00	3.00 – 5.00
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**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 21. Forward exchange contracts

The Company and the subsidiary entered into the selling and buying forward exchange contract which are presented in the financial statements at fair value. Unrealized gain or loss from the forward contracts is recorded in profit or loss.

The outstanding balance of forward exchange contracts are as follows :

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
The exchange forward contract – Sold (USD)	2,421,059	5,025,012	2,369,687	4,547,593
The exchange forward contract – Sold (EUR)	0	0	0	0
The exchange forward contract – Bought (USD)	430,371	284,916	0	0
The exchange forward contract – Bought (EUR)	0	988,260	0	988,260
The call option contract (USD)	0	2,000,000	0	0
The put option contract (USD)	0	1,000,000	0	1,000,000

## 22. Equity

## 22.1 Legal reserve

Pursuant to the Public Limited Companies Act B.E. 2535 (1992), the Company must appropriate the annual net profit to be a reserve fund which not less than five percent of the annual net profit deducted by the total deficit brought forward (if any) until reserve reaches an amount of not less than ten percent of the registered capital. The legal reserve had been fully reserved as the Public Limited Companies Act B.E. 2535 (1992) mentioned.

## 22.2 Managing Capital

The company and its subsidiaries have policy to manage the capital by maintain their ability to continue the business as a going concern and to maintain an appropriate capital structure by maintain debt to equity ratio as stipulated in loan facility agreements. Besides, the company has policy to pay out dividend not less than 1/3 of net profit of the Company's separate financial statements.

## 22.3 Dividend paid

The shareholders' meeting of a subsidiary company, held on February 27, 2014, approved to declare the dividend payment to shareholders on the profit of year 2013 in the amount of Baht 19.608 million, at Baht 0.3268 per share.

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 23. Share of comprehensive income in associated company

Unit : Baht

Consist of :	<b>Consolidated Financial Statements</b>	
	31 Dec 2014	31 Dec 2013
Currency translation differences	(29,142,110)	(13,342,956)
Surplus on change in fair value of interest rate swap contract	(289,673)	(887,653)
Total	(29,431,783)	(14,230,609)

## 24. Revenues from the sale of goods and the rendering of services

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Revenues from the sale of goods	5,507,795,418	5,585,403,492	2,110,128,520	2,260,587,170
Revenues from the rendering of services	0	2,795,954	3,171,956	7,450,918
Total	5,507,795,418	5,588,199,446	2,113,300,476	2,268,038,088

## 25. Other incomes

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Dividend income	0	0	46,917,164	37,113,166
Management fees income	0	0	12,333,095	13,820,096
Royalty income	0	0	54,519,596	54,923,650
Marketing support income	272,163,536	194,868,315	0	0
Sale of scraps income	5,707,051	7,388,736	2,725,930	3,054,082
Gain on sale of investments	4,770,430	10,067,850	4,770,430	10,067,850
Gain on exchange rate	14,916,775	0	9,678,320	5,475,904
Reversal of loss on expired goods	0	45,807,882	0	26,415,724
Interest income	94,656	99,754	1,549,244	1,532,115
Others	42,345,723	47,379,402	19,552,352	34,294,856
Total	339,998,171	305,611,939	152,046,131	186,697,443

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 26. Staff provident fund

*The Company and its subsidiaries joined with a contributory registered provident fund, in accordance with The Provident Fund Act B.E. 2530. The contributions from staffs are deducted from the monthly salaries, with the Company matching the individual's contributions.*

## 27. Classification of expenses by nature

Significant expenses by nature are as follow:

Unit : Baht

<i>Consist of :</i>	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Employee expenses	599,991,351	698,750,287	305,112,031	402,091,602
Depreciation	244,681,216	233,103,521	131,917,535	116,550,357
Amortization	5,176,011	2,614,019	3,439,291	1,502,175
Finance costs	83,415,143	89,357,586	50,891,328	55,338,394
Loss on impairment of assets	229,272,680	0	37,628,708	0
Cost of production and service (Excluded cost of employees and depreciation)	2,641,676,364	3,006,213,467	1,356,113,899	1,623,715,684

## 28. Income tax

The income tax expenses is computed from the profit before income tax, which is in accordance with the regulation in the Revenue Code.

In December 2011, the Royal Decree has been issued, regarding the reduction of corporate income tax rates, from the rate of 30% to 23% for the year 2012, and 20% for the year 2013 and 2014. In November 2014, the Royal Decree has been issued to extend the reduced rate for corporate income tax (20%) for the year 2015 commencing on or after 1 January 2015.

Income tax expenses for the year ended December 31, 2014 and 2013 are as follow:

Unit : Baht

<i>Consist of :</i>	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Current income tax :	11,706,578	5,980,410	0	0
Current income tax expenses				
Deferred tax :				
Temporary difference and reversal of temporary differences	(80,484,316)	(798,260)	(43,917,619)	6,614,961
Income tax expense reported in the	(68,777,738)	5,182,150	(43,917,619)	6,614,961

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

statement of comprehensive income				
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**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 28. Income tax (Continued)

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2014 and 2013 are as follow:

Unit : Baht

	Consolidated Financial Statements			
	2014		2013	
	<i>Rate</i> <i>(%)</i>		<i>Rate</i> <i>(%)</i>	
Accounting profit before income tax		(15,050,065)		152,568,255
Income tax at applicable tax rate	20	0	20	30,513,651
Tax effect :				
Disallowed expenses for net profit calculation		49,651,624		1,269,968
Exemption of income/Deductible expenses		(10,436,312)		(12,608,351)
Privileges according to the Investment Promotion		(27,508,734)		(13,194,858)
Current income tax		11,706,578		5,980,410
Deferred tax:				
Temporary difference and reversal of temporary differences		(80,484,316)		(798,260)
Income tax expenses	-	(68,777,738)	3	5,182,150

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 28. Income tax (Continued)

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2014 and 2013 as follows: (Continued)

Unit : Baht

	Separate Financial Statements			
	2014		2013	
	Rate (%)		Rate (%)	
Accounting profit (loss) before tax		(176,930,341)		(69,530,583)
Income tax at applicable tax rate	20	0	20	0
Tax effect :				
Disallowed expenses for net profit calculation		9,389,331		5,972,156
Exemption of income/Deductible expenses		(17,123,118)		(19,032,520)
Current income tax		0		0
Deferred tax:				
Relating to origination and reversal of temporary differences		(43,917,619)		6,614,961
Income tax expenses	-	(43,917,619)	(10)	6,614,961

The total income tax relating to items that are recognized directly to equity as at December 31, 2014 and 2013 are as follow:

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Change in accounting policy :				
Deferred tax	0	28,066,513	0	23,962,381



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 28. Income tax (Continued)

The amounts of income tax relating to each component of other comprehensive income for the years ended December 31, 2014 and 2013 as follows: (Continued)

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Deferred tax relating to change in fair value of interest rate swap contract	(252,715)	1,444,352	(252,715)	1,444,352
Deferred tax relating to change in fair value of available-for-sale investments	103,558	1,154,058	103,558	1,154,058
	(149,157)	2,598,410	(149,157)	2,598,410

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 28. Income tax (Continued)

The components of deferred tax assets and deferred tax liabilities as at December 31, 2014 and 2013 are as follow:

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Deferred tax assets				
Allowance for doubtful accounts	10,827,241	11,473,895	1,309,740	1,309,740
Allowance for loss on decline in value of inventories	152,521	1,594,524	152,521	1,594,524
Allowance for obsolete goods	12,475,466	4,638,003	12,300,790	4,596,422
Allowance for asset impairment	48,783,556	3,942,779	8,160,821	847,039
Employee benefit obligations	7,396,973	7,649,566	4,671,752	6,300,767
Difference depreciation for tax purpose	1,456,212	1,564,685	1,456,212	1,564,685
Liabilities under finance lease contracts	1,142,273	1,094,455	1,142,273	1,094,455
Loss exchange rate forward (MTM)	31,289	2,376,285	31,289	1,405,076
Deficit brought forward	34,336,332	0	34,336,332	0
Others	546,256	743,621	486,950	743,621
Total	117,148,120	35,077,813	64,048,680	19,456,329
Deferred tax liabilities				
Fair value of available-for-sale investments	0	103,558	0	103,558
Assets under finance lease contracts	705,663	829,089	705,663	829,089
Amortization of Trademark	870,000	580,000	870,000	580,000
Others	0	1,631	0	1,631
Total	1,575,663	1,514,278	1,575,663	1,514,278
Deferred tax assets, net	115,572,456	33,563,535	62,473,017	17,942,051

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

**29. Privileges according to the Investment Promotion Act B.E. 2520**

*The Company and its subsidiaries have obtained the certificate for the investment promotion, entitled privileges for manufacturing of empty can, canned coconut milk and desiccated coconut at Prachaubkhirikhan factory and vegetable and fruit juices at Ayuthaya factory as follows :*

- 1. Exemption from import duty on machinery as approved by the Board of Investment.*
- 2. Exemption from company income tax for 8 years from the date income is first derived, which have been expired in the year 2021.*
- 3. Shareholders of the Company will be exempted from tax on dividend received during the period in which the company is granted exemption from company income tax.*

*The Company and its subsidiaries have to comply with certain conditions contained in the promotion certificate.*

*The calculation of profit and loss between promoted and non-promoted businesses are distinguished by the transactions which can be specified. Transactions which cannot be specified are allocated by the proportion of income. Interest income except from saving deposits (over 2% of revenues) and income from sales of scrap are recorded under non-promoted business.*

**30. Revenues report for a Promoted Business**

*By the Announcement of the Board of Investment No. 14/1998 dated December 30, 1998 regarding revenues report for a promoted business, the company is required to separately report the revenues from domestic sales and export sales and to separately report the promoted and non-promoted business. The Revenues are as follows :*

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 30. Revenues report for a Promoted Business (Continued)

Unit : Baht

	Consolidated Financial Statements					
	31 Dec 2014			31 Dec 2013		
	Exemption from company income tax	Non - Promoted Business	Total	Exemption from company income tax	Non - Promoted Business	Total
Sales - Domestic	2,644,038,866	863,211,855	3,507,250,721	2,668,456,663	792,185,475	3,460,642,138
Sales - Export	390,022,303	1,610,522,394	2,000,544,697	417,324,546	1,710,232,762	2,127,557,308
	3,034,061,169	2,473,734,249	5,507,795,418	3,085,781,209	2,502,418,237	5,588,199,446

Unit : Baht

	Separate Financial Statements					
	31 Dec 2014			31 Dec 2013		
	Exemption from company income tax	Non - Promoted Business	Total	Exemption from company income tax	Non - Promoted Business	Total
Sales - Domestic	20,452,682	487,561,751	508,014,433	255,892	496,940,469	497,196,361
Sales - Export	45,786,575	1,559,499,468	1,605,286,043	20,890,033	1,749,951,694	1,770,841,727
	66,239,257	2,047,061,219	2,113,300,476	21,145,925	2,246,892,163	2,268,038,088

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)**

## 31. Long-term lease agreements

January 1, 2013, the Company and subsidiary entered into the renew lease agreement for TIPCO TOWER, for additional using as the office of the company and subsidiary, the term of agreement is 3 years and the rental and service fees is Baht 476,986/month and Baht 715,484/month respectively.

## 32. Information on operating segments

## TFRS 8 “operation segments”

Information on operation segments requires the Company and its subsidiaries disclose the segment information based on the internal reports regularly reviewed by the Company and its subsidiaries’s Chief Operation Decision Maker in order to allocate resources to those segments and to assess the segment’s performance.

The Company and its subsidiaries operate in three reportable business segments which are organized by similar products, (1)products of vegetable & fruit (2)beverages and (3) others. The business operations are carried on both in Thailand and overseas. The information on operating segments has been presented as follows:

Business segment information	Consolidated Financial Statements				Unit : Baht
	For the year ended December 31, 2014				
	Segment			Eliminated	
Products of vegetable & fruit	Beverages	Others			
Revenues from sales of goods	1,888,390,834	3,845,834,024	117,241,603	(343,671,043)	5,507,795,418
Cost of the sales	1,821,953,986	2,255,315,056	92,316,918	(344,232,963)	3,825,352,997
Gross profit	66,436,848	1,590,518,968	24,924,685	561,920	1,682,442,421
Other incomes					339,998,171
Profit before expenses					2,022,440,592
Selling expenses					(1,490,144,806)
Administrative expenses					(747,380,923)
Profit before Share of profit from investments in associated company					(215,085,137)
Share of profit from investments in associated company					283,450,215
Profit before finance costs and income tax					68,365,078
Finance costs					(83,415,143)
Income tax expenses					68,777,738
Profit after tax					53,727,673
Non-controlling interests					(23,965,334)
Profit for the period					77,693,007
Fixed assets	614,921,994	1,720,372,785	62,673,255		2,397,968,034

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 32. Information on operating segments (Continued)

Business segment information	Consolidated Financial Statements				Unit : Baht	
	For the year ended December 31, 2013					
	Segment			Eliminated		Total
	Products of vegetable & fruit	Beverages	Others			
Revenues from sales of goods	2,080,061,551	3,787,655,677	146,576,748	(426,094,530)	5,588,199,446	
Cost of the sales	2,008,008,473	2,316,651,764	125,973,394	(420,299,834)	4,030,333,797	
Gross profit	72,053,078	14,710,003,913	20,603,354	(5,794,696)	1,557,865,649	
Other incomes					305,611,939	
Profit before expenses					1,863,477,588	
Selling expenses					(1,373,626,430)	
Administrative expenses					(450,421,026)	
Profit before Share of profit from investments in associated company					39,430,132	
Share of profit from investments in associated company					202,495,709	
Profit before finance costs and income tax					241,925,841	
Finance costs					(89,357,586)	
Income tax expenses					(5,182,150)	
Profit after tax					147,386,105	
Non-controlling interests					32,971,116	
Profit for the period					114,414,989	
Fixed assets	656,477,694	1,754,632,634	77,794,542		2,488,904,870	

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 32. Segment information (Continued)

Geographic segment information				Unit : Baht
<i>For the year ended December 31, 2014</i>				
	Sales-export	Sales-Domestic	Eliminated	Total
Revenues from the sale of goods and the rendering of services	3,850,921,764	2,000,544,697	(343,671,043)	5,507,795,418
Segment operating profit	118,750,370	1,563,130,131	561,920	1,682,442,421
				Unit : Baht
<i>For the year ended December 31, 2013</i>				
	Sales-export	Sales-Domestic	Eliminated	Total
Revenues from the sale of goods and the rendering of services	2,167,391,339	3,846,893,838	(426,094,530)	5,588,199,446
Segment operating profit	138,874,699	1,424,785,646	(5,794,696)	1,557,865,649

## 33. Financial instruments

*The Company and its subsidiaries' financial instruments are as follows :-***33.1 Risk management** policies

## 33.1.1 Credit risk

*Credit risk refers to the risk that counterparty will default on its contractual obligations. The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable. The company and its subsidiaries manage the risk by adopting appropriated credit control policies and procedures.*

*Credit risk which arise from trade accounts receivable is minimal, since the company has a strict policy concerning the analyzing and approving credit for its customer and the debt collection process is also closely tracked by the company. Besides, the major part of the subsidiary's trade accounts receivable are the famous firms.*

*The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statements of financial position.*

## 33.1.2 Interest rate risk

***TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

*Interest rate risk arises from the potential for a change in market interest rates to having affect the value of the financial assets and liabilities of the Company and its subsidiaries.*

*The company and its subsidiaries have the significant financial assets and liabilities are classified by type of interest rates, and the fixed interest rates are classified based on the maturity date or the date of new interest rate is fixed if it is fixed before the maturity date, are as follows :*



**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 33. Financial instruments (Continued)

33.1 *Risk management* policies (Continued)

## 33.1.2 Interest rate risk (Continued)

	<i>Consolidated financial statements</i>			<i>Unit : Million Baht</i>	
	<i>As at December 31, 2014</i>				
	<i>Fixed interest rates</i>		<i>Floating</i>	<i>Non-</i>	<i>Total</i>
	<i>Within</i>	<i>Over</i>	<i>interest</i>	<i>interest</i>	
<i>1 year</i>	<i>1 – 5 year</i>	<i>rate</i>	<i>bearing</i>		
Financial Assets					
Cash and cash equivalents	-	-	1	41	42
Current investments	4	-	-	-	4
Trade and other receivables	-	-	-	486	486
Restricted deposit at bank	1	-	-	-	1
Financial liabilities					
Bank overdrafts and short-term loans					
from financial institutions	1,465	-	2	-	1,467
Trade and other payables	-	-	-	494	494
Long – term loans from banks	-	-	730	-	730
Long – term machinery payable	-	-	-	-	-
Financial lease payable	3	1	-	-	4

	<i>Consolidated financial statements</i>			<i>Unit : Million Baht</i>	
	<i>As at December 31, 2013</i>				
	<i>Fixed interest rates</i>		<i>Floating</i>	<i>Non-</i>	<i>Total</i>
	<i>Within</i>	<i>Over</i>	<i>interest</i>	<i>interest</i>	
<i>1 year</i>	<i>1 – 5 year</i>	<i>rate</i>	<i>bearing</i>		
Financial Assets					
Cash and cash equivalents	-	-	2	35	37
<i>Current investments</i>	<i>0.7</i>	-	-	-	<i>0.7</i>
<i>Trade and other receivables</i>	-	-	-	760	<i>760</i>
<i>Available-for-sale investment</i>	-	-	-	<i>0.7</i>	<i>0.7</i>
<i>Restricted deposit at bank</i>	<i>4</i>	-	-	-	<i>4</i>
Financial liabilities					
<i>Bank overdrafts and short-term loans</i>					
<i>from financial institutions</i>	<i>1,730</i>	-	<i>5</i>	-	<i>1,735</i>
<i>Trade and other payables</i>	-	-	-	<i>814</i>	<i>814</i>
<i>Long – term loans</i> from banks	-	-	710	-	710
<i>Long – term machinery payable</i>	6	-	-	-	6
<i>Financial lease payable</i>	5	4	-	-	10

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

*Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

33. Financial instruments (Continued)

33.1 *Risk management* policies (Continued)

33.1.2 Interest rate risk (Continued)

	<i>Separate financial statements</i>			<i>Unit : Million Baht</i>	
	<i>As at December 31, 2014</i>				
	<i>Fixed interest rates</i>		<i>Floating</i>	<i>Non-</i>	<i>Total</i>
	<i>Within</i>	<i>Over</i>	<i>interest</i>	<i>interest</i>	
<i>1 year</i>	<i>1 – 5 year</i>	<i>rate</i>	<i>bearing</i>		
Financial Assets					
Cash and cash equivalents	-	-	1	17	18
<b>Trade and other receivables</b>	-	-	-	145	145
Short-term loans to related parties	34	-	-	-	34
Financial liabilities					
<b>Bank overdrafts and short-term loans</b>	990	-	-	-	990
<i>from financial institutions</i>					
<b>Trade and other payables</b>	-	-	-	125	125
<b>Long – term loans</b> from banks	-	-	149	-	149
<b>Financial lease payable</b>	3	1	-	-	4

	<i>Separate financial statements</i>			<i>Unit : Million Baht</i>	
	<i>As at December 31, 2013</i>				
	<i>Fixed interest rates</i>		<i>Floating</i>	<i>Non-</i>	<i>Total</i>
	<i>Within</i>	<i>Over</i>	<i>interest</i>	<i>interest</i>	
<i>1 year</i>	<i>1 – 5 year</i>	<i>rate</i>	<i>bearing</i>		
Financial Assets					
Cash and cash equivalents	-	-	1	14	15
<b>Trade and other receivables</b>	-	-	-	197	197
Short-term loans to related parties	51	-	-	-	51
<b>Available-for-sale investment</b>	-	-	-	0.7	0.7
Financial liabilities					
<b>Bank overdrafts and short-term loans</b>	935	-	5	-	940
<i>from financial institutions</i>					
<b>Trade and other payables</b>	-	-	-	194	194
<b>Long – term loans</b> from banks	-	-	427	-	427
<b>Financial lease payable</b>	4	3	-	-	7

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 33. Financial instruments (Continued)

**33.1 Risk management** policies (Continued)33.1.3 *Foreign exchange rate* risk

The Company and its subsidiaries' exposure to foreign currency risk mainly relating to purchase/sale which are denominated in foreign currencies. The Company and its subsidiaries hedged against currency risk by entering into forward exchange contracts with maturities of less than 1 year.

*Foreign exchange contracts of the Company and its subsidiary outstanding at December 31, 2014 are as follows :*

Foreign currency	Bought contracts	Sold contracts	Contractual exchange rate	
			Bought	Sold
US Dollar	430,371	2,421,059	33.0475-33.3550	32.3400-33.1550

The right to exercise under the contract depends on spot exchange rate on the due date.

*The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies as at December 31, 2014 are as follow:*

Foreign currency	Financial	Financial	Average exchange rate
	assets	liabilities	as at 31 December 2014
			(Baht per 1 foreign currency unit)
US Dollar	3,209,328	377,413	32.92
Australia Dollar			
Euro	0	12,300	40.00
Yen	0	4,450,000	0.273

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 33. Financial instruments (Continued)

**33.1 Risk management** policies (Continued)33.1.3 *Foreign exchange rate* risk (Continued)

Foreign exchange contracts of the Company and its subsidiary outstanding at **December 31, 2013** are as follow:

Foreign currency	Bought contracts	Sold contracts	Contractual exchange rate	
			Bought	Sold
			(Baht per 1 foreign currency unit)	
US Dollar	284,916	5,025,012	32.4450-32.5600	30.0210-32.3900
Euro	988,260	0	44.9900	0

Option contract of the Company and its subsidiary outstanding at **December 31, 2013** are as follow:

Foreign currency	Call option	Put option	Contractual exchange rate	
			Call option	Put option
			(Baht per 1 foreign currency unit)	
US Dollar	2,000,000	1,000,000	30.85	31.00

The right to exercise under the contract depends on spot exchange rate on the due date.

***The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies as at December 31, 2013 are as follows :***

Foreign currency	Financial	Financial	Average exchange rate
	assets	liabilities	as at 31 December 2013
			(Baht per 1 foreign currency unit)
US Dollar	4,996,635	1,329,583	32.76
Australia Dollar	2,952	0	29.13
Euro	6,072	60,732	44.96
Yen	273,602	7,007,250	0.312
Won	1,600,972	0	0.030

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 33. Financial instruments (Continued)

**33.2 Fair value of financial instruments**

*Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.*

*The methods and assumptions are used by the company and its subsidiaries in estimating fair value of financial instruments as follows:*

*Financial assets and financial liabilities held for the short-term maturities, such as cash on hand and deposits at financial institutions, accounts receivable and payable, and short-term loans, the carrying amounts in the statements of financial position approximate at the fair value.*

Investment in Debt Securities and Non-marketable Securities Equity Instruments or that do not have a quoted market price in an active market, presented the carrying amounts in the statements of financial position at their fair values, or at the net asset value attributable to investments, or at the discounted cash flow of the present value.

*Long-term loans, with fixed interest rate, the carrying value are approximated at their fair values, calculated by the present value of the contractually determined stream of future cash flow discounted at the market interest rate prevailing on the date of the statement of financial position. Long-term loans with variable interest rates which close to market rates, the carrying value are approximated at their fair value, presented in the statements of financial position.*

## 34. Reclassification of accounts

Certain accounts in the 2013 financial statements have been reclassified to conform to the presentation in the 2014 financial statements as follows:

	Unit : Baht					
	Consolidated financial statements			Separate financial statements		
	Before Reclassification	After Reclassification	After Reclassification	Before Reclassification	After Reclassification	After Reclassification
<b>Statement of financial position</b>						
Investment Property	0	11,014,500	11,014,500	0	11,014,500	11,014,500
Property, plant and equipment	2,634,511,730	(11,014,500)	2,623,497,230	986,020,250	(11,014,500)	975,005,750

**TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES***Notes to the Financial Statements (Consolidated and separate financial statements) (Continued)*

## 35. Commitments

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
Letter of guarantee (BAHT)	21,450,578	21,112,237	11,720,832	11,582,932
Letter of credit (EUR)	0	192,500	0	192,500

## 36. Approval of financial statements

These financial statements were approved and authorized for issue by Board of Directors on February 20, 2015 by the authorized directors.

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