



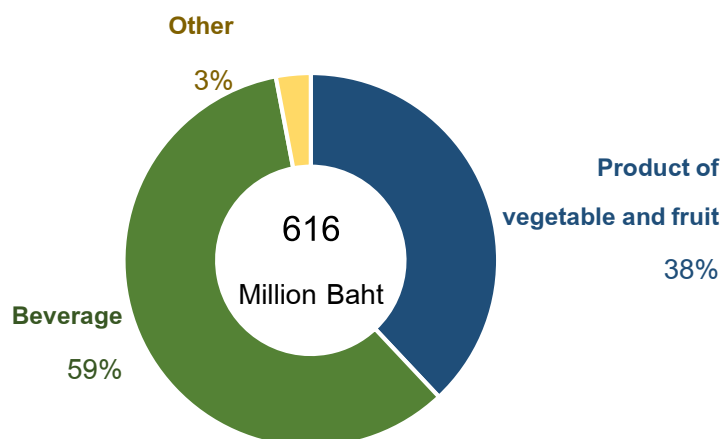
Tipco 023/2022

## Management Discussion and Analysis Tipco Foods Public Company Limited

For ended March 31, 2022

Consolidated statement of comprehensive income

Statement of comprehensive income	Consolidated financial statements		Changes	
	Q1 2022	Q1 2021	Increase (Decrease)	%
<b>Unit : Thousand Baht</b>				
Sales	615,652	550,616	65,036	12%
Other income	30,610	27,300	3,310	12%
<b>Total revenues</b>	<b>646,262</b>	<b>577,916</b>	<b>68,346</b>	<b>12%</b>
<b>Expenses</b>				
Cost of sales	504,773	443,551	61,222	14%
Selling and distribution expenses	78,597	83,205	(4,608)	(6%)
Administrative expenses	105,070	103,178	1,892	2%
Loss on exchange	-	8,949	(8,949)	(100%)
<b>Total expenses</b>	<b>688,440</b>	<b>638,883</b>	<b>49,557</b>	<b>8%</b>
<b>Operating profit (loss)</b>	<b>(42,178)</b>	<b>(60,967)</b>	<b>18,789</b>	<b>31%</b>
Share of profit from investment in associate	50,648	98,944	(48,296)	(49%)
Finance income	339	2	337	16,850%
Finance cost	(10,443)	(10,334)	109	1%
<b>Profit before income tax expenses</b>	<b>(1,634)</b>	<b>27,645</b>	<b>(29,279)</b>	<b>(106%)</b>
Income tax benefit (expenses)	6,030	13,683	(7,653)	(56%)
<b>Profit for the year</b>	<b>4,396</b>	<b>41,328</b>	<b>(36,932)</b>	<b>(89%)</b>

Operating Revenues Structure in the 1<sup>st</sup> quarter of 2022**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		Changes		Beverage		Changes		Others		Changes		Consolidated financial		Changes	
	Q1 2022	Q1 2021	Increase (Decrease)	%	Q1 2022	Q1 2021	Increase (Decrease)	%	Q1 2022	Q1 2021	Increase (Decrease)	%	Q1 2022	Q1 2021	Increase (Decrease)	%
Revenues from sales of goods	234	205	29	14%	363	343	20	6%	19	3	16	533%	616	551	65	12%
Gross profit (Loss)	27	21	6	29%	80	86	(6)	(7%)	4	-	4	100%	111	107	4	4%
Gross Profit (Loss) Margin	12%	10%	1%		22%	25%	(3%)		21%	0%	21%		18%	19%	(1%)	

For the 1<sup>st</sup> quarter of 2022, the Company and its subsidiaries reported sales of Baht 616 million, increased by 12% compared to the same period of the last year, and reported gross profit of Baht 111 million, increased by 4% compared to the same period of the last year details are as follows:

**Product of vegetable and fruit**

Product of vegetable and processed fruit business reported sales of Baht 234 million, increased by 14% compared to the same period of the last year, mainly due to the higher export volume and selling price of processed fruit, and effective management of raw material costs. Therefore the firm has a gross profit margin of Baht 27 million, increased by 29% compared to the previous year.

**Beverage**

Beverage business reported sales of Baht 363 million, increased by 6% compared to the same period of the last year, from selling new products which are functional drink and herbal drink. Therefore, the company reported gross profit of Baht 80 million, decreased by 7% compared to the previous year.

**Others**

Other business reported sales of Baht 19 million, increased by 533% compared to the same period of the last year, mainly due to the sale of new products. Therefore, the company reported gross profit of Baht 4 million, increased by 100% compared to the previous year.

**Operating Expenses**

In the 1<sup>st</sup> quarter of 2022, the Company and its subsidiaries reported total operating expenses of Baht 688 million, increased by 8% compared to the same period of the last year, which can be explained as follows:

- Cost of sales increased by 14%, mostly impact from the external factors such as Russia and Ukraine war which lead to rising price of many raw material items, including freight costs and shortage of container for import and export.
- Selling and distribution expenses decreased by 6% because of expenses controlling.
- An increasing in administrative expenses by 2%

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**Share of profit from investment in associate**

In the 1<sup>st</sup> quarter of 2022, the Company reported share of profit from investment in associate of Baht 51 million, decreased by 49% compare to the same period of the last year.

**Finance cost**

In the 1<sup>st</sup> quarter of 2022, the Company and its subsidiaries reported finance cost of Baht 10 million, increased from the previous year by 1% compare to the same period of the last year.

**Consolidated statement of financial position**

Statement of financial position	Consolidated financial statements		Changes	
	31-Mar-22	31-Dec-21	Increase (Decrease)	%
<b>Unit : Thousand Baht</b>				
<b>Assets</b>				
Current assets	1,199,478	1,119,600	79,878	7%
Non-current assets	5,239,191	5,318,505	(79,314)	(1%)
<b>Total assets</b>	<b>6,438,669</b>	<b>6,438,105</b>	<b>564</b>	<b>0%</b>
<b>Liabilities and shareholders' equity</b>				
<b>Liabilities</b>				
Current liabilities	1,683,603	1,528,317	155,286	10%
Non-current liabilities	409,406	508,893	(99,487)	(20%)
<b>Total liabilities</b>	<b>2,093,009</b>	<b>2,037,210</b>	<b>55,799</b>	<b>3%</b>
<b>Shareholders' equity</b>				
<b>Total shareholders' equity</b>	<b>4,345,660</b>	<b>4,400,895</b>	<b>(55,235)</b>	<b>(1%)</b>
<b>Total liabilities and shareholders' equity</b>	<b>6,438,669</b>	<b>6,438,105</b>	<b>564</b>	<b>0%</b>

**Assets**

As of March 31, 2022, the Company and its subsidiaries had total assets of Baht 6,438 million, an increase of 1% from the end of 2021. Current assets increased by Baht 80 million or 7%, mainly due to increase in an inventories. While non-current assets decreased by Baht 79 million or 1% due to decrease in an investment in associate.

**Liabilities**

As of March 31, 2022, the Company and its subsidiaries had total liabilities of Baht 2,093 million, an increase of 3% from the end of 2021, with the main changes from current liabilities increased by Baht 155 million or 10% due to the increase in short-term loan. Non-current liabilities decreased by Baht 99 million or 20% due to a decrease in long-term loan.

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**Consolidated cash flow statement**

Cash flow statement	Consolidated financial statements
	31-Mar-22
<b>Unit : Thousand Baht</b>	
<b>Cash flows from operating activities</b>	
Net cash flows used in operating activities	(32,340)
<b>Cash flows from investing activities</b>	
Net cash flows used in investing activities	(25,106)
<b>Cash flows from financing activities</b>	
Net cash flows from financing activities	35,507
<b>Net decrease in cash and cash equivalents</b>	<b>(21,939)</b>
Cash and cash equivalents at beginning of period	78,109
<b>Cash and cash equivalents at end of period</b>	<b>56,170</b>

As of March 31, 2022, the Company and its subsidiaries had a decrease in net cash and cash equivalents Baht 22 million, with the company and its subsidiaries had net cash flow used in operating activities of Baht 32 million. Net cash flow used in investing activities was Baht 25 million, mainly from cash paid for acquisition of property, plant and equipment. Net cash flow from financing activities of Baht 36 million from bank overdrafts and short-term loans from financial institutions.

**Financial Ratio from consolidated financial statement**

Profitability ratios	Consolidated financial statements		Changes
	Q1 2022	Q1 2021	
Gross Profit Margin	18.0%	19.4%	(1%)
EBITDA Margin	15.4%	23.7%	(8%)
Net Profit Margin	0.7%	7.2%	(6%)
Return on Equity	0.1%	0.9%	(1%)
<b>The Capacity to pay and liquidity ratios</b>	<b>31-Mar-22</b>	<b>31-Dec-21</b>	<b>Changes</b>
Debt to equity ratio (Times)	0.48	0.46	2%
Liquidity ratio (Times)	0.71	0.73	(2%)

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