



Tipco 002/2022

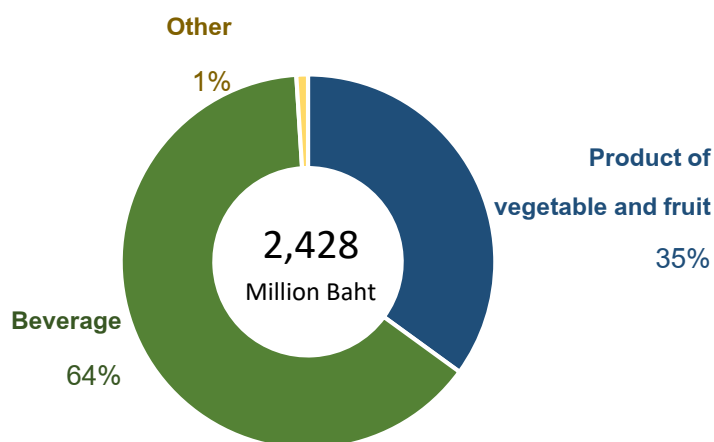
Management Discussion and Analysis Tipco Foods Public Company Limited

For ended December 31, 2021

Consolidated statement of comprehensive income

Statement of comprehensive income	Consolidated financial statements		Changes	
	2021	2020	Increase (Decrease)	%
Unit : Baht				
Sales	2,427,550,913	2,500,123,559	(72,572,646)	(3%)
Other income	96,427,071	75,687,763	20,739,308	27%
Total revenues	2,523,977,984	2,575,811,322	(51,833,338)	(2%)
Expenses				
Cost of sales	1,835,088,518	2,064,387,522	(229,299,004)	(11%)
Selling and distribution expenses	332,440,076	311,001,624	21,438,452	7%
Administrative expenses	408,699,925	477,038,964	(68,339,039)	(14%)
Loss on exchange	16,035,352	24,191,743	(8,156,391)	(34%)
Total expenses	2,592,263,871	2,876,619,853	(284,355,982)	(10%)
Operating profit (loss)	(68,285,887)	(300,808,531)	232,522,644	77%
Share of profit from investment in associate	520,178,467	836,967,622	(316,789,155)	(38%)
Finance income	15,295	52,264	(36,969)	(71%)
Finance cost	(38,703,506)	(50,962,001)	(12,258,495)	(24%)
Profit before income tax expenses	413,204,369	485,249,354	(72,044,985)	(15%)
Income tax benefit (expenses)	15,397,866	(3,436,893)	18,834,759	548%
Profit for the year	428,602,235	481,812,461	(53,210,226)	(11%)

Operating Revenues Structure in 2021

**Product of vegetable and fruit**

Revenue from sales of vegetable and fruit processing products, health products and agriculture business

Beverage

Revenue from sales of consumer business
Fruit Juice, vegetable Juice and mineral water

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Revenues from sales of goods and gross profit

Unit : Million Baht

Consolidated financial statements	Product of vegetable and fruit		Changes		Beverage		Changes		Others		Changes		Consolidated financial		Changes	
	2021	2020	Increase (Decrease)	%	2021	2020	Increase (Decrease)	%	2021	2020	Increase (Decrease)	%	2021	2020	Increase (Decrease)	%
	Revenues from sales of goods	860	834	26	3%	1,547	1,648	(101)	(6%)	21	18	3	17%	2,428	2,500	(72)
Gross profit (Loss)	155	79	76	96%	433	361	72	20%	4	(5)	9	180%	592	435	157	36%
Gross Profit (Loss) Margin	18%	9%	9%		28%	22%	6%		19%	(28%)	47%		24%	17%	7%	

In 2021, the Company and its subsidiaries reported sales of Baht 2,428 million, decreased by 3% compared to the same period of last year and reported gross profit of Baht 592 million, increased by 36% compared to the same period of last year details are as follows:

Product of vegetable and fruit

Product of vegetable and processed fruit business reported sales of Baht 860 million, increased by 3% compared to the same period of last year, mainly due to higher selling price of processed fruit and the sale of new products in the health products, such as Green chiretta extract capsules that contain andrographolide up to 20 mg. And effective management of raw material costs. Therefore the company has a gross profit margin of Baht 155 million, increased by 96% compared to the previous year.

Beverage

Beverage business reported sales of Baht 1,547 million, decreased by 6% compared to the same period of last year, mainly due to a slowdown in domestic purchasing power affected by COVID-19. However, the company implemented production cost control program. Therefore the company reported gross profit of Baht 433 million, increased by 20% compared to the previous year.

Others

Other business reported sales of Baht 21 million, increased by 17% compared to the same period of last year, mainly due to the sale of new products. Therefore the company reported gross profit of Baht 4 million, increased by 180% compared to the previous year.

Operating Expenses

In 2021, the Company and its subsidiaries reported total operating expenses of Baht 2,592 million decreased by 10% compared to the same period of last year, which can be explained as follows

- Cost of sales decreased by 11% from production cost controlling.
- Selling and distribution expenses increased by 7% from marketing and promotion expenses through various channels.
- A decreasing in administrative expenses by 14% from expenses controlling.

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**Share of profit from investment in associate**

In 2021, the Company reported share of profit from investment in associate of Baht 520 million decreased by 38% compare to the same period of last year.

Finance cost

In 2021, the Company and its subsidiaries reported Finance cost of Baht 39 million decreased from the previous year by 24% compare to the same period of last year mainly due to decreased in both short-term and long-term Loan.

Consolidated statement of financial position

Statement of financial position	Consolidated financial statements		Changes	
	31-Dec-21	31-Dec-20	Increase (Decrease)	%
Unit : Baht				
Assets				
Current assets	1,119,600,084	980,510,187	139,089,897	14%
Non-current assets	5,318,504,636	5,506,748,838	(188,244,202)	(3%)
Total assets	6,438,104,720	6,487,259,025	(49,154,305)	(1%)
Liabilities and shareholders' equity				
Liabilities				
Current liabilities	1,528,317,303	1,601,400,008	(73,082,705)	(5%)
Non-current liabilities	508,892,761	666,358,539	(157,465,778)	(24%)
Total liabilities	2,037,210,064	2,267,758,547	(230,548,483)	(10%)
Shareholders' equity				
Total shareholders' equity	4,400,894,656	4,219,500,478	181,394,178	4%
Total liabilities and shareholders' equity	6,438,104,720	6,487,259,025	(49,154,305)	(1%)

Assets

As of December 31, 2021, the Company and its subsidiaries had total assets of Baht 6,438 million, a decrease of 1% from the end of 2020. Current assets increased by Baht 139 million or 14% mainly due to the increase in Inventories. While non-current assets decreased by Baht 188 million or 3% due to the decrease in Property, plant and equipment.

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**Liabilities**

As of December 31, 2021, the Company and its subsidiaries had total liabilities of Baht 2,037 million, a decrease of 10% from the end of 2020, with the main changes from current liabilities decreased by Baht 73 million or 5% due to the decrease in short-term loan. Non-current liabilities decreased by Baht 157 million or 24% due to a decrease in long-term loan.

Consolidated cash flow statement

Cash flow statement	Consolidated financial statements
	31-Dec-21
Unit : Baht	
Cash flows from operating activities	
Net cash flows from operating activities	235,450,089
Cash flows from investing activities	
Net cash flows from investing activities	510,388,094
Cash flows from financing activities	
Net cash flows used in financing activities	(723,274,062)
Net increase in cash and cash equivalents	22,564,121
Cash and cash equivalents at beginning of period	55,544,446
Cash and cash equivalents at end of period	78,108,567

As of December 31, 2021, the Company and subsidiaries had an increase in net cash and cash equivalents Baht 23 million, with the company and its subsidiaries had net cash flow from operating activities of Baht 235 million. Net cash flow from investing activities was Baht 510 million, mainly from dividend received from associate company. Net cash flow used in financing activities of Baht 723 million from repayment of short-term loan and long-term loans from financial institutions and dividend paid.

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**Financial Ratio from consolidated financial statement**

Profitability ratios	Consolidated financial statements		Changes
	2021	2020	
Gross Profit Margin	24.4%	17.4%	7%
EBITDA Margin	33.7%	35.6%	(2%)
Net Profit Margin	17.0%	18.7%	(2%)
Return on Equity	9.7%	11.4%	(2%)
The Capacity to pay and liquidity ratios	31-Dec-21	31-Dec-20	Changes
Debt to equity ratio (Times)	0.46	0.54	(7%)
Liquidity ratio (Times)	0.73	0.61	12%

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