



TIPCO 004/2015

20 February 2015

Re: Management discussion and analysis (MD&A) for the year of 2014

To: The President

The Stock Exchange of Thailand

Tipco Foods (Public) Company Limited would like to report and clarify the operating results for the year of 2014 in accordance with reviewed Consolidated Financial Statement as of December 31, 2014. The highlighted key performance were set forth as follow;

Total Revenue

The revenue stream from sales and services totaled Baht 5,508 million, a decrease of 1.4% from the last year, could largely explained by supply shortage in pineapple business.

Cost of Goods Sold

The cost of goods sold and service totaled Baht 3,825 million, accounted for comparable percentage at 69.7% of sales revenue and again reduced from last year at 72.1% according to the efforts on fixed cost reduction, efficiency improvement in production and raw materials sourcing.

Selling Expenses

Selling expenses totaled Baht 1,490million, accounted for 27.1% of sales revenue this year. This was greater than that of last year at 24.6%. An increase had been used to underpin new product launch campaign this year.

General & Administrative Expenses

General & administrative expenses totaled Baht 747 million, which is equal to 13.6% of sales revenue this year. This figure was significantly greater than that of last year at 8.1% according to the receding allowance of decline in value of product inventory and writing down/off operating assets and obsolete materials

Net Profit (Loss)

For the aggregated result of 2014, net profit reported Baht 77 million, which was analogous to 1.4% of total sales revenue. This was clearly lower than that of 2013 (Baht 114 million or 2.0% of total



sales revenue.

Total Assets

As of December 31, 2014, company holds total assets of Baht 5,521 million, reducing Baht 637 million or 10.3% from December 31, 2013. The reduction was mainly from a decrease in product inventory and the aforementioned writing down/off operating assets and obsolete materials

Total Liabilities

As of December 31, 2014, company has total liabilities of Baht 2,766 million, reducing Baht 584 million or 17.4% from December 31, 2013. The reduction could largely explained by the decrease of current portion of debt and forward contract on currencies.

Shareholders' Equity

As of December 31, 2014, company reports shareholders' equity of Baht 2,754 million, a slight decrease of Baht 52 million or 1.9% from December 31, 2013. The reduction could largely explained by change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate

Please kindly be informed accordingly

Sincerely yours,

Ekaphol Pongstabhon

Managing Director