

NON-CONFIDENTIAL

**EXPORTER QUESTIONNAIRE
RESPONSE**

of

TIPCO FOODS PUBLIC CO LTD

in relation to

FSI PINEAPPLE

from

THAILAND

SECTION A

COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation

Head Office:

Name:	Chidchanok Vipavasupakorn
Position in the company:	International Business Manager
Company name:	Tipco Foods Public Company Ltd ("Tipco")
Address:	Tipco Tower 28 th Floor 118/1 Rama 6 Road Samsen Nai, Phayathai Bangkok 10400, Thailand
Telephone number:	(662) 273 6200 ext. 6803
Facsimile number:	(662) 271 1600, 271 4304
Email address of contact person:	<u>chidchanok@tipco.net</u>

factory:

Name of contact person:	Chidchanok Vipavasupakorn
Address:	Tipco Tower 28 th Floor 118/1 Rama 6 Road Samsen Nai, Phayathai Bangkok 10400, Thailand
Telephone number:	(662) 273 6200 ext. 6803
Facsimile number:	(662) 271 1600, 271 4304
Email address of contact person:	<u>chidchanok@tipco.net</u>

A-2 Representative of the company for the purpose of assessment

If you wish to appoint a representative to assist the company in this investigation, provide the following details:

Name:	Roger D Simpson & Associates Pty Ltd
Address:	Level 1, 2 Mercantile Dock Port Adelaide South Australia 5015, Australia
Telephone:	+61 8 8447 3699
Facsimile number:	+61 8 8447 2661
E-mail address of representative:	<u>roger@panpac.biz</u>

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that your company uses to export and/or sell goods.

- **Tipco Foods Public Company Limited**
- **Public company**
- **No other business names**

2. Who are the owners and/or principal shareholders?
Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

Refer to p. 75 of the enclosed Annual Report 2011

3. If your business is a subsidiary of another company, list the principal shareholders of that company.

N/A

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

N/A

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

N/A

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

N/A

7. Describe the nature of your company's business. Explain whether your company is a producer or manufacturer, distributor, trading company, etc.

Refer to p. 55 of the enclosed Annual Report 2011

8. If your company does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

If your business does not perform all of these functions, please provide names and addresses of the companies which perform each function.

Tipco performs all of the functions in relation to the goods under consideration (GUC) other than selling into the domestic market.

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Refer to attachment A-3.9

10. Provide a copy of your most recent company's annual report, together with any relevant brochures or pamphlets on your company's activities.

Annual Report 2011 and product brochure are enclosed.

A-4 General accounting/administration information

1. Indicate your accounting period.

January – December

2. Indicate the address where the financial records are held.

Head office per A-1 above

3. Please provide the following financial documents for your most recently completed financial year plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion); and
- internal financial statements, income statements (profit and loss reports), or management accounts that are prepared and maintained in the normal course of business for the goods under investigation.

These documents should relate to:

- the division or section/s of the business responsible for the production and sale of the goods under investigation, and
- the company.
- **Refer to the enclosed Annual Report for the audited financial statements for 2011 (2012 not yet available).**
- **At attachment A-4.3 are the following –**
 - **Chart of accounts; and**
 - **Internal balance sheet and income statement for the period January – September 2012**

4. If you are not required to have the accounts audited, please provide the unaudited financial statements for your most recently completed financial/calendar year, together with your company's taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

N/A

5. Do your accounting practices differ in any way from the generally accepted accounting principles in Greece? If so, provide details.

Do not differ

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average);

Weighted average

- costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

By production quantity

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Specific expense item in income statement

- valuation methods for scrap, by products, or joint products;

Scrap (peel and tinplate) is sold at market value and the income is netted out of material cost. No by-products or joint products.

- valuation and revaluation methods for fixed assets;

Depreciated cost – refer to attachment 3 to the audited financial statements in p. 152-153 of the enclosed Annual Report

- average useful life for each class of production equipment and depreciation method and rate used for each;

Refer to note 5.7 to the audited financial statements of the enclosed Annual Report

- treatment of foreign exchange gains and losses arising from transactions;

Refer to note 5.13 to the audited financial statements of the enclosed Annual Report

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Refer to note 5.14 to the audited financial statements of the enclosed Annual Report

- inclusion of general expenses and/or interest;

Included in administrative and finance expenses in income statement

- provisions for bad or doubtful debts;

Refer to note 9 to the audited financial statements in the Annual Report

- expenses for idle equipment and/or plant shut-downs;

Included in the cost of manufacture as a fixed cost

- costs of plant closure;

Included in the cost of manufacture as a fixed cost

- restructuring costs;

N/A

- by-products resulting from your production process; and

N/A

- effects of inflation on financial statement information.

N/A

In the event that any of the accounting methods used have changed since your most recent financial year provide an explanation of the change, the date of change, and the reason for it.

A-5 Income statement

Please fill in the table – **A-5 Income Statement**. It requires information concerning all products produced and for the goods.

Please explain how costs have been allocated.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Note: if your financial information does not permit presentation of the information in accordance with the table, please present the information in a form that closely matches the table.

Refer to attachment A-5

A-6 Sales

State your net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept.

Prepare this information in the format shown in the table at **A-6 Turnover**.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Refer to attachment A-6

SECTION B

SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your company's export practices and prices to Australia. Costs incurred beyond ex-factory should be included. Export prices are usually assessed at FOB point, but Customs and Border Protection may also compare prices at the ex factory level.

*Prices should be reported of **all** of the goods exported by your company to Australia during the period of investigation.*

*The invoice date will normally be taken to be the date of sale. If your company considers:
the sale date is not the invoice date (see 'date of sale' column in question B4 below);
and
an alternative date should be used when comparing export and domestic prices.*

*Your company **must** provide Information in Section D on domestic selling prices for a matching period covering the dates of sale of the exported goods - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

- B-1 Please provide the following information in relation to the shipments of the goods to Australia during the period of investigation:



- **Contact details and trade level** 



- B-2 Please provide also the following information:

- (a) Describe how the goods are sent to Australia, including a diagram if required.

By container vessel from Bangkok or Leam Chabang port.

- (b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

Tipco →  → 

Note:  **is a Thai selling agent to whom Tipco pays a commission** 

- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of any DDP sales, explain who retains ownership when the goods enter Australia.

Ownership is transferred to [REDACTED] at FOB port of shipment

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

N/A

- (e) Explain in detail the process by which your company negotiates price, receives orders, delivers, invoices and receives payment. If export prices are based on price lists supply copies of those lists.

**Enquiry from [REDACTED];
Price offer by Tipco;
Negotiation between Tipco and [REDACTED];
Sales confirmation from [REDACTED]**

- (f) State whether your company is related to any Australian customers. Give details of any financial or other arrangements (e.g. free goods, rebates, or promotional subsidies) with customers in Australia (including parties representing either your company or Australian customers).

N/A

- B-3 Do your company's export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

N/A

- B-4 Using the format shown in the table at **B-4 Australian sales**, list all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the period of investigation. The notes at the bottom of the table provide an explanation of the terms used by Customs and Border Protection.

The following additional definitions should be noted:

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost, it is important that the actual amount of ocean freight incurred on each export be reported. If estimates are made, your company must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period. Freight allocations must be checked for consistency.

All of the costs in the table are further explained in Section E-1.

Refer to attachment B-4

- B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above that have not been identified in the table above, add a column (see 'other factors' in question B-4) for each item, and provide a description of each item.

N/A

- B-6 For each type of discount, rebate, and allowance offered on export sales to Australia:
- provide a description; and
 - explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how the amount has been calculated shown in the response to question B4.

N/A

- B-7 If your company has issued credit notes (directly or indirectly) to Australian customers, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

N/A

- B-8 If the delivery terms make your company responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert the information in the relevant columns in table B-4 Australian Sales.

N/A

- B-9 Provide a complete set of all of the documentation relevant to two sample export sales. For example:
- the importer's purchase order, order confirmation, and contract of sale;
 - commercial invoice;
 - bill of lading;
 - export permit;
 - freight invoices in relation to movement of the goods from factory to the port of loading;
 - overseas freight invoices;
 - marine insurance expenses; and
 - letter of credit, and bank documentation, proving payment.

Refer to attachment B-9

SECTION C

EXPORTED GOODS & LIKE GOODS

- C-1 Fully describe all of the goods your company has exported to Australia for arrival during the period of investigation. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.



- C-2 List each product type of the good exported to Australia. This should cover all product types listed in the table **B-4 Australian sales** – see section B of this questionnaire.

As above

- C-3 If your company sells like goods on the domestic market, for each product type that your company has exported to Australia during the investigation period, list these like goods sold domestically, and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary) are not identical to the goods exported to Australia.

No domestic sales of FSI pineapple

- C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

See enclosed product brochure

SECTION D DOMESTIC SALES

This section is not applicable as there were no domestic sales of FSI pineapple during the review period

SECTION E

FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your company's domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs your company of the fair comparison principle and asks to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment, it will usually be necessary to examine cost differences between sales in different markets. Customs and Border Protection must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence Customs and Border Protection may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable, cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. Customs and Border Protection will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

*(These cost adjustments will relate to your company's responses made at question B-4, '**Australian sales**')*

1. Transportation

*Explain how your company has quantified the amount of inland transportation associated with the export sale ('**Inland transportation costs**'). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.*

Inland transportation costs included in attachment B-4 are actual costs incurred for each shipment

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ('**Handling, loading & ancillary expenses**'). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges;
- letter of credit fees; and
- other ancillary charges.

Handling and other costs included in attachment B-4 are all actual costs, other than inland freight, incurred in the movement of the goods from factory to FOB. They include shipping, port and THC charges.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales for example, short term borrowing in the currency concerned.

If your company's accounts receivable show that the average number of collection days differs from the payment terms shown in the sales listing, and if export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in Section E-2 below.

There is no credit cost [REDACTED]

4. Packing costs

List material and labour costs associated with packing the export product.

If applicable, describe how the packing method differs from sales on the domestic market, for each model.

Report the amount in the listing in the column headed '**Packing**'.

No adjustment for packing cost is necessary as the cost would be the same if there were domestic sales

5. Commissions

Where any commissions have been paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed '**Commissions**'. Identify the general ledger account where the expense is located.

The sales reported in attachment B-4 were through Thai selling agent [REDACTED] who is paid a commission of [REDACTED] % of the FOB value

6. Warranties, guarantees, and after sales services

Where these costs occur, show relevant sales contracts. Show how your company calculated the expenses ('**Warranty & guarantee expenses**' and '**Technical assistance & other services**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

N/A

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed "**Other factors**". For example, other variable or fixed selling expenses, including salesmen's salaries, salesmen's travel expenses, advertising and promotion, samples and entertainment expenses.

Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

N/A

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your company's country over a long period that includes the investigation period.

N/A

E-2 Costs associated with domestic sales

This sub-section is not applicable as there were no domestic sales of FSI pineapple during the review period.

SECTION F

EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your company's response to this part of the questionnaire may be used by Customs and Border Protection to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. Customs and Border Protection may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

- F-1 Using the column names and column descriptions in the table **F-1 Third Country**, provide a summary of your company's export sales to countries other than Australia.

Refer to attachment F-1

- F-2 Please identify any differences in sales to third countries, which may affect their comparison to export sales to Australia.

Different products, different terms and conditions of sale, different volumes, different customer relationships and different market conditions

SECTION G

COSTING INFORMATION AND CONSTRUCTED VALUE

The information that your company supplies in response to this section of the questionnaire will be used for various purposes including:

- *testing the profitability of sales of like goods on the domestic market;*
- *determining a constructed normal value of the goods – i.e. of the goods exported to Australia; and*
- *making certain adjustments to the normal value.*

Your company will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. Your company will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In the response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) your company:

- *reported that the date of sale is not the invoice date and considers that this alternative date should be used when comparing domestic and export prices, and*
- *provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

cost data over the same period as these sales must be provided even if doing so means that such cost data predates the commencement of the investigation period.

At any verification meeting your company must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1. Production process and capacity

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

Refer to attachment G-1

G-2. Provide information about your company's total production in the table **G-2 Production.**

Rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Refer to attachment G-2

G-3. Cost accounting practices

1. Outline the management accounting system that your company maintains and explain how that cost accounting information is reconciled to your company's audited financial statements.

Tipco maintains a "██████" computerised system for both cost and financial accounting

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in the responses to this questionnaire. If they were state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

No – based on actual costs

3. Provide details of any significant or unusual cost variances that occurred during the investigation period.

N/A

4. Describe the profit/cost centres in your company's cost accounting system.

Refer to attachment G-3

5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under investigation. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

By production quantity

6. Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

Product category, eg canned pineapple, fruit salad, juice concentrate, etc.

7. List and explain all production costs incurred by your company, which are valued differently for cost accounting purposes than for financial accounting purposes.

N/A

8. State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

N/A

- 9 State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

N/A

G-4 Cost to make and sell on domestic market

There were no domestic sales of FSI pineapple during the review period

G-5 Cost to make and sell goods under consideration (goods exported to Australia) to Australia

- Refer to attachment G-5
- Included in the cost to make and sell table at attachment G-5 are not just costs to make and sell the product type included in shipments to Australia during the review period but also other product types that Tipco intends to export to Australia in the future
- The cost to make and sell at attachment G-5 are ex-factory and the SG&A expenses included are based on the assumption that the goods had been sold for home consumption in Thailand

- G-6 Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

N/A

- G-7 Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your company's general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

N/A

- G-8 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your company.

N/A

- G-9 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production that your company has shown for the goods (e.g. market prices, transfer prices, or actual cost of production)

Where an associate of your company produces the major input, Customs and Border Protection will compare the purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

If the major input is purchased from an integrated production process, detailed information on the full costs of production of that input should be provided.

Just raw material (pineapple fruit) and tinsplate account for 10% or more of total production cost. Both are purchased from unrelated suppliers at market prices

SECTION H EXPORTER'S DECLARATION



I hereby declare that **Tipco Foods Public Co Ltd** did, during the period of investigation, export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name : Roger Simpson

Signature :

**Position in
Company : Consultant**

Date : 21.1.13

SECTION I CHECKLIST

This section is an aid to ensure that all sections of this questionnaire have been completed.

Section	Please tick if responses to all questions in that section have been provided
Section A – general information	<input checked="" type="checkbox"/>
Section B – export price	<input checked="" type="checkbox"/>
Section C – like goods	<input checked="" type="checkbox"/>
Section D – domestic price	<input checked="" type="checkbox"/>
Section E – fair comparison	<input checked="" type="checkbox"/>
Section F – exports to third countries	<input checked="" type="checkbox"/>
Section G – costing information	<input checked="" type="checkbox"/>
Section H – declaration	<input checked="" type="checkbox"/>

Electronic Data	Please tick if a spreadsheet has been provided
INCOME STATEMENT	<input checked="" type="checkbox"/>
TURNOVER – sales summary	<input checked="" type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input checked="" type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input checked="" type="checkbox"/>
THIRD COUNTRY – third country sales	<input checked="" type="checkbox"/>
PRODUCTION – production figures	<input checked="" type="checkbox"/>
DOMESTIC COSTS – costs of goods sold domestically	<input checked="" type="checkbox"/>
AUSTRALIAN COSTS – costs of goods sold to Australia	<input checked="" type="checkbox"/>

LIST OF ATTACHMENTS

Attachment:	A-3.9	Organisation chart (confidential)
	A-4.3	Chart of accounts; Internal financial statements (confidential)
	A-5	Income statement (confidential)
	A-6	Turnover (confidential)
	B-4	Australian sales (confidential)
	B-9	Sample export documents (confidential)
	F-1	Third country sales (confidential)
	G-1	Production flow chart
	G-2	Production (confidential)
	G-3	Cost centres (confidential)
	G-5	Cost to make and sell (confidential)
Enclosures:	Annual Report 2011	
	Product brochure	



2011 YEAR Of

We fought through the year of challenge, and this year...

Tipco Foods Public Company Limited

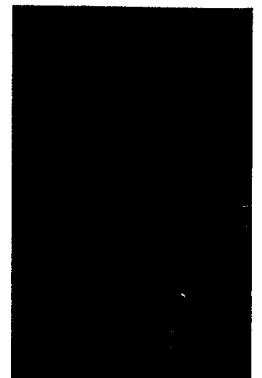
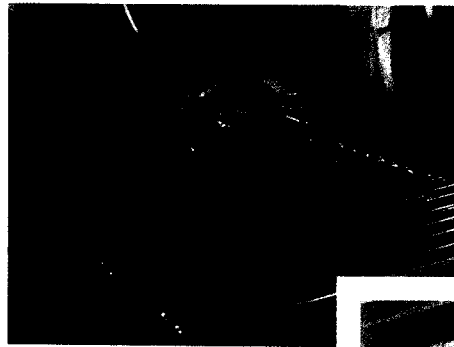
VISION

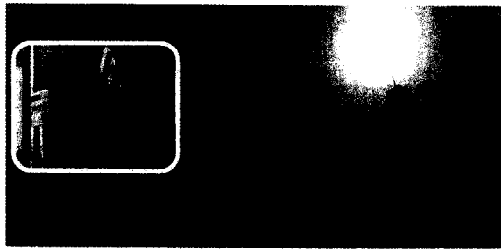
Recognized in ASEAN as a TRUSTED Food Company excelled
in INNOVATION and QUALITY
(4Ps: Process, Product, People and Partner)

OUR GOALS are to attain Batic 10,000 million by the year 2012,
fulfill customer satisfaction, build on-going competitiveness,
and sustain business growth, good return to stakeholders,
invest in employee development within our company,
and maintain highest standards of management practices.

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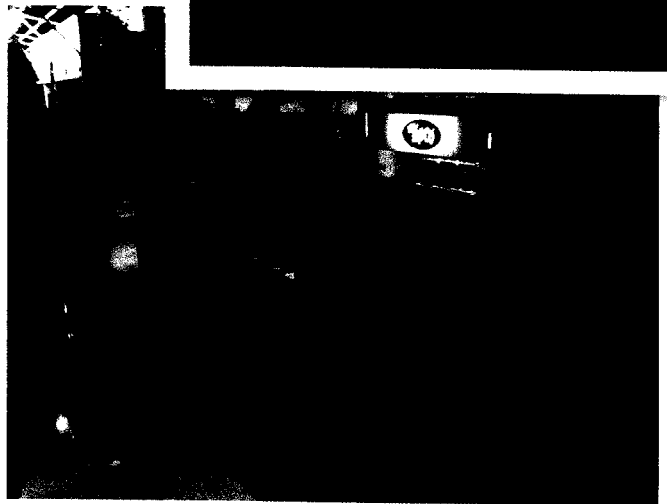
ประเทศที่มีระบบเศรษฐกิจ
ใหญ่ที่สุดในโลกอันดับ 1
อย่างสหรัฐอเมริกา
อันดับ 2 อย่าง
ญี่ปุ่น และอันดับ 3 อย่าง
เยอรมนี ต่างอยู่ในอาการ
น้ำเป็นท่วม

เมื่อพิจารณาเป็นสัดส่วนจะอยู่ที่ 0.1
ซึ่งต่ำกว่าค่าเฉลี่ยเมื่อเทียบกับประเทศอื่นที่ปรับตัว
สู่ Technical Recession อย่างมีนัยสำคัญกว่าแล้ว
เพราะเศรษฐกิจไทยคิดเป็นร้อยละ 0.5 ในไตรมาส 3 ของ
จากดัชนีค่าเฉลี่ยในไตรมาสก่อนหน้า

นอกจากนี้การขาดดุลงบประมาณ หรือ IMF เรียกว่า
ช่องว่างการขาดดุลงบประมาณ ในปีนั้น 2552 ประมาณ
ตุลย์การขาดดุลในไตรมาสก่อนหน้า อย่างไรก็ตาม หัก
ผลจากการขาดดุลในไตรมาสก่อนหน้า

หากย้อนกลับไปที่เหตุการณ์วิกฤตการณ์ทางการเงินใน
ภูมิภาคนี้ ในเดือนกันยายนปี 1997 ซึ่งตรงกับช่วง
Technical Recession เมื่อครั้งนั้นได้ทราบมาจนกระทั่ง

ประเทศไทยต้องพัฒนาขีดความสามารถ 02 ด้าน
ด้าน 2 และด้าน 3 คือต้อง เป็น Technical
Recension และเพิ่มทักษะ
ในจำพวกนี้ ประเทศที่มีภาวะเศรษฐกิจถดถอย
โดยมากจะขาดการพัฒนาศักยภาพด้านเทคนิค
และทักษะด้าน 2 และ 3 เช่นประเทศไทยมีการ
พัฒนาศักยภาพด้าน 1 เพียงพอ เพราะด้าน 2
คือคน และด้าน 3 คือการวิจัย 0.1 ของ
ความสามารถด้าน 1 เป็นสัดส่วนด้าน 2 และ
ด้าน 3 โดยด้าน 3 จะเพิ่มขึ้น หากมีการศึกษา
วิจัยด้าน Technical Recension ให้เพิ่มมากขึ้น
ประเทศต้องเปิดและจัดเวทีแลกเปลี่ยน





2010 Year of Challenges

Advancing through a series of challenges
from economic and political crises and
uncertainties presented by external factors





2011 Year of Strong Return

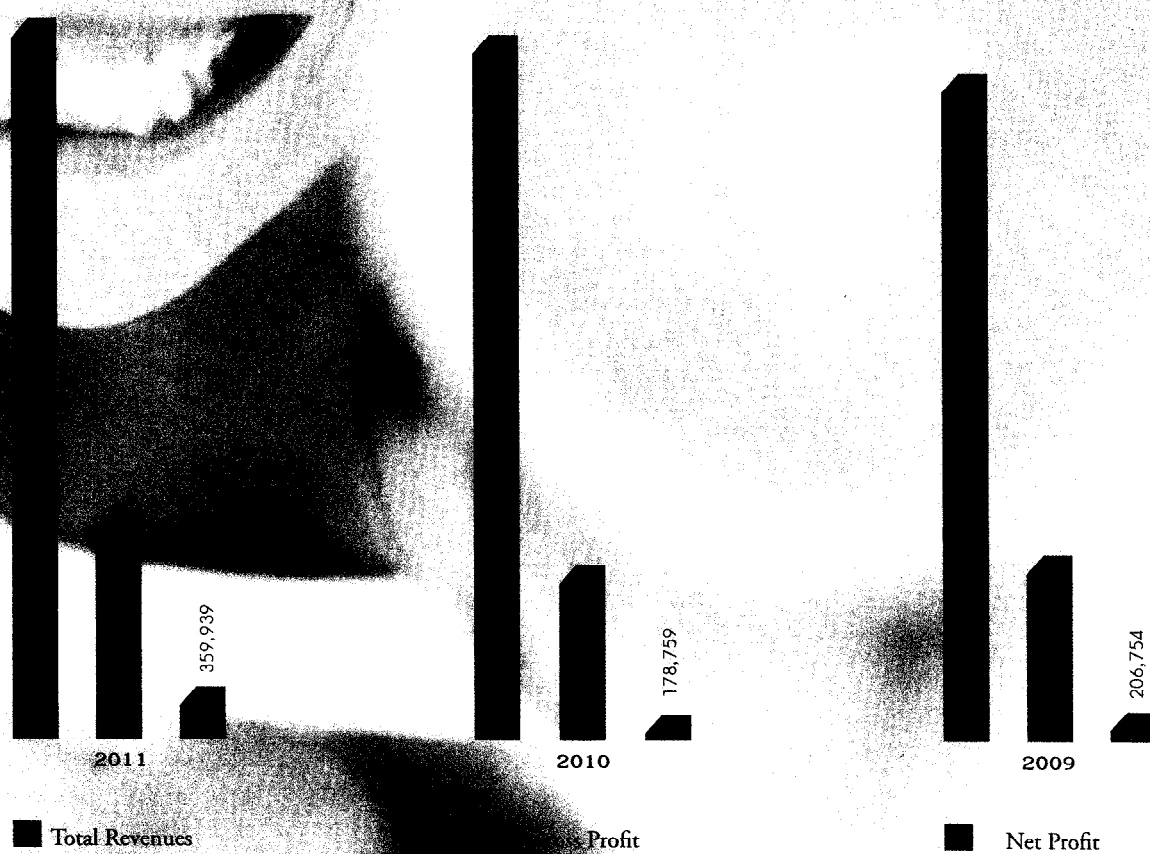
Stepping towards solid growth with
strength, professionalism and determination



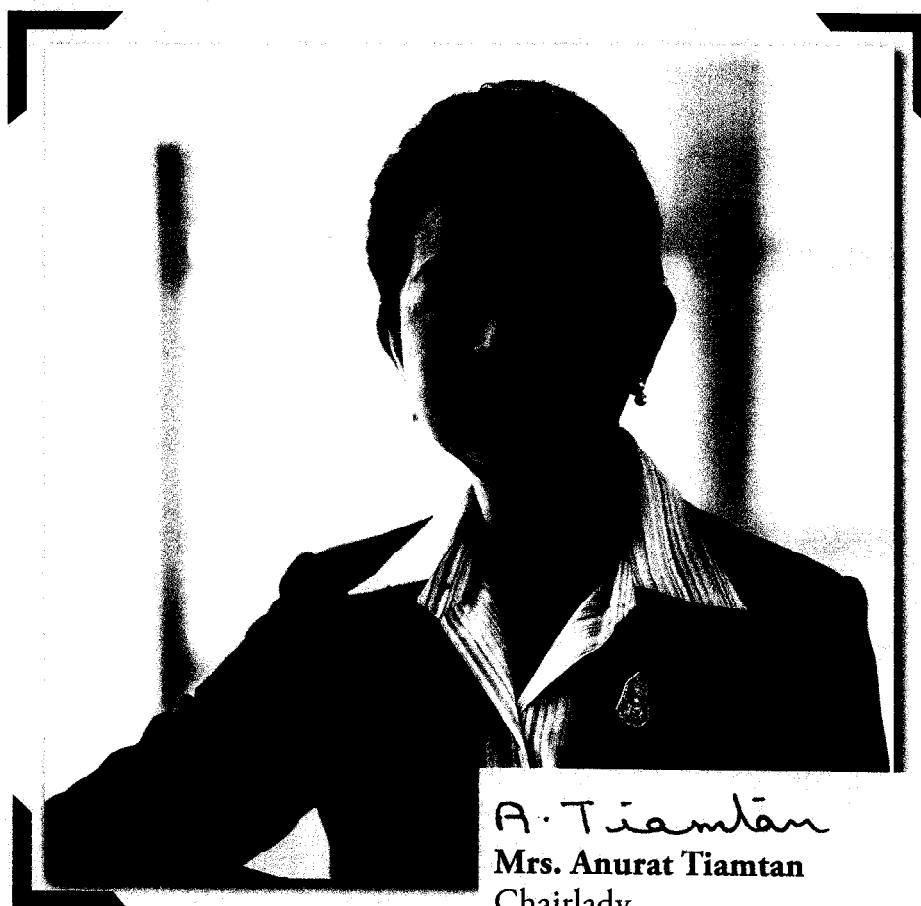
Financial Highlights

Unit : Thousand Baht

As of for the year ending 31 December	2011 (Consolidated)	2011 (Company)	2010 (Consolidated)	2010 (Company)	2009 (Consolidated)	2008 (Consolidated)	2007 (Consolidated)	2006 (Consolidated)
Common Share								
Per share Per value *	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Book value	4.99	3.44	4.25	3.14	4.13	3.96	3.81	2.95
Basic earnings per share	0.7121	0.3313	0.3045	(0.2694)	0.4272	0.1201	1.1593	0.8218
Diluted earnings per share	0.7121	0.3313	0.3045	(0.2694)	0.4272	0.1201	1.1593	0.8191
Operation Results (Thousand Baht)								
Revenues from sale	4,825,056	2,455,900	4,713,779	2,511,870	4,457,005	5,125,967	4,365,948	3,701,545
Total Revenues	4,825,086	2,458,308	4,713,779	2,515,443	4,457,005	5,125,967	5,162,808	3,966,754
Gross Profit	1,550,260	405,613	1,181,897	56,074	1,253,577	1,553,712	1,082,172	1,168,254
Earning before interest and tax	463,593	221,950	235,713	(98,604)	306,960	271,386	856,483	498,888
Net Profit	359,939	159,878	178,759	(130,015)	206,754	70,224	552,619	394,189
Balance Sheets (Thousand Baht)								
Current Assets	2,121,119	1,576,207	1,489,590	1,094,861	1,754,267	1,993,344	1,423,444	1,358,797
Total Assets	5,739,402	3,387,435	4,797,587	2,834,175	4,670,420	4,879,275	4,558,760	4,229,984
Current Liabilities	2,198,866	1,087,586	1,642,550	889,285	1,477,456	1,986,034	1,864,101	1,697,463
Total Liabilities	3,333,112	1,728,481	2,745,831	1,318,409	2,679,678	2,967,232	2,719,522	2,813,494
Issued and paid-up share capital	482,580	482,580	482,580	482,580	482,580	482,580	482,580	480,698
Shareholder's equity	2,406,289	1,658,954	2,051,757	1,515,766	1,990,742	1,912,043	1,839,238	1,416,490
Financial Ratios								
Gross Profit margin (%)	32.1%	16.5%	25.1%	2.2%	28.1%	30.3%	24.8%	31.6%
EBIT margin (%)	9.6%	9.0%	5.0%	(3.9%)	6.9%	5.3%	19.6%	13.5%
Net Profit margin (%)	7.5%	6.5%	3.8%	(5.2%)	4.6%	1.4%	12.8%	10.6%
Dividend Payout ratio (%)	16.1%	36.2%	0.0%	0.0%	35.0%	224.8%	69.9%	42.6%
Dividend yield (%)	3.0%	3.0%	0.0%	0.0%	3.1%	4.5%	11.4%	7.6%
Return on Equity (%)	15.0%	9.6%	8.7%	(8.6%)	10.4%	3.7%	30.4%	27.8%
Return on Fixed assets (%)	13.6%	17.2%	7.0%	(14.8%)	8.8%	2.9%	23.3%	18.8%
Return on Total assets (%)	6.3%	4.7%	3.7%	(4.6%)	4.4%	1.4%	12.3%	9.3%
Time interest earned	4.9	4.2	4.1	(3.1)	4.6	3.1	9.2	6.2
P/E as of Dec 31	5.3	11.3	13.9	(15.7)	11.2	40.8	6.2	8.5
Current ratio	1.0	1.4	0.9	1.2	1.2	1.0	0.8	0.8
Quick ratio	0.3	0.5	0.4	0.6	0.5	0.3	0.3	0.4
Debt-equity ratio	1.4	1.0	1.3	0.9	1.3	1.6	1.5	2.0



MESSAGE FROM THE CHAIRLADY



The year 2011 was another challenging year with many obstacles and problems ranging from global economy to natural disaster. The economic downturn, especially in the EU and the U.S had reduced our export volume. The fluctuation of Thai Baht further reduced the export income. There were drought in Prachuapkhirikhan, the biggest pineapple plantation area, but the historical damaging flood across the country. However, we were able to achieve Baht 4,825 million income or a 2.4% growth from last year, with Baht 344 million net profit or a 134% increase from last year. This net profit includes the realized profits of Baht 179 million from the associated company. The Board of Directors will propose to the AGM to approve the dividend payment for 2011 at 0.12 Baht per share.

Domestic Beverage Business is the major contributor to the aforementioned growth. Although it was affected by the severe flood and had an opportunity loss of sales for almost 2 months, but its revenue income had increased by 16.9% from last year.

The Retail and Food Services Business grew by 21% from last year, despite receiving the same effect from the flood. The growth could continue mainly from the strong branding building and the expansion of the branches of the Squeeze Juice Bar.

Agriculture and Plant Extract Business had earned 4% more income than last year. There was more harvesting of the 'Hom Suwan' pineapple for the fresh market sales. This new pineapple variety had been researched and developed by the Company. It has strong aroma and sweet tasty taste, is golden yellow, and contains higher vitamin C than normal pineapple; and thus is well accepted by the consumers. TIPCO farm grows the pineapple with high attention of care concerning food safety towards the consumers as in our slogan; "Fresh from Farm with Quality in Mind" resulting in the Company receiving the Quality Certification from the Department of Agriculture, Ministry of Agriculture and Cooperatives. In addition, the animal feed from pineapple waste made constantly income while sustainably eliminating the environmental problems from the factory's waste.

For the Export Business, the beverage export increased by 9%, but the export of canned pineapple and others decreased by 6%, mainly from the strategic focusing on the margin rather than the sales volume. The business had turned around and made a net profit of Baht 160 million or 6.5% of revenue because of the improvement of the recovery yield from the fruits which reduced the fruit cost and well balancing selling price.

In 2011 Thai people have been faced with tremendous hardship from the most severe flood which lasted over 2 months. The Company had donated over 500,000 bottles of our own AURA mineral water and beverage to the Red Cross and another 1 million bottles of AURA mineral water to the Flood Relief Operation Center (FROC). The Company was overwhelmed to be able to ease the suffering of hardship living of the Thai people. Moreover, the Company had helped releasing the suffering of the communities around Wang Noi Factory with water and foods. For our own employees and families who were flood victim, the Company had assisted with the relief fund of around 6.3 million Baht.

Doing business, the company values and strictly follows Good Corporate Governance and Code of Conducts by encouraging and grooming these as the corporate culture, and continue updating with the current regulations. The Company regularly improves the Corporate Environmental and Social Responsibility for better practices. Even so, the Company constantly determines to maintain food management and food safety systems. All these practices ensured our sustainable business growth with peaceful living in the society.

In 2011, the Company had been recognized and certified with numbers of awards as follows: SET Awards 2011-Top Corporate Governance Report Award for the 6th year; rated by the National Corporate Governance Committee at 91% or 'Excellent', for four consecutive years, which is higher than the average rating of 88% among companies in the SET 50 Index; the 2011 Annual General Shareholder Meeting was rated by the Thai Investors Association at 96.75% or "excellence", which is higher than the average rating of 88.9% among the listed companies; and the Environmental Good Governance Certificate and accredited the Standard for Corporate Social Responsibility (CSR-DIW B.E.2554) by the Department of Industrial Works, for two consecutive years. Furthermore, the Company, has joined with other 26 companies, in declaration of intent in view of establishing private sector to work in cooperation with the government, civil society, media, and international organization for decreasing corruption in Thailand.

As year 2011 may have passed, the coming 2012 is anticipated to be more challenging due to worldwide increasing economical, political and climate problems. However, we see potential high demand for healthy beverage in Thailand and ASEAN countries, and the positive view of more worldwide demands for canned pineapple products than supplies. In addition, the Company and its employees at all levels who thoroughly understand and are aware of the highest importance of risk management, closely monitor and control every possible risk. Moreover, there is regular improvement to reduce operating costs while maintaining the Company's original product benefits and quality policies. With all these, we strongly believe that the Company can maintain its business competency and be able to deliver reasonable benefits to the stakeholders.

I hope that the shareholders and other stakeholders have a better understanding and to some extent are satisfied with our 2011 performance as we were able to counter some difficulties and obstacles with the good results. On behalf of the Board of Directors, I would like to express our great appreciation to our management and employees for devotion and contribution of tireless efforts at their highest capacity especially during the tough and severe flood crisis, and thank our valued customers, shareholders, creditors and suppliers for their trust in the Company and its products, which have helped Tipco to attain today's success.

Board of Directors



-
- 1** Mrs. Anurat Tiamtan
Chairlady of the Board
- 2** Mr. Surachet Supsakorn
Director
- 3** Mr. Somchit Serththin
Director

- 4** Miss Roumsin Supsakorn
Director
- 5** Mr. Viwat Limsakdakul
Managing Director

Profile: Board of Directors

1

Mrs. Anurat Tiamtan / Chairlady of the Board

Mrs. Anurat Tiamtan obtained her Bachelor's Degree of Science with Honours (Chemistry) from Kasetsart University and Master's Degree of Science (Chemistry) from The American University, Washington D.C., USA. She previously served as Managing Director of Tipco Foods PCL, and Full-time Lecturer at the Chemistry Department, Kasetsart University. Currently, she is the Chairlady of several companies within the Tipco Group, an Advisor on AGRO-Industry for Kasetsart University Alumni Association, and also a Graduate Member of the Thai Institute of Directors (IOD).

2

Mr. Surachet Supsakorn / Director / Member of the Nomination & Remuneration Sub-Committee

Mr. Surachet Supsakorn obtained his Bachelor's Degree of Business Administration (Accounting) from Rajamangala University of Technology Krungthep and his Master's Degree of Business Administration (Finance) from Kasetsart University. He was previously an Executive Manager of Thanomwongse Service Co., Ltd.; Special Lecturer at the Faculty of Business Administration, Chandrakasem Rajabhat University and at the Rajamangala University of Technology Krungthep. Currently, he is the Chairman of the Audit Committee of United Paper PCL, and Deputy Managing Director of Thanomwongse Service Co., Ltd. He is also the Director of Tipco F&B Co., Ltd. and a Fellow Member of the Thai Institute of Directors (IOD).

3

Mr. Somchit Sertthin / Director

Mr. Somchit Sertthin obtained his Bachelor's Degree of Business Administration from Babson College, Wellesley, Massachusetts, USA. He was previously Director of the Bank of Asia, PCL, and held many senior executive positions in the Banking Sector, i.e. the Continental Bank of Chicago and Chase Manhattan Bank, N.A., Taipei Branch. Currently, he is the Chief Executive Officer of Tipco Asphalt PCL, the Director in several companies within the Tipco Group, and a General Member of the Thai Institute of Directors (IOD).

4

Miss Roumsin Supsakorn / Director

Miss Roumsin Supsakorn obtained her Bachelor's Degree of Business Administration from Boston University, Boston, Massachusetts, USA, and Master's Degree of Business Administration (Finance) from The American University, Washington D.C., USA. She was previously Director of Tipco Asphalt PCL, and Director, and Director of Operations-International Business Division, Tipco Foods PCL. She is a General Member of the Thai Institute of Directors (IOD).

5

Mr. Viwat Limsakdakul / Managing Director

Mr. Viwat Limsakdakul earned two Bachelor's Degrees in Marketing and Finance & Banking from Assumption University, and Master's Degree of Business Administration from Oklahoma State University, Oklahoma, USA. His extended experiences of over 25 years with various companies, such as Siam Media and Communication Co., Ltd., IBM Thailand Co., Ltd., a Joint Venture of Dow Chemicals Group /Siam Cement Group have widen his expertise in various functional areas including finance, accounting, planning, marketing, information system, and operational management. He is currently the Managing Director of the Tipco Food Group and also a Graduate Member of the Thai Institute of Directors (IOD).

6

**Dr. Asaniya Suwansirikul / Audit Director /
Chairman of the Nomination & Remuneration Sub-Committee**

Dr. Asaniya Suwansirikul obtained her Bachelor's Degree in Financial and Banking Management from Thammasat University, Master's Degree in Management from Sasin Graduate Institute of Business Administration, Chulalongkorn University, and Doctorate in Business Management from Suan Dusit Rajabhat University. She was formerly Executive Vice President of the Somboon Group, Vice President Administration & HR Development and Director of Human Resources Training Grand Hyatt Erawan and Director of Human Resources, ANA Grand Pacific Hotel. Additionally, she held positions of Director of Human Resources and Training in many organizations. Currently, she is the Management Consultant of the Somboon Group and a Graduate Member of the Thai Institute of Directors (IOD).

7

Mr Virat Phairatphiboon / Audit Director

Mr. Virat Phairatphiboon obtained his Bachelor's Degree of Science (Economics and Business Administration) from Adams State College, Colorado, USA. and undertook Executive Development Program from Princeton University, USA. He held such positions as Managing Director of the CIMIC Finance and Securities PCL., Executive Vice President-Finance, Siam Motor Co., Ltd. and Credit Control Director of Chase Manhattan Bank N.A., Bangkok Branch. At present, he is an Audit Director and a member of the Nomination and Remuneration Committee, Bank of Ayudhya PCL. He is also a Graduate Member of the Thai Institute of Directors (IOD).

8

Mr. Chalit Limpanavech / Independent Director

Mr. Chalit Limpanavech obtained his Bachelor's Degree of Business Administration (Marketing) from Assumption University and Master's Degree in Public Administration from Chulalongkorn University. He took an extended training course in Special Program of Senior Marketing Management in the United Kingdom. He previously was an Executive Director at Lintas (Thailand) Co., Ltd., an Audit Director of Chuo Senko Advertising (Thailand) PCL, Chairman of the Marketing Management Group of the Thai Management Association, and Chairperson of Marketing Department, Faculty of Business Administrations, Assumption University. He was also Advisor to the Deputy Minister of Industry. Currently, he is the Dean of the Faculty of Communication Arts, Assumption University and also a Graduate Member of the Thai Institute of Directors (IOD).

9

**Mr. Prasob Snongjati / Chairman of the Audit Committee /
Member of the Nomination & Remuneration Sub-Committee**

Mr. Prasob Snongjati obtained his Bachelor's Degree of Commerce (Accounting) from the University in Calcutta, India, received Scholarship from The Netherlands' Government to undertake an Industrialization Program, at The Hague, The Netherlands. He was awarded by the Asia Foundation to attend the Leadership Program at Georgetown University, Washington, D.C., USA. His past experiences included Executive Vice President of Siam Media and Communication Co., Ltd., Director and Chief Financial Officer of IBM Thailand Co., Ltd., Chief Executive Officer of the Thai Management Association (TMA), Associated Judge of the Central Intellectual Property and International Trade Court. Currently, serves as Chairman of Infonet (Thailand) Limited, an Independent Director of Supalai PCL, Vice Chairman of the Rogation Foundation, and a Graduate Member of the Thai Institute of Directors (IOD).

10

Mr. Phicharn Sluckpetch / Secretary of the Board of Directors

Mr. Phicharn Sluckpetch obtained both his Bachelor's and Master's Degree in Accounting from Thammasat University. In addition to finance and accounting, his extended expertises were in various Local Laws and Regulations, especially Thai Revenue Law and Regulations of the Stock Exchange of Thailand. He is also a Tax Auditor. At present, he is a Senior Manager-Accounting & Internal Control of the Company. He attended the Company Secretary Program and the Effective Minute Taking Program from the Thai Institute of Directors (IOD).

Profile: Senior Executives

1

Mr. Pornchai Phulsuksombati / Director of Business Development and Finance Support

Mr. Pornchai Phulsuksombati earned his Bachelor's Degree of Science, Bachelor's Degree of Doctor of Veterinary Medicine and Master's Degree of Business Administration, all from Chulalongkorn University. His extended experiences including production management, export marketing, procurement, and empty can sales. Currently, he is responsible for searching strategic new business in order to add-on to operation; management of Accounting & Internal control, Finance & Business Planning, Investor Relations, and Information Technology System. In addition, he serves as Quality Management Representative (QMR) of several quality systems, and Vice-Chairman of Business Risk Assessment Sub-Committee.

2

Mr. Chanchai Kanjanaratmanee / Operations Director-Beverage Business

Mr. Chanchai Kanjanaratmanee obtained his Bachelor's Degree of Business Administration (Marketing) from Assumption University and Master's Degree of Business Administration (Marketing) from Thammasat University. He has extensive experiences of over 24 years in operation and commercial management on medical and health products, consumer products, and electronic goods, with several companies both in Thailand and overseas, such as Gilltte Thailand Co., Ltd., and its Headquarter in Boston, USA., and Minor Group. He was the General Manager of Phillips Lighting Co., Ltd. in Malaysia. Currently, he is responsible for business strategy, strategic planning, and business planning for beverage operation in domestic and in ASEAN.

3

Mr. Peerapong Archawapongsawat / Senior Manager-Retail Business and Food Services

Mr. Peerapong Archawapongsawat obtained his Bachelor's Degree in marketing from Assumption University and Master's Degree in International Business from University of New Orleans, USA. He has experience in product management, marketing through modern trade and food service as well as new business development. Presently, he is responsible for retail business and food services management including analyzing new opportunity for the company's expansion, especially in out-of-home consumption business.

4

Mr. Napat Supsakorn / Operations Director-Fruit and Vegetables Businesses,

Mr. Napat Supsakorn obtained his Bachelor's Degree of Science with Honours (Computer Science with Management) from Royal Holloway and Bedford New College, and Master's Degree of Science (Analysis, Design and Management of Information Systems) from The London School of Economics and Political Science, both from University of London, United Kingdom. He gained marketing and sales experiences from various leading international companies, such as IBM Thailand Co., Ltd., and SAS Software (Thailand) Co., Ltd., and was previously assigned as Food Group's Business Support Director. Currently, he is responsible for business strategy, strategic planning, business planning for sales/marketing/ services/customer satisfactions, and new product and market development.

TIPCO CORE BUSINESS



Beverage Business - The Challenges

TIPCO continues to grow in the beverage business while strategically focusing on product quality and innovative new product development process through its professional R&D team. As a result, TIPCO was able to strengthen its brand while focusing on the planned strategy and continues to be a trusted brand by consumers.

In 2011, beverage industry growth was negatively affected by multiple uncontrollable risk factors including political unrest, severe drought, earth quake in Japan (1st quarter 2011), La Nina weather pattern and nationwide flooding (3rd quarter to 4th quarter). Despite these negative impacts, the beverage industry was able to maintain its growth rate at 5% while TIPCO itself was able to outgrow the market at a healthy growth rate of 7%.

100% fruit juice made up over 70% of TIPCO's revenue in 2011 and 100% fruit juice continues to maintain its market leading position at 42-45% share. With focus in R&D and flavor development, Tipco was able to outperform its competitor in the 9 out of 10 flavors. The category include Tangerine, Sai Num Phueng orange, Shogun orange, Pomegranate, red grape, and mix vegetable. In addition TIPCO co-develop with Suntory 3 flavors of ready to drink green tea including honey lemon, original and Sakura under the brand "MIRAI". The key differences of MIRAI from its competitor products include genuine quality green tea flavor and authentic aroma. In the 2nd quarter of 2011, TIPCO launched two new product lines including "Super Fruit Essence", a highly concentrate Prune juice, and TIPCO Nature up Beauty Light and Beauty Shine, a multigrain milk drink with sesame. The highlight of new product in 2011 belongs to "Tipco Fruit Plus", which is the world first juice filled with aloe particulate. Tipco Fruit Plus was launched in December with [4] flavors including [white grape, apple, orange and mixed fruits].

During the nationwide flood crisis bottled water demand spiked up which drove up the sales of "Aura" mineral water over 20%. Since Aura bottling facility in Chiangmai was not affected by the flood, TIPCO was able to increase production to ease the bottled water shortage. As part of TIPCO corporate social responsibility activity, TIPCO donated 1,000,000 bottle of Aura as a flood relief effort.

TIPCO continues its plan to expand into ASEAN which saw its export sales rose over 25% over the past year. TIPCO has been focusing in Indonesia due its large and growing market in the area and currently account for 10% of TIPCO export sales.

In 2011 production team continued to improve machine efficiency and lower production cost by utilizing the latest technology. TIPCO installed new machine to expand capacity and support future growth.

Overall TIPCO's growth was negatively impacted from multiple natural disasters especially from the heavy flooding at the end of the year. New product launching and communication plan for 4th quarter had to be delayed until 1st quarter 2012. However TIPCO view that the end of 2011 delay allow us to launch a full fledge summer campaign in 2012 which will drive the growth according to the long term business plan.



Fruit and Vegetables Business - The Progression

2011 started with a severe drought which carried over from 2010 which is a signal that pineapple raw material problem has no end in sight. However as the severe weather pattern unexpectedly ended in March, pineapple shortage situation also reversed. The unpredictable weather pattern turned out to be a positive factor for the business in 2011. In addition to the favorable raw material situation, the pineapple export market in Middle East, Asia, Europe and USA also picked up.

Middle East became a key contributor to our performance last year. Despite the political unrest in the Middle East which dampened the demand for imported canned goods, the Middle East market still grew at an impressive rate of 50% over 2010 in terms of value. Asia market grew at a healthy rate of 25% over 2010 in terms of value with the growth driver coming from strong aloe demand. The high raw material cost in early 2011 contributed to a healthy product price which contributed to a positive performance in USA and Europe.

In 2011, production team was able to commence production of canned fruit juice line which was certified by GMP/HACCP and BRC. We were able to produce and export various fruit juice including coconut juice to various markets including Asia, Middle East, USA and Canada. In addition production was able to increase the capacity of pineapple juice concentrate from 77 ton/hr to 105ton/r to support the higher canned pineapple production volume. The additional capacity expansion will help reduce waste loss in production and debottleneck the overall plant capacity. Production team also implemented the new process to collect and separate pineapple residue by installing collection "SCREW." The SCREW will separate pineapple residue into a separate conveyor belt from the peel after the juicing process and directly load the residue into the residue collection truck. The SCREW allow the plant to reduce operating expense by reducing human labor which was previously required for the residue separation and packaging and reduces drum loading accuracy problem.

With the strong production team, TIPCO is convinced that we can continue to develop new products and packaging in the fruits processing business in 2012 and beyond. We can continue to develop new products and packaging in the fruits processing business in 2012

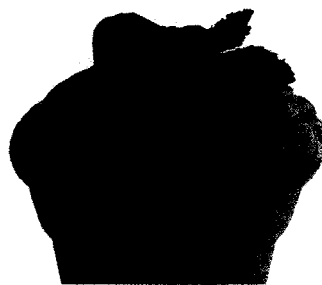
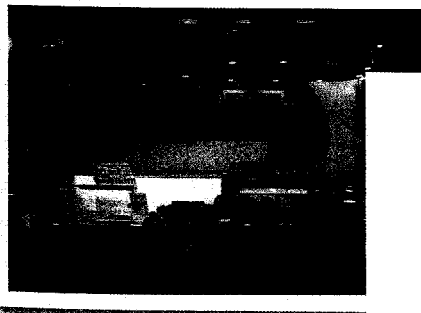


Retail Business and Food Service - The Steady Move

In 2011 Squeeze Juice Bar was negatively impacted from the nationwide flood. However the perseverance and teamwork from all staff in every business unit made the impact minimal. Only 10 branches were closed for a short period of time and no branch was damaged from the flood.

Overall retail outlet and foodservices continue to grow at a sustainable rate with new outlet opening approximately 10-15 branches per year. At the end of 2011 there were over 67 Squeeze Juice Bar in operation. Squeeze Juice Bar maintained its position as Thailand number one Premium Juice Bar for over 8 years. 2011 was the year that Squeeze Juice bar started to expand into provincial area to meet the demand of provincial consumers. Currently we operate in 6 provinces including Nakorn Ratchasima, Konkaen, Pitsanulok, Chonburi, Prachuab and Songkla. We plan to cautiously continue the expansion into provincial area and choosing only location with high potential.

With the strong health trend and increasing demand for healthy product, TIPCO firmly believe that Squeeze Juice Bar will reach 100 branches in Bangkok and provincial area in the near future.-



Agricultural and Plant - Extracts Business- The Business Drivers

In 2011 many positive factors pointed to a bright future for the agriculture and herbal extract business. Those factors are consistent rain distribution and ability to adapt the planting process to better match the soil quality and surrounding environment. This led to a higher yield and consistent supply for the factory. In addition the Hormsuwan pineapple (Aromatic gold) was able to enter into a wider market. With its own unique taste profile Hormsuwan was widely accepted thus resulted in significantly higher sales.

In the herb extract business, we were able to cultivate a relationship with a client who is one of Japan largest herb extracting company. After two years of careful research and development we were able to refurbish the factory and commission a commercial run successfully. We successfully extracted and exported fruit extract to Japan at the end of the year. We expect that in 2012 we would be able to extract 2 additional products to the same customer within the first quarter.

In order to secure a foothold in the extracting business, since mid 2010 Tipco started a co research and development project with a new client who is also one of Japan leading extracting company thus making the project highly viable in the future.

In addition we also have multiple research and development projects which are considered national innovation such as extracting *Croton sublyratus* Kurz. *Croton sublyratus* Kurz is one of best Thai herb for the treatment of peptic ulcer. After 2 years of research on the effectiveness and safety of the extract we will start a commercial production and sales by mid 2012. At the same time we will start selling a new herbal extract which has been processed with powder particle technology. The technology eliminates extract limitation from mixing with food and beverage by eliminating unwanted odor, precipitation, solubility and stability. Tipco will be the one of the early adopter to bring such high level innovation into commercial scale in Thailand.

It is clear that TIPCO will successfully expand the extracting business into multiple channel starting mid 2012.

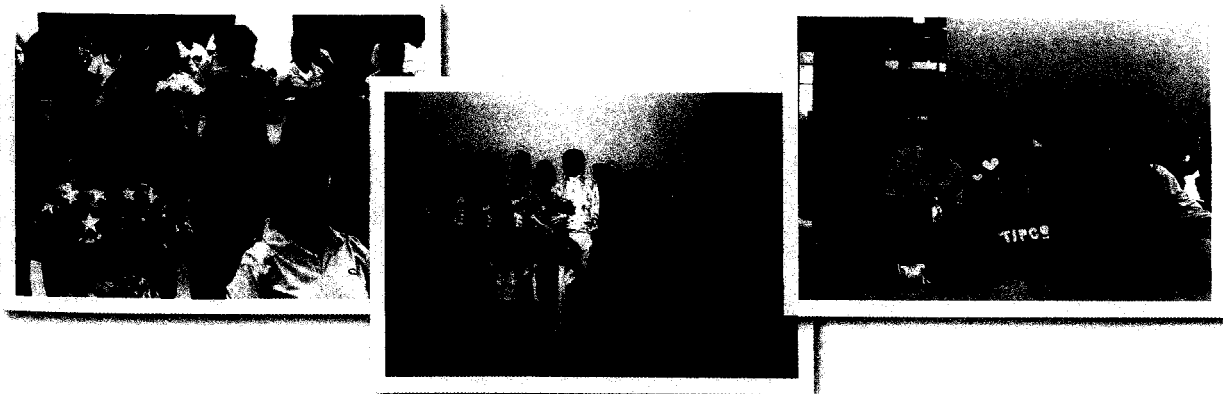


HR-THE BUSINESS DRIVERS

TIPCO understand the importance of human resource because it is the most important cog that drives the growth of an organization. In 2010 TIPCO's human resource policy was to develop core competency of the staff simultaneously with improving working condition for all employees. In order to improve core competency of all employees at every level, we set up training and seminar and coaching for executives. In addition we also focused on allowing employees and executives to increase their exposure by visiting companies and exhibition both in and out of Thailand. The following are examples of exhibition and company visit.

- All senior executives visit Food Ingredients China 2011 in Shanghai China
- Fruits and Food Processing Director and staffs attended Anuga 2011 in Cologne Germany and Food Hospitality Fair in Tehran Iran to introduce new products, market review and visit clients
- Extracting Director attended Winter Fancy Food Show 2011 in San Francisco USA to review the trend of food and beverage market and also visit extracting factory in Hiroshima Japan
- Executives and beverage business research and development staff attended training session and factory visit in Hiroshima Japan
- Aura plant manager and staff visited water filler company in Taiwan and visited bottling facility in Malaysia which employed energy saving technology

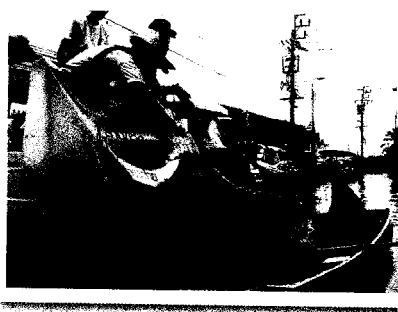
In order to promote a better working condition, we implemented "Happy Work Place" project by continuously hosting relevant events for all employee at all production site and head office in Bangkok. In addition we also increased various benefits for both monthly and daily staff. During the nationwide flood, TIPCO also provided support for staffs including temporary shelter, allowance for shelter, provided supplies for employees whose house were flooded, and provided funds to repair staffs flooded home through "Friends Help Friends" project.



SHARING & GIVING

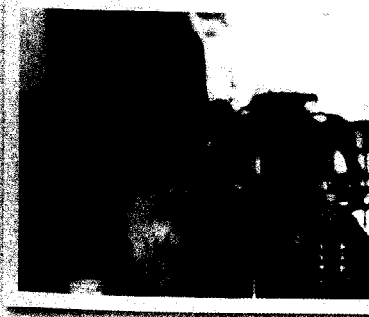
2011 was a year where Thais and international community faced multiple natural disasters starting with earthquake and tsunami in Japan and ending with nationwide flooding in Thailand. As a good corporate citizen, TIPCO answered to the call and rose up to the task of alleviating the victim's plight. TIPCO swiftly donated funds, bottled waters and beverages through various organization and government entity to be distributed to those who are in need both in Japan and Thailand. We coordinated close with Red Cross Thailand, Flood Relief Operation Center (FROC), Thai Army, Press community and various organizations. In addition Tipco Group's executives, staff, and its partners created "Friend Help Friend" project to support the group flood affected staff and those who are in need. The fund raising for the project include donation and charity auction. The company would also like to thank its executives and staffs for sacrificing the entire New Year party budget to support those in need through Friend Help Friend project. In addition we would also like to thank staffs who helped packed and delivered supplies. The key donation in 2011 included the following:

- Cash donation of 991,440 Baht to Red Cross for Tsunami victim
- Donation of 1,026,800 bottle of Aura bottled water (3,600,800 Baht) and Suntory Holdings Limited Corporation donated 1,000,000 Baht to FROC
- Cash and Tipco beverage product donation in the amount of 3,753,760 Baht to those impacted by nationwide flood
- Suntory Holding Limited Corporation donated beverage including Mirei greentean and Dakara Benefit in the amount of 4,800,000 Baht through Princess Pa Foundation Thailand Red Cross
- Cash and supplies in the amount of 8,26,130 Baht through Friend Help Friend



TIPCO also participated in programs to support sustainable development of environmental, social and quality of life at all factory and head office including the following:

- Provided 81 scholarship (349,500 Baht) to staff's children who are outstanding scholar but lack funding support
- Prachuab factory supported "Recycling Center" by encouraging staffs to sell recyclable products to Recycling Center. The project is in line with the plan to encourage local community to support recycling within their community. The Recycling center increased its members by 364 and has approximately 50,000 Baht in working capital
- Prachuab factory and SCG Public Company Limited with the budget of 80,000 Baht provided learning center for herb processing for the production of multipurpose cleaning liquid.
- Wang Noi factory provide reverse osmosis and UV treated water to supply clean drinking water to surrounding communities
- TIPCO Foods was the core sponsor in the "D Ambassador" with a budget of 3,000,000 Baht. The D Ambassador Project vision is to support and encourage students at all educational level nationwide in merit based activities. The D Ambassador project started was aired on Channel 3 TV during 5th February 2011 to 30th April 2011.



1 Million Bottles of Aura Mineral Water for Flood Relief

During Thailand's great flood crisis in 2011, finding clean drinking water proved to be the worst difficulty for flood victims. Drinking water became very scarce during the flood mainly because water sources were contaminated, drinking water and bottling plants were inundated and transportations were obstructed. Shortage of drinking water which is essential for life became a national crisis and affected not only flood victims but also general consumers and flood relief volunteers as drinking water shelves in a number of stores became empty.

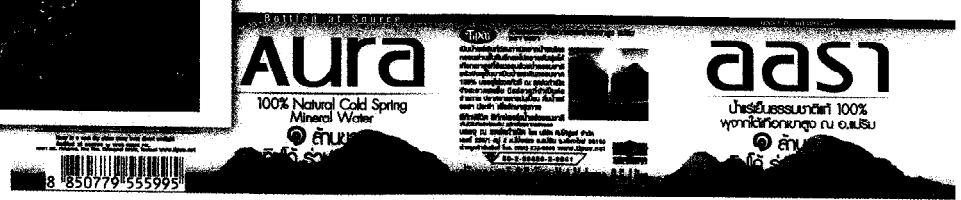
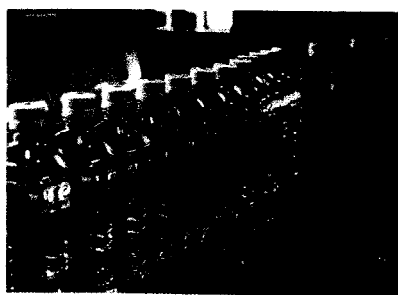
Tipco, as the manufacturer of Aura natural mineral water, was greatly concerned about the hardship suffered by the Thai people. Though we are a leading mineral water manufacturer in Thailand, our medium-sized plant is located in the mountainous, remote area of Mae Rim, Chiang Mai. Our attempts, which were initiated in September 2010 when the flood first hit Thailand and continued throughout the crisis, to quickly deliver mineral water for flood relief through provincial red cross chapters were inhibited by the flood. Against our will, the deliveries proceeded slowly and could not sufficiently accommodate the needs of flood victims. However, the **"1 Million Bottles of Aura Mineral Water by Tipco for Thais"** mission eventually met with success. With the assistance from the Flood Relief Operations Command (FROC) and in collaboration with parties in Chiang Mai which included the State Railway of Thailand, the Chiang Mai Provincial Land Transport Office, Nim See Seng Transport 1998 Company Limited, the Chiang Mai Provincial Electricity Authority Office and the 33rd Military Circle (Gavila Camp), 1 million bottles of Aura mineral water were transported to the Bang Sue train station and subsequently delivered to the FROC for timely distribution to flood victims.

The most challenging obstacles and limitations in this mission were the production, in terms of production capacity and package scarcity, and the market demand because bottled drinking water supply had to be spared from commercial distribution and merchants' demands had to be negotiated. With the heartfelt and deep concern for the thirst suffered by flood victims, our staff at all levels tirelessly devoted their efforts and worked throughout 24 hours daily until all problems and obstacles were finally overcome.

Besides this mission, Tipco also donated approximately 1,200,000 bottles of Aura mineral water through the Thai Red Cross Society, the Royal Thai Army, the mass media and other entities.

The happiness of giving and helping those in hardship and the opportunity to get through this crisis together with all the Thai people are the greatest reward for all Tipco members.

From our Aura mineral-water Factory



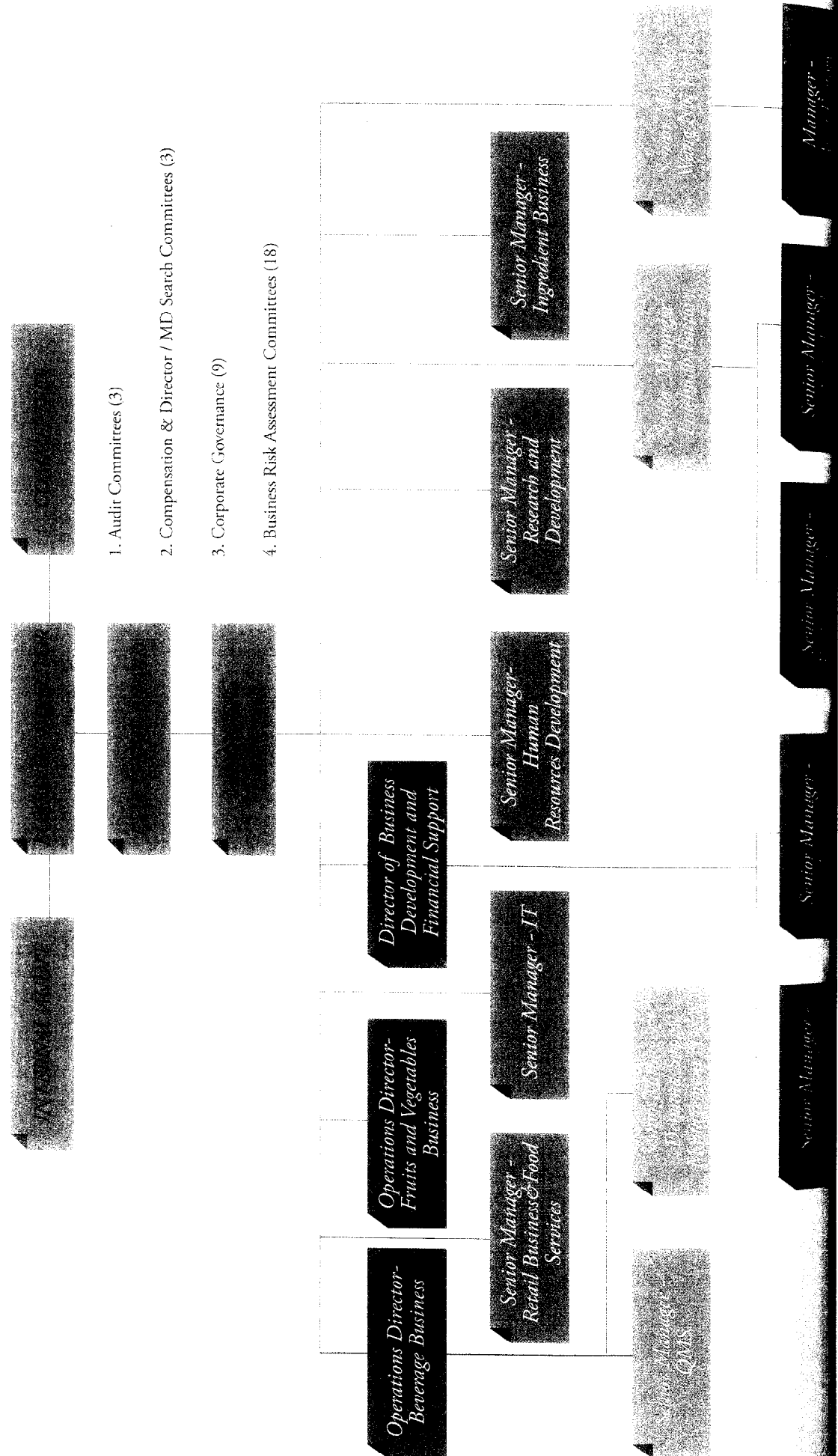
AWARD OF HONOR



In 2011, it was a tough year that TIPCO had to encounter and pass obstacles and challenges for various businesses and because of its commitment with key stakeholders of operational taskforces, with firm undertaking of business operation ideologies of TIPCO on Corporate Governance with excellence, social responsibility and continuity, TIPCO therefore received a number of rewards, certificates and honors as follows:

- The TIPCO Foods Public Company Limited had been assessed its corporate governance in 2011, by the National Corporate Governance Committee of Thailand, with its cumulative rates as 91% (Excellence) in continuity for 4 years;
- The TIPCO Foods Public Company Limited was rewarded the 2011 CSR-DIW Continuous Awards for 2 years and the 2011 CSR-DIW Network Awards for industrial enterprise that has been assessed and passed the standard criterion for social responsibility with sustainability with its qualifications for ISO 26000 accreditation from Department of Industrial Works, Ministry of Industry;
- The TIPCO F&B Company Limited was granted the 2011 Excellent Logistics Management Award, of Department of Primary Industries and Mines, Ministry of Industry;
- The Factory in Prachubkirikhan province had been awarded the 2011 Reward of Good Governance for Environment, which obviously illustrated that TIPCO can achieve the Criterion for Environmental Management, with standardization and environmental friendly management and creation of healthy neighborhood, from Department of Industrial Works, Ministry of Industry;
- The Factory in Prachubkirikhan province had been certified with the Standardization Accreditation of Thai Labour Management, 8001-2553 in primary completion, from Labour Protection and Welfare Department, Ministry of Labour;
- The Factory in Prachubkirikhan province had been rewarded the 2011 Excellent Workplace Award, for Labour Relations and Welfare, from Labour Protection and Welfare Department, Ministry of Labour;
- TIPCO has been continually granted a number of awards and certifications on its quality and safety of foods, in continuity from 2011 as follows:
 - The Factory in Prachubkirikhan province has been certified with the Standardization Accreditations of ISO9001, ISO22000, IFS, BRC, GMP and HACCP;
 - The Factory in Chiang Mai province has been certified with the Standardization Accreditations of ISO9001, GMP and HACCP;
 - The Factory in Ayudhaya province has been certified with the Standardization Accreditations of GMP and HACCP;

Organization Structure



Report of the Corporate Governance Sub-committee

Another responsibility of the Board of Directors is to perform the duties of the Corporate Governance Sub-committee with a determination to oversee all matters relating to good corporate governance and to guide and ensure adherence to the good management principles and guidelines set by the Securities Exchange of Thailand which is in line with the international practice.

The Company encourages working practices with good governance at all employee levels with utmost objectives for the shareholders, investors; customers and the stakeholders to have trust and confidence in the Company's efficient management, transparency, accountability and fair to all related parties in order to add value and to support a sustainable growth of the Company. The above objectives are in line with the Company's visions with an aim of sustainable growth, be able to compete, and be trustworthy to both local as well as international customers.

In 2011 the Company constantly conducted the orientation program of the good corporate governance and code of conduct handbook in order to communicate the Company's policies on the subject to the management and every level of employees aiming at encouraging the employees to see the importance of good corporate governance and be aware of the responsibilities and adhere to the Company's code of conduct, to create good corporate governance culture within the Company. Besides, the Company has joined all kinds of anti-corruption activities therefore, the result of the Employee Opinion Survey (EOS), shows the highest score of 4.63 (from total of 5.00).

Such persistent practices of good corporate governance have earned the Company the 2011 SET Awards-Top Corporate Governance Report Award for the 5th year (2003-2006 and 2010) and in 2011, the Company was also rated by the National Corporate Governance Committee with the rate of 91% or the level "Excellent", above the average rating of 88% among other companies in the SET 50 Index. The Company is proud of its achievement in maintaining "Excellent" level for 4 consecutive years. In addition, the Company's 2011 shareholders meeting was rated by the Thai Investors Association with a 96.75% mark in the "Excellent".

Throughout 2011, the Company continued to carry on the activities and projects for the environment and the society especially the strong supports to the victims of natural disasters, starting from the earthquake and Tsunami in Japan, and the mega-flood in many provinces in Thailand with money, juice and mineral water products. In addition, Friends Help Friends (FHF) Project was organized to support and help both the employees and people to relief their suffering from this flood disaster.

For Human Resources, the Company was focusing on the competency development together with the creating and promoting of good working atmosphere. As the result of the Company systematic human resources development process, TIPCO Foods Public Company Limited was recognized and awarded as 2011 Outstanding Company for Human Resources Planning and Development from the Department of Skill Development, the Ministry of Labor.

This will enhance the Company in maintaining a sustainable growth together with sustainable living in peace and harmony with the society and the environment, reflecting the true objectives of the Company's management policies in good corporate governance is achieved.

A. Tiamtan

Mrs. Anurat Tiamtan
Chairlady of Corporate Governance Sub-Committee

CORPORATE GOVERNANCE

TIPCO fully recognizes the importance of good corporate governance for transparency in all level of employees' operations, **TIPCO thus adopted the Stock Exchange of Thailand's 2006 Guidelines of the Good Corporate Governance for Public Companies** whose 15 points were used as a guideline for the Company's own corporate governance and business code of conduct between the years 2002-2006 and with some revisions made in 2007 to be in line with guidelines set by the OECD (The Organization for Economic Co-operation and Development). Furthermore, in 2010 TIPCO has revised its employees' manual on good corporate governance and business code of conduct with implement on the corporate organization aiming at more transparency, accountability and efficiency measurement in business operations including setting clear business direction and good practices in relation to all stakeholders. The above amendments were in line with the changing social and economic environments as well as the new regulations and standards adopted. Moreover, the Company conducted meetings on the content of revised manual at all establishments of the Food Group aiming at all employees' full and clear understanding on good corporate governance and business code of conduct in order to adhere and instill good corporate governance culture in on-going practices for sustainable growth and to add value to all stakeholders.

The company's Board of Directors comprises of the highly qualified and capable individuals with the strong sense of self development according to the requirement of Thai Institute of Directors (IOD). The Board of Directors participates in the formulation and approval process of the corporate vision, strategies, goals, business plans and budget. The Board of Directors is also responsible for overseeing that management activities are efficiently and effectively carried out in line with the determined business plans and budget. The Board of Directors and management executives have full responsibility concerning their duties to the shareholders. A system that distinctly separates the duties and responsibilities between the Board of Directors and management executives is set as well. Furthermore, this system is implemented to review and evaluate internal controls and risk management to an appropriate degree, within the greater framework of law, the corporate objectives and regulations. This obligation extends to the resolution of shareholders' meetings and protection of the company's interests based on the foundation of good corporate governance. In addition, the 4 subcommittees have been established, namely: The Audit Committee, the compensation & Director/MD Search Subcommittee, the Corporate Governance Subcommittee, and the Business Risk Assessment Subcommittee. These committees comprise the Directors with qualifications and duties in accordance with the guidelines specified by the Stock Exchange of Thailand. The duties and responsibilities between the Directors and management and between the directors and major shareholders are clearly defined.

In 2011 the Company was annually evaluated by the National Corporate Governance Committee of Thailand and received the total score of 91% or the "Excellent" ranking, for the 4th consecutive year, which is higher than the average score of 88% among the companies in SET 50 Index. The evaluation showed that the company improved over the previous year, in almost all of the 5 categories being rated, as follows:

	2011	2010
Rights of Shareholders	95%	95%
Equitable Treatment of Shareholders	92%	92%
Stakeholders Rights	91%	97%
Information Disclosure and Transparency	94%	94%
Board of Directors' Responsibility	86%	87%

Corporate Governance

In 2011, the Company had reviewed its five year (2011-2015) corporate vision, operational goals, strategies and business plans in order to adjust them towards the present and future business environment. The new revised vision would emphasize principally on **customers' trust in quality and innovation**. In order to reach its target, the company also focused on the management activities based on 4 perspectives: financial, customer, internal process, and learning and growth of our human resource. In addition, the Company has incorporated its Critical Success Factors and Excellence into the business operations, or in particular infused these into every sector's goal and individual's goal to improve the company's operational proceedings. In other words, this concept brings the goals of every unit together within the organization, from the individual goal to the departmental, divisional, and corporate goals, as well as improving and driving those goals to the major set target and vision. In addition, the company determines various policies, such as quality policies focusing on the importance of creating customer satisfaction by utilizing the combination factors of the personnel, operational process, safety, environment, and society, this to drive the company continuously to create and encourage the spirit of business conduct that serves as a good example to society and country. The Board of Directors has established the Corporate Governance Subcommittee, comprising of all Directors of the company, and also formulated the policies regarding the good corporate governance as absolute disclosed in the company's annual report and website. Moreover, the company encourages the development of good corporate governance as a clear concrete ideal, by assimilating the employees with the organizational spirit in order to understand, maintain and prolong with the codes of good corporate governance.

In 2007, the Corporate Governance Sub-Committee authorized the adoption of the principles of Good Corporate Governance for Listed Companies in 2006 to monitor its business as follows:

Right of Shareholders

Annual Shareholder's Meetings

In the 2011 Annual General Meeting of Shareholders, only 7 Directors, including the Chairman of the Audit Committee and the Chairman of the Nomination and Remuneration Sub-committee, attended the meeting while the other 2 Directors could not attend because of engagement with overseas tasks. The Company convened the meeting in accordance with all laws and good corporate governance practices in every detail, starting from the announcement of the meeting, sending an invitation letter with adequate information for documents, notifying the agendas of the meeting, providing the shareholders with adequate amount of information at a suitable time so that such information can be properly considered before the meeting, as well as offering an option for shareholders who could not attend the meeting to give proxy for an independent director to attend and vote on their behalf. [For more information, please read Shareholders' Rights and Equitable Treatment Section] In 2011, the Company has applied the barcode system in the registration of shareholders attending the general meeting, in order to count the number of the attending members and their voting results of each meeting faster. The Chairperson of the Meeting informed the shareholders the methods of voting using ballots prior to commencement of the Meeting. During the process of counting votes, the representatives of independent Directors and external corporate auditors were witnesses in counting votes together with company employees. Audio visual records ensured the transparency and accountability. Furthermore, all shareholders were given equal opportunities to inspect the details of the company's operations, to raise questions, and to express opinions. The minutes of the Meetings are also disclosed on the company's website. However, since 2008 the Company has declared on its website to allow the minor shareholders the opportunities to propose agenda items and to appoint the committees in advance, by giving sufficient time to minority shareholders to do so.

The Company's 2011 Annual General Shareholders Meeting was rated by the Thai Investors Association. The Company's score was 96.75 out of 100, and was evaluated as "Excellence", where by the average score among the registered companies was 88.88.

Right and Equitable Treatment of Shareholders

The Company realizes the equal rights of all shareholders in receiving information which is accurate, adequate, and with proper timing for review. The Company will send the summons to attend the Shareholder Meeting which includes the information considering each of the meeting's agenda items. This also includes the required documentation to gain attendance, proxy documents, and instructions. The documents will be sent to all shareholders within 14 days prior to the meeting date. In addition, from the Annual General Shareholders Meeting No. 1/2006, the Company has provided the opportunity for the shareholders to receive prompt information as the details posted on the Company's website, prior to forwarding the documents to the shareholders. Since 2009, the Company has provided information on the website 30 days prior to the meeting. Besides, the Company determines an appropriate time and venue for the meeting regarding the convenience of shareholders. On the meeting date, participants may register their attendance starting 2 hours prior to the commencement of the meeting. During the meeting, shareholders are given the opportunity to freely express their opinions and ask

questions. Voting is conducted for each successive agenda item. No agenda item is added without informing shareholders in advance; shareholders will be informed about the voting method prior to the beginning of the meeting. Furthermore, an opportunity is provided for clarification and debate prior to the voting for each agenda item. Shareholders may exercise their voting rights, with the exception of certain shareholders having a stake in the particular agenda. For example; according to the agenda of Directors' remuneration, the Director with a stake or interest or benefit or related to the remuneration was obliged to refrain from voting. Since 2008, the Company has disseminated its objectives and rules for the minor shareholders in order for them to have opportunities to propose agenda items and nominees for committees via the company's website. In 2011, the Company held 1 general shareholders meeting of shareholders. The invitation letter contained general details of each agenda, additional reasons, and potential impacts of the issues, accompanied with the Board of Directors' opinions. This enables shareholders to comprehend better the details of each agenda and allowing better informed analysis and decisions. The minutes of each meeting are recorded accurately and completely, so that the shareholders can inspect those as required. The Company also offers shareholders additional alternatives: apart from appointing a proxy to attend the meeting in their stead, the shareholders who are unable to attend in person may transfer their rights to Independent Directors to vote on their behalf. The Board of Directors assigns a high priority for attending the Shareholder Meetings, except for unavoidable circumstances. All Directors have attended in each General and Extraordinary meeting as well as the Company's top management that has also regularly and consistently been in attendance at these meetings.

The Minutes of Meetings contain a completed record of all significant details, such as the Directors in attendance, the clarifications of the Chairman of the Board of Directors, Chairman of the Audit Committee, the President and other relevant Directors. The Minutes of Meetings include the questions raised and opinions expressed by shareholders; the method for voting and counting votes; the number of votes for, against or non-voting on an issue; and any other relevant information. The Minutes of Meetings are forwarded to the Stock Exchange of Thailand within 14 days from the meeting date and are also posted on the Company's website. This allows shareholders to inspect their accuracy of resolutions, as well as matters debated or clarified at the meeting, and to give recommendation for any other details to be recorded before proposing the authorization of the said Minutes at the next Shareholders' Meeting.

The voting ballots and other key documents are systematically compiled, verifiable, and referable.

The Company informs the meeting resolution through the news and information system of the Stock Exchange of Thailand within 1 day after the meeting, which the resolution will identify as the result of meeting including vote for, or against, or non-voting on each issue. This enables the Directors who did not have a chance to attend the meeting to receive the meeting resolution swiftly.

Regarding to the allocation of profits, the Company has the mechanism to ensure that shareholders will receive any returns completely The Company in full. It has a clearly defined shareholding structure, with no double stake-holding. However, the shareholding in the form of similar shareholder group with related business exists, (TIPCO Asphalt Public Co., Ltd.), comprising investment in ordinary shares with an equity stake of 24.33 percent. Meanwhile, in matters of the related transactions, the Board of Directors has the authority to authorize such items. Directors with any stake or interest in the authorization of such transactions are obliged to refrain from voting.

Moreover, the Audit Committee has the authority to oversee that there is no conflict of interest among them. In order to have the measures of overseeing the internal information against the use of personal gain, since 2004 the secretary of Board of Directors must be informed each time a movement of the shareholdings of Directors and management, to replace the previous requirement for individual reporting. Furthermore, Directors and management are required to disclose their shareholdings in the company in each Board of Directors' meetings.

Roles of Stakeholders

The Company considers the importance of the rights of both internal and external stakeholders thus then the **"Business Operation Code of Conducts"** has been set out to serve as a guideline in running the business. This includes the fight against corruption, involvement in politics in a responsible way, equal and fair treatment of stakeholders, responsibilities to the environment and society, and the practice according to labor laws, respecting the rights of employees, as well as **good practices of the 3 main parties**; who are involved in the operation and share interests in the Company, consisting of **the management** (including the Board of Directors, Senior Executives, management, and officer at all supervisory level), **employees**, and **major shareholders**. In particular, the code for management specifies guidelines regarding to 7 stakeholder categories: shareholders, employees, customers, trading partners and/or creditors, competitors, the environment, and the society as a whole. This Code of Conducts rests upon the ideals of **quality and morality**, while emphasizing on the process of corporate governance to ensure that major shareholder groups do not interfere with the decision making of management, which conducts itself with honesty and professionalism. The Company always realizes its role as a member of society. Therefore, it formulates the policies in doing business, with the realization of the responsibilities to society and environment. Personnel have been specifically designated for this purpose and to support these policies. (Please refer to the policies concerning environmental and social responsibility on the Company's website.) Examples of activities that support communities and environment include the company's patronage of schools located in the vicinity of its factories, or other schools as appropriate. The Company provides educational scholarships, donates school supplies, or participates in the development of school facilities. Likewise the Company offers product donations to support activities of various government agencies, schools, temples, and other organizations and communities in the neighboring areas. The Company is indeed careful as well to ensure that there is no environmental impact to community environment in the vicinity of the factories.

Report on Environmental and Social Responsibilities

The Company has been doing business with the strong belief in responsibilities towards every group of stakeholders and realized its role as a member of society. The Company also intends to take responsibilities to environment and Thai society by which it will act as a good citizen who can live proudly among others. The Company instills this idea which can be practical at the same basis concerning every employee at all levels and in every entity, such as Board of Directors, Executive management, managers, commanding officers, employees and other stakeholders. The policy documentation and rules of corporate responsibilities are implemented and for any other interested groups to adopt constantly and seriously as operational guidelines in every case of operation. It may be concluded that the business proceeding and operation with responsibilities to environment and society is the key idea of all business stakeholders in TPCO's food business groups as the policy of **"TPCO developing business together with the environment and society"**.

Moreover, in order to manage and proceed with the Company's environmental and social operations efficiently consistent with the determined policies, the Company has set up the Social and Environmental Committees which comprise of; representatives from management who is responsible for supporting and promoting the environment and society; Head of working committees, the working committees and secretaries of each factory and the headquarter. Their **duties and responsibilities** are as follows:

1. Propose to consideration: activities of environmental and social supports for government organizations and communities where the factory is located;
2. Coordinate and process the environmental and social activities in line of the approved budget;
3. Oversee, monitor, and arrange the activities for the factories environment management in compliance with provisions, laws and related standards;
4. Be the center of public relations to promote those environmental and social activities via local media;
5. Implement annual activity plan and propose the budget for approval in order to support the environmental and social projects;
6. Arrange other activities as to promote the Company's good images on environmental and social aspects;

According to these duties, the 'Environmental and Social Working Committee' holds the meeting for planning, arranging activities, monitoring, and reporting regularly management concerning the proceeding environmental and social activities results. In 2011, the working committees in each factory and headquarters arranged the environmental and social activities by emphasizing on providing assistances to and promotion for activities and projects regarding His Majesty the King's Sufficiency Economy. This enabled the supported to carry on creating sustainable environmental and social benefits for communities. The Company also focused on the employees' participations in such activities and, according to their proceeding performances, the working committees on environmental and social issues from every factory and the headquarters to carry on their duties and take their sincere responsibilities for each activity in compliance with the Company's policies and targets. The evaluation of success could be measured by the indicators which have been derived; from the communities' opinions and satisfaction survey, from the cooperation between communities and local administrative organizations in arranging the environmental and social activities with the Company and its employees, and from the local supports of promoting constantly the Company's good images to the public.

Regarding the evaluation of the Community Satisfaction Level (CSL), in which the Company has surveyed continuously, in 2011, from the target score of 4.46 out of the 5.00 scale which exceeding its expected scores of 4.30, the Prachuap Khiri Khan Factory received a score of 4.44, which was higher than the score of previous year of 4.41. The Chiang Mai Factory scored 4.50, lower than the previous score of 4.55, but higher than average score. The Wang Noi Factory was scored 4.47, higher than the previous year's score of 4.03. Consequently, the Company has assigned the related personnel to gather comments from the communities and to make further corrections and improvements (see more information from the **"Sustainable Social and Environmental Responsibility"** Section).

Other stakeholders in the Company can directly contact the Board of Directors as well, regarding the accuracy of the financial reports, shortcomings in internal control systems, or violation of law or ethics. They can communicate through the use of the provided telephone numbers and e-mail addresses, for each Director, as shown on the Company's website.

Moreover, in recognition of stakeholders' rights, recommendations have been adopted in actual practice and the Company has included the awareness as part of its framework of the corporate vision, as follows:

"TIPCO is recognized in ASEAN as a **trusted food company excelled in innovation and quality**"

"Our goals are to attain Baht 10,000 Million by 2012, fulfill customer satisfaction, build **on-going competitiveness and sustain business growth, good return to stakeholders**, invest in employee development within our Company and maintain highest standards of management practices."

From 2003 to 2007, the Company had introduced a campaign of "Culture Leads Organization", highlighting the relation between the corporate vision and values in driving for the lasting growth and continually driving with offshoot operations under the New Vision, during 2008-2012. Employees at management level were responsible for determining the 5 Core Values drawn from the TIPCO name as follows:

'T'	stands for	Teamwork
'I'	stands for	Innovation
'P'	stands for	Pursuit for Excellence
'C'	stands for	Commitment to Customer
'O'	stands for	Openness to learn

The Core Values concerned are to ensure customer satisfaction of both the Company's external and internal clients of all divisions of the Company. Thus, all corporate units are instituted service minded with the commitment to product quality in order to satisfy all the customers' needs. In return, this spirit promotes a culture of good corporate governance. In 2011, the result of the Company's Customer Satisfaction Index survey revealed the rating in the range of "satisfactory" to "Excellent", with a score of 98.2%, higher than that of the last year (96.7%) and better than our set target of 95.0%.

The Company also realizes the importance of employees as a key mechanism in driving the consistent business growth. An Employee Opinion Survey (EOS) has been conducted to evaluate the employees' attitudes toward the organization in terms of its image, reputation, benefits, management and good corporate governance. In 2011, the survey result was 4.19 (on a total scale of 5.0), higher than 4.10 from the last year's survey, and lower than the set target of 4.20. The highest score achieved was in the anti-corruption and confidence in organization, management and products consecutively and the lowest score was on focusing on goals of work and payment of variable returns. The management has therefore planned further improvement concerning focusing on goals of work and payment of variable returns. In addition, regarding human resource management, the Company has reviewed and developed the employees' capabilities and competencies in both Core Competency and Managerial Competency in consistent with the business target by conducting 360 degree evaluations for the divisional

management and upper levels. The results from such evaluation will be used to implement plans more explicitly to arrange activities for Employee Development Plan (EDP). Moreover, the Company also organized an Executive Development program for top management employees. Regarding other levels of employees, each employee has evaluated and formulated the individual development plan by using the Core Competency Index (CCI) to ensure their readiness and reflection on their career paths in the Company. This will enable the potential employees to learn and develop their knowledge in every aspect in order to be ready for the Company's new mission.

Moreover, the Company carried out a satisfaction survey on the suppliers. The average score received was 4.57 out of 5.00, higher than the previous year's score of 4.42 and higher than the 4.40 target. The Company will use the gathered comments and opinions to make further improvements, by assigning responsible personnel and within a specific timeframe, together with doing periodical evaluations; aiming to be a good corporate governance company which takes good care of all stakeholders equally.

Remark: Points from 1 to 5 are equivalent to the following ratings: 5 = "Excellent", 4 = "Good", 3 = "Satisfactory", 2 and 1 = "Improvements needed"]

Disclosure and Transparency

Corporate Governance Policy

In order to achieve the company's goals, to show the responsibilities for its operations, to promote transparency on the basis of integrity, to create long-term competitiveness, and to build stakeholders confidence, the Company's Board of Directors has set up the policies for corporate governance as follows:

1. Oversee that the Company's Board of Directors operate efficiently in accordance with the assigned roles and responsibilities;
2. Implement an efficient system of internal control and business risk management;
3. Provide policy directives and review strategies/business plans with management;
4. Prevent potential situations of conflict of interest;
5. Treat all shareholders and stakeholders with equity and justice;
6. Conduct operations that are transparent, fair and can be audited;
7. Disclose adequate information, especially on operational performances and financial statements, to stakeholders;
8. Provide a corporate ethics manual, for management and all employees to comply with;
9. Carry out the social and environmental activities distinctively;

Management has subsequently adopted such policies with its operations and communicated a clear understanding of those policies to employees, as follows:

Risk management: It was recommended that the previous review period for risk management conducted every 6 months, should be replaced by an early warning system and more frequent review to measure the severity of any change or fluctuation. The existing resolution and preventive measures are also in need of review towards efficiency. The time period and frequency of review, adopted since 2004, would depend on the nature of the risk category. A clear warning system indicates the severity of any change with a color code, for example, red signified a severe situation. It also identified the probability of an occurrence and the expected impacts. A consciousness of the need for risk management was instilled to all operation levels, as illustrated in the daily meetings at unit level, in the monthly meetings at section and management, and in the semi-annual meetings at Business Risk Assessment Sub-Committee level. Furthermore, the Audit Committee has authorized the internal Control department to inspect whether the risk management could be performed or not, how progresses of solving problems at each issue were or which should be considered every quarter. If the Audit Committee has found something suspicious, it will proceed by making a proposal to the meeting of Board of Directors.

Corporate secretary: A specific individual with the requisite skills and understanding of legal matters including those who are familiar with laws, regulations, guidelines, provision and operational guidelines of the Stock Exchange of Thailand and the Security Exchange Commission, has been duly appointed by the Company and trained in the Company's secretariat program in 2004.

Disclosure of the Shareholders' Meetings agenda: The agenda is to be disclosed in advance on the Company's website before delivering the relevant documents to the Shareholders and within 30 days prior to Shareholders' Meetings. This practice has been adopted at the Meeting of Ordinary Shareholders No. 1/2008 held on April 24, 2008.

Minority Shareholders have the opportunity to propose candidates to become Independent Directors: In 2006, the Company submitted a letter to the Manager of the Stock Exchange of Thailand (SET) requesting the disclosure of letters to Shareholders on the SET's website in order to allow minor Shareholders the chance to propose suitably qualified candidates for consideration as Independent Directors, that to replace those Independent Directors who will complete their offices and vacate their positions upon their terms expiration and selection process. Since 2008, the Company has allowed them the access to make the proposals through the Company's website in order to complete the process faster and in time.

The measures allowing stakeholders to communicate with the Board of Directors: When stakeholders have concerns regarding the accuracy of the financial reports, the shortcomings in the internal control systems, or the violations of law or ethics, then they can directly contact with Directors. The names, designations, addresses, telephone numbers and e-mail addresses of all Directors are displayed on the corporate website.

The determination of clear policies relating to environmental and social issues: Those policies have been adopted in 2006.

The opinion reports regarding to the subcommittees' activities: The annual reports have been done since 2005.

The Chairman: The Chairman of the Board of Directors has been specified not to serve as the Chairman or the member of any subcommittees since 2003. A rule that the Chairman will not serve as the Chairman of the Executive Executives has been effective since 2007.

The presentation of the operational performance to the Board of Directors: In the event that the Company does not hold the Board of Directors' Meetings on monthly basis, the Company will prepare an operational performance report for submission to the Board monthly. This presentation started since 2007 and was improved in 2009.

The guidelines and policies for remuneration of the Managing Director and Executives: The Nomination and Remuneration Committee has drafted the guidelines and policies for the Board of Directors to review. This issue has been raised for Shareholders' approval at the Meeting of Ordinary Shareholders No. 1/2006.

The plans for succession of the Managing Directors: A Managing Director is required to report constantly on the succession plans for the position of Managing Director and senior management, as well as the management development projects on an annual basis, starting from 2005.

In the Meeting of Board of Directors in 2008, Board of Directors reviewed and evaluated itself whether the operational performances were complied with the code of good corporate governance according to the 82 items specified by the Corporate Governance Center, the Stock Exchange of Thailand. The Board conducted the pre-assessment concerning the practice prior to the meeting and the resolution of the meeting exchanged opinions on compliance, with the result that the directors identified the following areas in which compliance was not confirmed or completed:

The opportunity for minority shareholders to propose meeting agenda in advance: Starting from 2008, the Company would inform the minor shareholders of the proposals mentioned in the meeting agenda and rules through the Company's website so as to raise those proposals in the meeting agenda of Ordinary Shareholders.

The Chairman of the board being an Independent Director: The Compliance of this issue has not been determined as there is insufficient readiness on the part of majority Shareholders to institute this change and for Independent Directors to accept this designation.

The specific determination of Directorial tenure: This issue has not yet been determined how long the directorial tenure period is since there is a concern of seeking unqualified candidates as Directors. Even though the Institute of Directors (IOD) currently established a register of chartered Directors, those few could be qualified.

The specific determination of Sub-Committee tenure: This issue has not yet been decided due the same reason as the specific determination of the Directorial tenure's.

The Directors' policies in allowing the directors to be designated in other companies in a suitable manner: Directors can serve as Directors for not more than 3 registered companies. However, no limit is specified for serving as Directors of non-registered firms.

The measures of compensation in regard to the stakeholders suffering from the Company's violation of legal rights: According to the corporate ethics, if the Company's legal actions bring about the violation of legal rights of stakeholders, the court must prove whether the Company's actions cause real suffering to stakeholders.

Non-Executive Directors conduct a meeting, as their necessities without management attendance, to discuss interesting management issues, and the Managing Directors will be informed about the meeting results. Non-Executive Directors can convene their own meetings at least once a year, commencing from 2009.

Furthermore, in order to ensure that all levels of employees understand and adopt this principle on a regular working basis, the foundations have been laid in the corporate governance policy, and business operation ethics have been disseminated during the orientation programs. The revisions are also provided at least twice a year while questions and feedback on this are obtained by means of an Employee Opinion Survey (EOS). as follows are samples of questions: "Do you agree with the Good Corporate Governance and Code of Conducts, performance with transparency of all shareholders, employees, customers and stakeholders?" and "Do you agree with the business operation upon the Cooperative Social Responsibility (CSR) with responsibility towards environment and society in compliance with the Company's policies?" The evaluation results of both questions in 2011, on a total scale of 5, were 4.23 and 4.25 respectively. In addition for the sake of compliance with Code of Conducts for Business Operation, apart from mainstreaming of anti-corruption schemes for all employees, the Company added one question with EOS as: "Do you agree and behave in line with the Company's policies on anti-corruption?" The evaluation result of this question, on a total scale of 5, was 4.34. The system implementation of the business ethics and monitoring system has enabled the Company to drive the operations continuously and has stimulated the corporate spirits on all employee levels.

Remuneration for the Directors and Executives

The Company has defined a clear and transparent policy with regards to the remuneration of Directors. The remuneration is within a suitable range of the industry standards, in which the remuneration is at average level in the market, and is authorized by the shareholders. Directors who are assigned to serve as Audit Committee Directors as well will receive an appropriate additional remuneration according to the increasing workload. The Managing Director and other employees receive remuneration based on individual performance; the remuneration is reviewed by the Compensation and Director/MD Search Committee. To ensure the transparency and clarity, the policies and principles for determining compensation for Managing Director and executive management have already been presented for shareholders' consideration and approval in the Meeting of Ordinary Shareholders No.1/2006, on April 28, 2006.

In 2011, the Company provided remuneration for the Board of Directors and Executives as follows: (Directors did not receive any remuneration from the subsidiary companies.)

(per year)
Remuneration for the Members of Board of Directors

Unit : Baht

		Salary	Bonus	Total
Mrs. Anurat Tiamtan	Chairperson	360,000	280,000	640,000
Mr. Viwat Limsakdakul	Managing Director	240,000	250,000	490,000
Mr. Prasob Snongjati	Independent Member	240,000	250,000	490,000
Mr. Virat Phairatphiboon	Independent Member	240,000	250,000	490,000
Mr. Somchit Serththin	Member	240,000	250,000	490,000
Mr. Surachet Supsakorn	Member	240,000	250,000	490,000
Mr. Chalit Limpanavech	Member	240,000	250,000	490,000
Miss Roumsin Supsakorn	Member	240,000	250,000	490,000
Dr. Asaniya Suwansirikul	Independent Member	240,000	250,000	490,000
		2,280,000	2,280,000	4,560,000

Remuneration for the Audit Committee

		Meeting fee (THB)
Mr. Prasob Snongjati	Chairperson	200,000
Mr. Virat Phairatphiboon	Director	120,000
Dr. Asaniya Suwansirikul	Director	120,000

Remuneration for the Nomination and Remuneration Sub-committee

		Yearly Salary (THB)
Dr. Asaniya Suwansirikul	Chairperson	50,000
Mr. Prasob Snongjati	Director	30,000
Mr. Surachet Supsakorn	Director	30,000

Remuneration for Executive Directors and Management (per year)

- A total of eight Executive Directors and Management received the remuneration of THB 23,337,680;

Other Remuneration

- The provident fund contributed by the Company for eight Executive Directors and Management was a total of THB 999,126;
- A total of 3 Executive Directors and Management were provided with Company cars, the other 5 Management officers were provided with vehicle allowances in total of THB 980,040;

Board Evaluation

The Board of Directors of TIPCO Food (Public) Ltd. had concluded an annual formal evaluation of its own performance as follows:

The Individual Director did self-evaluation and total board functioning evaluation, had reviewed and discussed the outcome in the board of directors' meeting and the Corporate Governance Committee's meeting based on the preliminary format set by the Stock Exchange of Thailand.

The Board of Directors reviewed its role and performance by means of discussion with review of meeting agenda and main results, e.g. the comparison of the Company's performance with its business plan, the effectiveness of risk management, the development of strategy, and the approval of business plans and significant investment, etc. Some main points which somehow are still in pending stage of implementation as: the independence of Chairmanship, the combination of Board of Directors which shall consist of independent member in number exceeding 50% of total, and the requirement of regular meetings on basis of over 6 times a year.

The Directors and Members reviewed the Chairperson's performance through discussion in which Directors had admired that the Chairperson performed her functions properly and with justice; and in each meeting agenda the Chairperson facilitated opportunities for every Director and Members to express their opinions freely without time limit. This has brought proud feelings toward her duties and responsibilities, and full appreciation from all Directors and Members.

The Audit Committee also reviewed its role and performance and agreed that their work was completed and in compliance with guidelines and regulations of the Stock Exchange of Thailand and its Office, by holding the meeting with external auditor, internal auditor and Directors without interference from the management. The Audit Committee conveyed the meeting results to the management for improvement and performed fully functions of financial budget evaluation, settlement of conflicts of interest and other assigned duties.

The Nomination and Remuneration Sub-committee has appraised itself that its performance was fully complied with the set policies. In 2011, it nominated candidates for appointment as Directors because the Directors who were retired by rotation, were qualified for re-elected.

The Managing Director performance appraisal was undertaken by the Remuneration and Search Sub-Committee and the Chairperson as part of the annual salary review process, taking into account the MD's self-evaluation. His performance was reviewed on the key areas and results such as the Company's performance, Business Performance Scorecard, Smart Goal, the achievement of business goals/budget/plan, and the succession plan, etc.

The Board of Directors assessed the performance of the Audit Committee and satisfied with its completion of tasks with efficiency, identification of risks and recommendations on ground of performance with accuracy and efficiency.

The Board of Directors also assessed the performance of The Nomination and Remuneration Sub-committee and satisfied with its results of work, particularly on a number of productive recommendations, e.g. human resources management, guidelines for CSR, etc.

In the process of evaluation, no material failings or weaknesses were identified.

The Board concluded that the Board was operating effectively, that the Board understood its roles and responsibilities, that the Board had good understanding of the Company's business and environment, and that each Director continued to make an effective contribution to the Board assignments.

Investor Relations

The Board of Directors recognizes the importance to assure information disclosure whether financial reports or general data that is accurate, timely, and transparent. To handle investor relations activities, the Company founded a dedicated corporate unit, comprising two Members of Board of Directors, as: Mr. Viwat Limsakdakul, Managing Director and Ms. Nitima Aungatichart, Treasurer, as to coordinate with the investors. The Investors may contact the Company for further information by Tel. 02-2736801 or at the website www.tipco.net, or via their e-mail address viwat@tipco.net or nitima@tipco.net. In 2011, the Company improved its website. Therefore, the investors can access conveniently the Company's information in which the item of investor relations activities is made separately and easy accessible.

Dividend Payment Policy

The Company and its subsidiaries provide the dividends upon the accumulation of a positive retained earnings balance. The dividend payout ratio is depending on the corporate operating performance results and future investment project obligations. However, the payment of not less than 1 in 3 of net profit is observed.

Appointment of Auditor and Consideration of Audit Fee

The Audit Committee considers the qualifications and performance of the auditors and proposes the appointment of the corporate auditors as well as the audit fee to the Board of Directors yearly. The Approval is the sought-after from the Shareholders' Meeting. The auditors, to be proposed, are required to be duly approved by the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2011, the remuneration for the auditor includes:

1. Audit Fee

The Company and its subsidiaries paid remuneration for auditors a total of THB 2,015,000 with details as follows:

For the Company's financial statements and consolidated financial statements a total of THB 950,000.

For the Financial statements for 5 subsidiaries a total of THB 1,065,000.

2. Non-Audit Fee

The Company and its subsidiaries paid for other services a total of THB 280,000.

The Board of Directors' Responsibilities

Yearly, the Board of Directors considers the improvement and to revise their policies of performing corporate governance functions in order to achieve the Company's objectives, creates the employees' responsibilities towards operational performance as assigned duties, creates transparency on integrity basis, increases sustainable competitive competency of the business, increases confidence to stakeholders in consistent with the current business performance. In 2009, the Board of Directors had the resolution on revising item 9 of the policies of performing corporate governance functions, which stated: Item.9: To proceed more concretely with the environmental and social activities.

Leadership and Directors' vision

The Board of Directors has leadership, vision and independence of making decisions, for the highest benefit of the Company and its shareholders. The Board of Directors participates in the formulation of and approval for the vision, strategies, goals, business plans and the corporate budget. This extends to governing the management in accordance with the predetermined business plans and budget, efficiently and effectively. The Board of Directors and management, in accordance with their duties, have a responsibility towards the shareholders. There is a distinct separation in the duties and responsibilities of the Board of Directors and the management, whether from the Board and the Managing Director, or the Board and the shareholders. For further details, refer to the section "Equity Structure and Management" and the "TIPCO Food Group Code of Ethics" under the titled "Rights of various shareholder groups".

The Company's Directors are individuals with knowledge, skills and potential and have completed the following training programs:

List of Directors who have completed Directorship Training Programs

List of Directors who have completed Directorship Training Programs regarding the IOD programs as follows:

Directors have enrolled and completed the IOD Directorship programs (DCP), except for Mr. Somchit Sertthin and Miss Roumsin Supsakorn. However, both of them have already passed the Director Accreditation Program (DAP) organized by Thai Institute of Director Association. The Company is also in the process of enrolling them in the IOD's Directorship programs.

In addition, the Directors who have completed additional training include:

Mrs. Anurat Tiamtan, completed IOD Chairmanship, Finance for Non-Finance Directors courses and Corporate Governance Roundtable Executive Discussion with Professor Ulrich Eteger; Sufficient Economy and Corporate Governance (IOD 5/07/2006), The Natural Disasters (IOD 5/09/2006); and Board Performance Evaluation (IOD 12/12/2006) Sufficiency Economy: the path sustainable growth (11/05/2007) Corporate Governance and Creating Added Value to Business (9-10/11/2007) Making Corporate Responsibility (CR) Tangible-sharing experience (3/6/2009).

Mr. Prasob Sanongjati completed the IOD Audit Committee course, Directory Certification Program (DCP), The Board's Role on Fraud Prevention and Detection course (IOD 29/6/2010).

Mr. Viwat Limsakdakul passed the course of The CEO Forum-Hong Kong, organized by the Boardroom Briefings Club (BBC), Driving Organizational Success through Top Talent Management organized by Watson Wyatt (Thailand), Directors Forum 3/2004 on Nomination and Appointment of Directors and the APIC CEO Forum: Leadership Rejuvenate your Leadership Effectiveness, organized by Asia Pacific Innovation Co., Ltd. Other programs included "Mergers & Acquisitions -How to Achieve Transparency (IOD 7/03/2006); DCP Refresher Course (IOD 27/07/2006); Opportunities for Investment in Food Processing Sector in India (Embassy of India 7/09/2006); Leadership and CEO Succession Planning (IOD 19/10/2006), Corporate Leadership Forum 2007 (15-16/03/2007) Leadership for Business Excellence (27/03/2007), Board Performance Evaluate (IOD 13/07/2007) Board Practices for Joint Venture and Group of Companies (IOD 6/11/2007) Thailand's Functional Food & Drink : Industry Trends & Market Essentials (8-9/11/2007) Asean Business Forum 2009 (26-27/10/2009) The New & Powerful Strategic Thinking (15/09/2009), Role of the Chairman Program (RCP 17-18/5/2010), Thailand Competitiveness Conference 2010 (1-2/9/2010), Top Executives Networking 2010 "Moving Forward Together" (17-18/9/2010), an international seminar in building a collective action on Anti-Corruption by the private sector of Thailand (9/11/2010).

Mr. Somchit Sertthin completed the Advanced Management Program (Harvard Business School 2002).

Mr. Surachet Supsakorn passed the course of "Looking at the Oil Situation in 2006 (IOD 12/01/2006), Thailand's Economic Outlook 2006/07 (IOD 8/08/2006).

Mr. Virat Phairatphiboon completed the course of Director Certification Program (DCP); Audit Committee Program (ACP).

Mr. Chalit Limpanavech completed the Director Certification Program (DCP), Financial Statements for Directors (IOD 2-3/09/2009), Audit Committee Program (IOD 17-18/09/2009).

Dr. Asaniya Suwansirikul completed the Director Certification Program (DCP) (IOD 10/09/2008), Role of the Compensation Committee Program (RCC) (IOD 7-8/10/2008), Financial Statement for Directors (FSD) (IOD 15-16/10/2008), Making Corporate Responsibility (CR) Tangible-sharing experience (3/06/2009).

List of Directors with Financial Knowledge

Directors with finance-related experiences between 20-30 years include:

Mr. Prasob Snongjati, Mr. Somchit Serththin, Mr. Viwat Limsakdakul and Mr. Virat Phairatphiboon.

Conflict of Interest

The Company eliminated conflict of interest by adhering to the policy of its code of business ethics, which specifies a code of conduct for various stakeholder groups. Moreover, the Board of Directors is kept informed of transactions that may pose a conflict of interest and connected transactions, and reviews the suitability of each instance with caution. (Refer to the elimination of conflict of interest under the heading "Shareholders: Rights and equitable treatment") The Company further complies with the guidelines of the Stock Exchange of Thailand and added amendment to its Article of Association, in order to protect the interests of minority shareholders. This matter was duly approved by the 2003 Annual Meeting of Shareholders, with the amendment containing the following details:

"The Company's Articles of Association, Section 8, item 48: In the case that the Company or subsidiaries agree to a related transaction, or a transaction relating to the acquisition or divestiture of assets of the company or its subsidiaries in accordance with the Announcement the Stock Exchange of Thailand enforceable for related transactions conducted by listed companies; or the acquisition or divestiture of assets of listed companies as may be the case; the Company is to defer to the guidelines and methods contained in aforementioned Announcement in relation to that instance".

Also the Company protects against potential conflicts of interest by having employees sign a "Memorandum of Actions Conflicting with Company interests". The agreement specifies the penalty and procedures, culminating in termination of employment, in the case that it is found there was intention to ignore or contradict the agreement. In order to ensure measures that provide additional protection against the use of insider information for personal gain, a requirement has been instituted since 2004 for Directors and management to disclose their shareholding in the Company at each Board of Directors' Meeting. Furthermore, any changes in Directors' or management's shareholdings must also be reported to the Company Secretary. This obligation has been effective since 2003.

Related transactions defined by the guidelines of the Stock Exchange of Thailand are obligated to be reviewed by the Audit Committee. The matter is then presented for Board of Directors' authorization, wherein any Directors with a stake in the transaction are barred from exercising votes. Large transactions are required to be authorized by the Shareholders' Meetings and announced in the newspaper publication. Related transactions are valued according to market price guidelines: comparisons are made between the market price and at least 3 other companies.

Business Ethics

Business Ethics are determined in the Code of Conducts of the TIPCO Food Group, serving as a guideline for corporate governance. The Code comprises of **ideology** defined as a commitment of justice, the pursuit of excellence, belief in personal value and social responsibility. **Business Ethics** is defined as anti-corruption, ethical engagement with responsibility, fair treatment to all business relevant parties, seeking business benefit with justice, and equitable treatment of all concerns. The Code of Conduct for stakeholders includes a code of conduct for management, employees and major shareholders, as well as recommendations when problems arise. Directors and employees alike have been continuously informed of these codes over a considerable period of time. Relevant people are required to sign their acknowledgement every 2 years as indication of their compliance. Furthermore, management is responsible to ensure that employees under their supervision strictly comply with such guidelines. Any employee who does not observe the Company's Code of Conducts will be subject to penalties in accordance with the Company's Regulations.

Balance of Power of Non Executive Directors

The Board of Directors comprises of 9 Members who are fully equipped with knowledge and various experiences as follows:

- Member, serving as Executive 1 person, representing 11%;
- Members, not serving as Executives 8 persons, representing 89%;
- Independent Directors 4 persons, representing 44%;

The Board of Directors is made up of more than one-third of Directors, who are qualified as independent directors, and more than one half of non-executive Directors.

The number of Directors representing significant shareholder groups is a fair proportion to other shareholder groups.

The Board of Directors has the responsibility concerning the performances of its duties according to the law, the objectives and Articles of Association of the Company, as well as the resolutions of Shareholders' Meetings and with honesty according to the guidelines of good corporate governance. The term served by Directors is determined by the Company's Articles of Association, which in turn specifies that the term is to be authorized by the Annual Shareholders' Meetings. Each year, a proportion of 1 in 3 of the Board will complete their tenure (Refer to the heading "Nomination of Directors and the President" in Item 9.2). In addition, as of 2003, Board of Directors conducted a Self Assessment program which evaluates the performance of the entire Board. Each Director pays attention to self development so as to gain their knowledge, skills and to increase the standard of performing the duties efficiently pertaining to good governance management. (Refer to the heading "Board Evaluation")

Merge or Separation of Positions

The Chairperson of Board of Directors and 3 Members, totaling 4 persons, are representatives of the majority shareholder group.

The Managing Director is a Professional Executive who has no connection or relation with the majority shareholder group whatsoever. The composition of the Board of Directors includes more than one-third of the total number represented by Independent Directors, and more than 1 in 2 represented by Non-executive Directors. This facilitates a suitable balance and check of management. In addition, the division of duties, relating to the formulation of corporate governance policies and routine management duties, is clearly specified (Refer to the topic "Role and duties of the President, Board of Directors and Sub-committee under the Management Structure"). The Board of Directors appointed the Remuneration and Search Sub-Committee to review the recruitment and selection of suitably qualified candidates according to the requirement of the Board, for nomination as Managing Director or Directors. The Committee was also assigned the task of considering remuneration for the Board of Directors and the management team.

In order to ensure that the mechanism for monitoring, inspection and balance of management authority are accurate and transparent, the professional company Internal Audit has independency concerning jointly determining scope of audit process. It reports its audit findings directly to the Audit Committee, which in turn comprises 3 Independent Directors. (Scope of the Audit Committee's authorization and duties can be checked from page 80.

Definition Process and Appropriation of Remuneration

The Company defines a clear and transparent policy with regards to the remuneration of the Directors. The remuneration is within a suitable range for industry standards and is authorized by the shareholders. The Directors receive appropriate additional remuneration in accordance with the increased workload. The Managing Director and other employees receive remuneration based on individual performance and is reviewed by the Remuneration and Search Sub-Committee. To ensure transparency and clarity, the policies and principles for determining compensation for Managing Director and executive management was presented already for shareholders' consideration and approval at the Shareholders' Ordinary Meeting No. 1/2006 on April 28, 2006.

In each year, the Remuneration and Search Sub-Committee shall review whether the remuneration of Members of Board of Directors is appropriate by the comparison with same type and size of industry.

The Board of Directors and Sub-committee's Meetings

The Board of Directors

The Board of Directors normally schedules the meetings each quarter, within 45 days of the last quarterly date. Additional meetings may be convened as necessary. The date of the consecutive meeting is determined in advance at each current meeting, together with the specific agenda. There is also a regular agenda dedicated to the monitoring of operating performance. The Company Secretary is responsible for the preparation of summons for the meeting, including the agenda and supporting documents, 14 days prior to the meeting.

This allows Directors sufficient time to study the documents before the meeting. Each meeting generally lasts 4 hours to consider agenda items. In 2011, the Board of Directors met to discuss normal agenda matters on 4 occasions, with 1 meeting convened to consider an extraordinary agenda issue, for all total of 5 meetings. The record of attendance for each Director at the meetings is summarized below:

Name		Term of directorship	Number of attendance/ total number of meeting (times) normal agenda	Number of attendance/ total number of meeting (times) extraordinary agenda	Number of attendance/ total number of meeting (times) Total
1. Mrs. Anurat Tiamtan	Chairperson	April 2010-April 2013	4/4	1/1	5/5
2. Mr. Viwat Limsakdakul	Managing Director	April 2010-April 2013	4/4	1/1	5/5
3. Mr. Prasob Snongjati	Independent Member	April 2009-April 2012	4/4	1/1	5/5
4. Mr. Virat Phairatphiboon	Independent Member	April 2009-April 2012	4/4	1/1	5/5
5. Dr. Asaniya Suwansirikul	Independent Member	April 2009-April 2012	4/4	1/1	5/5
6. Mr. Surachet Supsakorn	Member	April 2011-April 2014	4/4	1/1	5/5
7. Mr. Somchit Sertthin	Member	April 2011-April 2014	4/4	1/1	5/5
8. Mr. Chalit Limpanavech	Independent Member	April 2011-April 2014	4/4	1/1	5/5
9. Miss. Roumsin Supsakorn	Member	April 2010-April 2013	4/4	1/1	5/5

The Company recorded accurately and completely the minutes of each meeting, so that the related parties may inspect if required.

[Refer to The Board of Directors' Report on responsibilities to financial statements.]

The Audit Committee

The Audit Director served a term of 2 years. There are presently 3 Audit Committee members; all of them are also the Independent Directors, with names as follows:

1. Mr. Prasob Snongjati	Chairperson
2. Mr. Virat Phairatphiboon	Director
3. Dr. Asaniya Suwansirikul	Director
4. Miss Wantanee Poorpadong	Secretary to the Committee

In 2011, the Audit Committee met 5 times to review normal agenda items. The attendance details of each Audit Committee Director are presented below:

Name	Position	Meeting attendance/ Total number of meetings (times)
1. Mr. Prasob Snongjati	Independent Member	5/5
2. Mr. Virat Phairatphiboon	Independent Member	5/5
3. Dr. Asaniya Suwansirikul	Independent Member	5/5

(Please refer to the Report of the Audit Committee for additional details.)

Remuneration and Search Sub-committee

The Remuneration and Search Sub-Committee serves a term of three years and comprises 3 members. The guidelines for appointing Committee members defer to the principles of the good corporate governance in which qualified experts from outside or Independent Directors representing more than half of the number of Directors. The names of the Committee are as follows:

1. Dr. Asaniya Suwansirikul	Independent Member	Chairperson
2. Mr. Prasob Snongjati	Independent Member	Member
3. Mr. Surachet Supsakorn	Member	Member

The Remuneration & Search Sub-Committee met twice in 2011, with the attendance of each Committee Director as follows:

Name	Position	Meeting attendance/ Total number of meetings (times)
1. Dr. Asaniya Suwansirikul	Independent Member	2/2
2. Mr. Prasob Snongjati	Independent Member	2/2
3. Mr. Surachet Supsakorn	Member	2/2

In 2011, the Corporate Governance Committee held 1 meeting. As the entire Board of Directors serves as the Corporate Governance Committee, the agenda for evaluating compliance of corporate governance was in accordance with good corporate governance in line with the guidelines of the Organization for Economic Corporation and Development (OECD). Also the OECD, the Stock Exchange of Thailand, was in the Board of

Directors' Meeting (No.5/2010 on December 23, 2010). All members of the Board of Directors completely attended this meeting. (Refer to the section related to evaluation results for compliance with good corporate governance in relation to governance policies.)

Internal Control and Internal Audit

The Board of Directors has implemented a system of internal control that encompasses all key areas, from finance to operations. This ensures that its business activities comply with laws, rules and regulations relating to risk management. The system extends to the implementation of mechanisms for audit and sufficiently efficient balance of management, protection of corporate assets and justified returns to all stakeholders. The Company specifies the scope of authority and responsibility for each level of management and employees. Operational procedures are specified in writing. Management and individuals with potential are the focus of development, with enrolment in courses such as the Internal Quality Audit ISO 9001: 2000 program, which allows the inspection of performances across lines of employments. Since 2003, the Company has hired audit companies from outside to perform functions of internal audit, and to do cross-check reports and to make a joint consideration with the Company's Internal Audit Committee for the internal audit plan.

In additional, the Board of Directors made amendment to the responsibilities of the Nomination and Remuneration Sub-committee to create fairness in the selection of suitable individuals, to manage the business as Directors and Managing Director, to consider a fair remuneration of Directors and employees according to their performance. The Board also established the Corporate Governance Subcommittee for purpose of formulating governance policies and business ethics, including the periodic review of policies and compliance with policies. The Company has endeavored to create a culture of good corporate governance, since it believes in a philosophy of management with quality, integrity and transparency that is fair to all parties. This also serves to promote sustainable business growth.

Details of the Company's control system and internal audit may be summarized as follows:

In relation to operational controls: The Company has clearly specified the authority and Codes of Conduct in writing, for reference towards operational staff and management. The Company oversees the use of assets in generating benefits and utilizes a system of budgets and feasibility studies prior of investing in new assets. The system includes monitoring activities to ascertain whether actual performances differ significantly from the budget. There is also a clear separation of duties between operational staff, supervisors and evaluators, to encourage suitable balance and checks between them. The internal controls cover financial matters, with financial reports presented to the relevant management heads.

In relation to internal audits: The Company has contracted an outside firm to conduct internal audit duties, to ensure that its key operations and financial activities comply with predetermined guidelines. The task includes the review of compliance with laws and regulations relevant to the Company. The external firm hired for this purpose has total independency in its audit and balance responsibilities and reports directly to the Audit Committee. It also jointly determines the scope of audit activities with the Audit Committee.

In relation to risk management: The Board of Directors established the Business Risk Assessment Sub-Committee for the purpose of determining the scope of authority and policies for risk management. It organizes joint meetings with the relevant departmental management to ascertain and evaluate the level of risk every 6 months-period which is held in the second quarter and the fourth quarter of the year; it organizes meeting with operational level daily, and meeting with management level and executive directors monthly. It also specifies measures for the prevention and management of risk, including risks that may affect the Company's operations. Therefore, an early warning system has been duly installed. The Subcommittee has an obligation to oversee compliance with laws and relevant regulations. Furthermore, a risk management report is prepared, which may be inspected by relevant individuals. Since 2004, the Audit Committee has assigned the Internal Audit Department the duty of monitoring risk management, in order to ensure that management complied with the determined course of action, and if so, whether such measures were successful in reducing the degree of risk. The findings were presented to the Audit Committee every quarter of the year.

Company Secretary

The Company appoints individuals with requisite qualifications and experience to assume the duties of company secretary. The qualification, characteristics and responsibilities of this position have been determined as follows:

Qualifications and Characteristics

- Bachelor's Degree (in Accounting or Law);
- Knowledge of legal principles in relation to the Company and the SEC;
- Good human relations and communicative skills;
- Prior experiences in this position;
- Knowledge of corporate governance issues;

Responsibilities

- Oversees operations relating to the meetings of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committees and Shareholder Meetings;
- Prepares and files minutes of the Board of Directors meetings;
- Oversees the disclosure of information and reporting in accordance with the law and relevant regulations pertaining to good corporate governance;
- Provides preliminary recommendations and advice on legal issues, operating regulations and requirement with regard to good corporate governance;
- Disseminates resolutions and policies of the Board of Directors to related parties, follow up and reporting to the Board;
- Contacts and provides information concerning corporate activities to Directors;
- Arranges orientation for new Directors and provides support for ongoing Directorial development;
- Coordinates with outside consultants, such as legal counsel and so on;

Nature of Business

Tipco Foods Public Company Limited, previously known as The Thai Pineapple Public Company Limited, was established on March 22, 1976 with the initial registered capital of 10 million Baht. Currently, the company has the registered capital of 500 million Baht, with the paid up capital of 482.6 million Baht. Its headquarter is located at Tipco Tower, 118/1 Rama 6 Road, Samsen Nai, Phayathai, Bangkok and the factory is located at Muang District, Prachuap Khiri Khan Province. The company was granted the investment privileges by the Board of Investment of Thailand, for production of canned pineapple, pineapple concentrated juice, crushed pineapple, and canned pineapple juice, for export. The company was listed on the Stock Exchange of Thailand in 1989, which led to a change concerning the stock structure with the issue of shares to the public. However, the group of major shareholders remained the same. In 1993, TIPCO F&B Co., Ltd., formerly known as Tipco Foods Co., Ltd, was established as its subsidiary because of the investment diversification into the ready-to-drink fruit juice business. Subsequently, the company's fruit juice products received good customers' response. As a result, the company has been committed to continuously conduct research and development for new products in order to meet the needs of customers. The company has been proceeding with the policy of introducing at least one new product item yearly, since 1997. The company's products contain high nutritional value and health benefits, compared with other products within the same category.

Currently, the company has 7 product categories as following:

1. 100% fruit and vegetable juice products, consisting of; Tangerine Juice, Valencia Orange Juice, Si Thong Orange Juice, 4 Variety Orange Juice, Blood Orange Juice, Shogun Orange Juice, Sai Nam Phueng Orange Juice, Red Grape Juice, Apple Juice, Pineapple Juice, Guava Juice, Tomato Juice, Broccoli and Mixed Fruit Juice, Beetroot and Mixed Fruit Juice, Carrot and Mixed Fruit Juice, Purple Carrot and Mixed Fruit Juice, Mixed Kiwi and Grape Juice, Mixed Prune and Grape Juice, Pomegranate and Mixed Fruit Juice, Cranberry and Mixed Fruit Juice, Mixed Aloe Vera and White Grape Juice, Mixed Spinach and Wheat Grass Juice; Cherry Berry Juice, Mangosteen and Mixed Fruit Juice, Mixed Apple Cider and Pomegranate Juice, Goji Berry and Mixed Fruit Juice, Latte (fruit juice 98% with soya milk 2%) -Pommy Latte Flavor and Orange Latte Flavor, Mixed 32 Vegetable and Fruit Juice, Super Fruit Essence-Pomegranate Extract Juice, Super Fruit Essence-Prune and Fig Extract Juice, Tipco Fruit Plus Mixed Veggie with Aloe Vera Gel Minced.
2. Pasteurized 100% fruit and vegetable juice products, consisting of; Shogun Orange Juice, Valencia Orange Juice, Sai Nam Phueng Orange Juice, Strawberry Juice, Fuji Apple Juice, Aloe Vera and White Grape Juice, Cherry Berry Juice, Mango with Mixed Fruit Juice, Lemon Juice with Lemon Pulp, Mixed Kiwi and Grape Juice, Pomegranate and Mixed Fruit Juice, and Mixed Vegetable and Mixed Fruit Juice.

3. 30-40% Fruit and Vegetable juice, consisting of; Kiwi Mixed Juice, Veggi Mixed Juice, Orange Mixed Juice, Red Grape Mixed, Berry Mixed Juice and Apple Mixed Juice.
4. Cereal Drink under Nature Up brand consists of nutritious ingredients of corn, brown rice, and soy bean. The products, consisting of; Cereal Drink with 30% Orange Juice, Cereal Drink with Job Tear, Oat Drink with Malt Extract- Original Flavor and With No Sugar Added Flavor, Oat Drink with Black Sesame, Germinated Brown Rice Drink of 9 Varieties-Original flavor and No Sugar Added Flavor and Multigrain Milk Drink plus Black Sesame-Beauti Light Flavor and Beauti Shine Flavor.
5. Functional Drink Category under the Suntory Dakara Benefit brand, the new flavor which plus L-Carnitine and white kidney bean extracts, no sugar added. This product is developed by Suntory Beverage and Food Limited, a joint partner of Tipco F&B Co., Ltd.
6. 100% Natural Mineral Water under Aura and Aquare brand
7. Green Tea under Suntory Mirai with 3 flavor, original, Sagura and Honey Lemon.

In 2004, the company expanded into the retail business of freshly made fruit puree/smoothy under the brand Squeeze Juice Bar. There were 10 branches in the beginning. Tipco Retail Co., Ltd was established in 2007 to support the expansion of this firm established business unit. Comprising of 55 branches of its own and 13 franchise branches, there were 68 branches in total of Tipco Squeeze Juice Bar in 2011.

In 2007, the company took over Tipco Biotech Co., Ltd. (previously known as Thai Sankyo Co., Ltd.) for its valuable assets, consisting of the plantation areas of 6,899 rai, 1 ngan and 20.4 square wah, the biological laboratory-tissue culture lab (for plant selection and expansion), and the plant extraction factory.

In 2009 the company had introduced the new variety of pineapple named Hom Suwan into the fresh fruit market. It was very well received by the consumers because of its distinctive characteristics such as strong aroma, evenly golden-yellow colour, firm texture, dry but juicy flesh, shallow eyes, uniform ripeness, and containing of a 4 times higher level of Vitamin C than the Sri Racha variety.

As for the business philosophy, the company values the quality of the product at the highest level, for that reason the company has continuously applied for the assessment and accreditation of most of the well known international quality system standards. Its records are as follows:

1994 ISO 9002 as the first canned pineapple factory accredited in the world, by Thai Industrial Standards Institute and by RW TUV Germany

1995 HACCP by SGS (Thailand)

ISO 9002 for pineapple juice and pineapple concentrated juice, by SGF International E.V./IRMA Germany

HALAL by The Central Islamic Committee of Thailand

HER by Thai Kashurt Service Co., LTD.

2002/2003 BRC Standards for quality management and safety required by the British Retail Consortium for food processors of foods imported to the United Kingdom, by SGS (Thailand) and by EFSIS(SAI GLOBAL)

2003 ISO 9001 version 2000 by SGS (Thailand)

2004 International Food Standard (IFS) for quality management and safety required by the German & French Retail Consortium for food processors of foods imported to the EU, by SGS (Germany)

2006 ISO 22000 in Food Safety Management, as the first food company accredited in Thailand, by SGS (Thailand)

2007 Integrated assessment for all 5 systems, ISO 22000, ISO 9001, GMP, HACCP, and IFS (Single Food Audit Pack); by SGS (Thailand). Tipco is highlighted as the global model for such integrated assessment.

2007 GMA-SAFE System of U.S.A for safe and security of food supply chain, by Food Audit International (FAI)

2007/2008 Certified Organic Standards for aseptic crushed aloe vera, from plantation for processing by Department of Agriculture

2008/2009 Certified IFOAM Organic Standards for aseptic crushed aloe vera, from plantation for processing, by Organic Agricultural Certification Thailand

2009 Audited on Food Safety and Food Security according to Audit Program of the U.S.A and scored "Excellent", by FAI (Thailand)

2010 ISO 9001 version 2008 by SGS (Thailand)

2011 Environmental Governance Award for Prachuab Kirikhan Factory Thai Labor-Standard : TLS 8001-2010 Complete Level-Beginning Stage Outstanding Award of Labor Relations and Labor Welfare

Revenue Structure of Sales or Services to Outside Parties in the past 3 years

Product/ service	Operated by	% stake held by the company	2009		2010		2011	
			Revenue	%	Revenue	%	Revenue	%
Canned pineapple and pineapple juice concentrate	Tipco Foods (Thailand) PCL/ Tipco Marketing Co.,Ltd.		1,817.60	40.78	1,748.02	37.08	1,684.74	34.92
Mixed fruit, others	Tipco Foods (Thailand) PCL.	75.49**	617.03	13.84	657.17	13.94	661.62	13.71
	Tipco Retail Co.,Ltd. Tipco Biotech Co.,Ltd.	100.00						
Ready-to-Drink beverage	Tipco F&B Co.,Ltd.	50.00	2,022.37	45.38	2,308.59	48.98	2,478.73	51.37
Total			4,457.00	100.00	4,713.78	100.00	4,825.09	100.00

** The company holds indirectly the shares of Tipco Retail Co., Ltd., in the proportion of 75.49 % through Tipco Beverage Co., Ltd. and Tipco F&B Co., Ltd., whose shares are 50.99% and 49% held by the company, respectively.**

Development in the Past Year

In 2010, Tipco F&B Co., Ltd., the producer and distributor of ready-to-drink 100% and 40% fruit juice, pasteurized 100% fruit juice, cereal drink, functional drink, natural mineral water and Green Tea; had introduced new products ; Tipco Super Fruit Essence-Prune and Fig Extract Juice; Tipco Fruit Plus-Mixed Veggie with Aloe Vera Gel Mince; Nature Up Multigrain Milk Drink Plus Black Sesame Beauti Light Flavor and Beauti Shine Flavor; Dakara functional drink-modified formula which plus L-Carnitine and White Kidney Bean Extracts no sugar added; and Green Tea Original, Sagura and Honey Lemon Flavor.

Industry Overview and Future Competitive Situation

International business of the company, the export of Canned Pineapple which is in agricultural product section, mainly relies on quality of raw material and sensitive price of the market. In the beginning of 2011, pineapple experienced a shortage due to the drought continuously from 2010. Sales slowed down especially forward sales. Then, when the weather changed around the middle of the year 2011 to favor for Pineapple plant, the output was back to normal situation through the second half of the year. Anyway, the depressed economic situation of USA and Europe together with the uncertain political situation of Middle East that is high growth potential market has affected that sales could not be performed as planned. However, resulted from the recovering of raw material situation supported the cost management efficiency and profitability to be at the appropriate level.

The trend of the ready-to-drink beverage market will see more fragmentation of product lines for more targeted customer sub-groups. All players will invest more in advertising and sales promotion. The company has monitored these trends, and has consequently made it the corporate policy to introduce the new product yearly, for at least one category, related to food, fruit, and beverages, of which the company has a vast expertise. The diversifications of its product lines will generate more income as well as maintain its leader position and market shares.

For the Squeeze Juice Bar, the company emphasizes on expanding its own branches as well as franchise branches. The density of consumer's population and the main income per household are the primary specifications concerning selection of locations.

For agricultural and plant-extracts business; the agricultural plantation, Hom Suwan has been well received from market. The company has focused on the process of plantation to increase output per rai, the quality standard for releasing more product into market to generate sales. In the part of plant-extract business, the strategy is to build relations with customer as a partner for joint cooperation in research and develop plant-extract project. In 2011 the business can achieve to launch the first fruit extract product and export to customer. This business is expected to expand both new product with the existing partner and also new partner entering. Moreover, the company itself, there has been a continuously research as the national innovation projects on hand which is expected to ready to commercialize in 2012.

Management Discussion and Analysis

Annual Operating Performance Results

The company's net profit totaled 343.6 Million Baht, an increase of 196.7 Million Baht (or 133.8%) compared to the previous year. Overall, the production procedure adjustment made by the company led to an increase in the production of finished products from inputs of raw materials, resulting in a significant increase in profits, especially for canned fruit and concentrated pineapple juice export businesses. In addition, the demand and supply process adjustment starting from raw material selection, right timing for placing purchase orders, efficient production as well as delivery of finished products to customers to ensure alignment thereof played a major role in bolstering the overall profit of the company. The revenue of sales and services of 4,825.1 Million Baht increased from the previous year by 111.3 Million Baht (or 2.4%). While sales of beverage and retail businesses increased, total exports decreased due to the economic slowdown of the United States and Europe. Other incomes amounted to 324.2 Million Baht, an increase of 147.7 Million Baht (or 83.7%). Cost of goods sold and services totaled 3,274.8 Million Baht, a decrease of 257.1 Million Baht (or 7.3%), resulting in a gross profit of 1,550.3 Million Baht, an increase of 368.4 Million Baht (or 31.2%).

Revenue Analysis

Revenue Analysis from Total Sales

Sales revenue (Million Baht)	2009		2010		2011		Growth rate (%)	
	Revenue	%	Revenue	%	Revenue	%	2010/2009	2011/2010
Domestic	2,914.1	54.2	2,714.1	57.6	2,917.0	60.5	12.4	7.5
Export	2,042.9	45.8	1,999.7	42.4	1,907.8	39.5	-2.1	-4.6
Total	4,457.0	100.0	4,713.6	100.0	4,825.1	100.0	5.8	2.4

Sales revenue in 2009 and 2010

In 2009, both the domestic and foreign businesses were affected by the sluggish global economy. Notably in the United States and in Europe where the economic crisis started, total sales declined drastically. Even though the company expanded markets into other regions, the reduction could not be compensated, resulting in a significant overall reduction of total sales from the export business. As for the domestic business, the reduction in total sales was due to both the uncertainty regarding the global economic situation which caused consumers to be uncertain as to its repercussions and severity and, therefore, to be precautionary in their spending and the domestic political uncertainty which led consumers to go out less and spend less. Nevertheless, the company

continued to implement its strategy to launch new products in the market and to select target locations for retail business expansion in order to satisfy the variety of consumer needs. As for its export business, the company focused on managing its cost of production and the pricing structure to cover foreign currency exchange rate and cost of fresh fruit fluctuations. To this effect, the company also maintained its policy in purchasing and selling forward foreign exchange contracts to minimize potential foreign exchange risks. Moreover, the company expanded its markets to other regions of the world in order to mitigate risks following the severity of the financial crisis affecting countries in Europe.

In 2010, the growth of total sales revenue was mainly due to the domestic sales growth as the domestic economy started to recover and the political situation improved, leading to an increase in local consumers' spending. At the same time, the company focused on communication concerning the characteristics, qualities and benefits of its products. Besides, the company continued to maintain its strategy of launching new products to meet consumers' needs. The retail sales business also grew significantly as the products offered exactly met customers' demand. The company was, therefore, able to open up many branches as these retail outlets became well-known by the market and appreciated by a lot of tenants as well as department stores. This development allowed the company to increase its distribution channels and to make its image directly known to consumers. As for food services, the company was able to increase sales of its Ready-to-Drink beverage through restaurants, hotels, bus lines and airlines. With regards to its agricultural and plant extract businesses (for food, beverage and cosmetic ingredients), the company's fresh pineapple named Hom Suwan was increasingly marketed through convenience stores. However, being in the introduction stage to the market, availability of this pineapple was still limited. At the same time, the company continued to focus on research and development of plant extracts in order to develop products which could be of interest and be beneficial for the company in the future.

With regards to revenue from export sales, last year those of canned fruit and concentrated pineapple juice declined mainly due to the strengthening of the Thai Baht by an average of 10% during the year, resulting in the Baht denominated sales revenue to decrease by 2.1% compared to an increase by 10% when denominated in US Dollar.

The market for exports of fruit juice to ASEAN countries under the company's brand and to Non-ASEAN countries as an OEM manufacturer under customers' formulas and brands continued to expand since countries within this region have been less affected by the global financial crisis and their economies remained relatively strong.

Total Sales Revenue in 2011

In 2011, total sales revenue grew from the previous year by 2.4% with domestic sales revenue increasing by 7.5% and export sales revenue decreasing by 4.6%.

Revenue from Domestic Sales

Total domestic sales increased in 2011, especially during the first 3 quarters of the year as economic figures showed signs of recovery and the political situation improved with the new government, resulting in improved public confidence which subsequently led to an increase in consumers' spending. However, total sales were affected during the 4th quarter as with Bangkok and the surrounding areas suffering from the flooding disaster, goods distribution centers as well as transportation routes were inundated, impeding some goods from being put on sale. The effect of this disaster affected both total sales of beverage and the Juice Bar retail businesses.

1. Ready-to-Drink Beverage Business

The growth in sales of the Ready-to-Drink business resulted from the launch of several as well as a variety of new products during the previous year. Both the increase in different flavors of existing products and the launch of new categories led to a variety of products and the ability to better respond to consumers' needs. The new products launched in 2011 were as follows:

- 1) The 100% juice category consisting of the Mandarin Orange Juice, TIPCO Super Kid Mixed Vegetable and Fruit Juice, TIPCO Squeeze Pasteurized Red Grape Juice, Super Fruit Essence-Prune and Fig Extract. Also 2 new product groups were launched in the 100% juice category, i.e. the 1st one being products under the TIPCO Veggie Five Colors a Day Brand for which there are 2 formulas, i.e. the mixed vegetable and fruit formula composed of 5-color vegetables mixed with 7 kinds of high vitamins and chlorophyll and the mixed vegetable and fruit formula consisting of 5-color vegetables mixed with 7 kinds of high vitamins and high fiber and the 2nd one being the Fruit Plus Brand 100% fruit juice mixed with fruit pulp of 4 different flavors: Mandarin orange with orange pulp and sac, Apple with Aloe Vera Gel Minced, Mixed veggie with Aloe Vera Gel minced and Aloe Vera & Grape with Aloe Vera Gel Minced.
- 2) Cereal Beverage Category Products consisting of the Multigrain Milk mixed with black sesame under Beauti Light and Beauti Shine formulas.
- 3) TIPCO Natural Sense Brand products consisting of the rose-scented roselle juice and pandanus leaf-scented lemongrass juice.
- 4) Fruit Juice Category products in PET bottles consisting of the Orange Shake Brand 20% orange juice mixed with orange pulp.
- 5) Functional Drink Category products under the Suntory Daraka Benefit Brand consisting of the apple and lemon flavor juice of the 10% apple-fiber formula and the mixed fruit flavor juice mixed with 10% white kidney bean extract under the Berry Bean formula.
- 6) Tea Category Products under the Suntory Imai Brand consisting of the Ready-to-Drink honey mixed with lemon, Sakura and original scented Green Teas

Apart from the aforementioned variety of new products launched, a lot of focus was placed during the past year on sales promotion in the form of publicity through various media, various types of sales promotional activities as well as games allowing consumers to play and win prizes. These promotional activities helped to lift up sales substantially as they enabled TIPCO products to become well-known by the public and to have a more modern image. However, during the 4th quarter of the year which is normally its peak sales period, the company suffered significantly from the floods. Even though the company's production at its manufacturing plants were not so much affected due to its preventive measures and was obliged to stop production only during 2 weeks but the flooding disaster in Bangkok and the surrounding areas caused the distribution centers of its distributors to be inundated and transportation routes to be cut off, causing the sales distribution of some products to be halted. The sales revenue during the 4th quarter was, therefore, not according to the established plans.

Retail and Food Service Businesses

The revenue of the Squeeze Juice Bar continued to grow continuously throughout the first 3 quarters of 2011 but were slowing down during the 4th quarter due to the floods which obliged several branches to close down temporarily. Sales revenue continued to increase as a result of new product developments in response to customers' needs and the opening of new branches. As at the end of 2011, the Squeeze Juice Bar had a total of 68 branches of which 55 were operated by the company and 13 operated under franchise. With regards to its food service, the company continued to gain new customers in the group of restaurants, hotels, bus lines and airlines.

Agricultural and Plant Extract businesses (for food, beverage and cosmetics ingredients)

The increase in revenue was due to the agricultural business or the Hom Suwan pineapple production. The strength of the Hom Suwan pineapple comes from its special characteristics which are well accepted by the market. The fact that it is cultivated in an area where the climate is ideal as well as its cultivation process having been suitably adjusted to the cultivation area as well as the climate conditions in the said area have resulted in more production having been marketed and, evidently, in more sales revenue. As for the plant extract business, the company undertook research and development in cooperation with a main customer which is a major plant extract producer in Japan and has succeeded to obtain the first product, a fruit extract, which has been exported to Japan at the end of 2011. It is expected that the sales revenue from this product should increase in the future.

Revenue from Export Sales

The export sales of canned fruit and concentrated pineapple juice declined as the United States' economy has not yet recovered and the European countries have started to enter a recession, causing a decline in the purchase orders coming from customers in these countries who are the company's major customers. The company has striven to find new markets in replacement thereof but has not been able, in the short-term, to completely compensate for such reduction.

As for fruit juice exports to the ASEAN markets where sales are made under the company's brand and to non-ASEAN countries as an OEM manufacturer under customers' formulas and brand, the expansion continued to grow on a regular basis.

Proportion of Domestic and Export Sales Revenue

In 2011, the proportion between the domestic and export sales revenue were equivalent to 60.5 : 39.5. The proportion of export sales revenue was slightly reduced due to the decline in purchase orders from countries suffering economic problems. At the same time, the strengthening of the average value of the Baht in 2011 compared to the previous year caused the Baht denominated sales revenue to decline as well. Nevertheless, the company intends to keep its existing policy whereby the revenue proportions of its domestic and export sales shall be maintained at 50:50 in order to balance risks which may arise from its domestic and export businesses.

Analysis of Other Incomes

Other Incomes	2009	2010	2011
Gain from exchange rates	2.7	15.7	2.4
Reversal of doubtful accounts	-	0.2	-
Reversal of allowance for expired goods	-	18.5	7.8
Gain from claims of demolished products	-	10.5	-
Marketing promotion support	50.3	90.9	248.7
Revenue from selling raw materials and scraps materials	6.2	5.4	6.3
Others	45.3	35.3	59.0
Total	104.5	176.5	324.2

Gain from exchange rates:

In 2009 and up to 2011, as exchange rates have been extremely volatile, the company maintained its policy of purchasing and selling forward exchange contracts periodically to mitigate potential risks, resulting in a gain from exchange rates of 2.7 Million Baht in 2009, 15.7 Million Baht in 2010 and 2.4 Million Baht in 2011.

Reversal of doubtful accounts:

As one of the doubtful accounts has been classified as bad debt, the amount has been included in the category of other expenses.

Reversal of allowance for expired goods:

The allowance set by the company for expired goods in accordance with the accounting standard in view of the expiration time or damage which was in excess during the previous year was reversed and booked to income.

Marketing promotion support:

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

Other incomes:

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

Analysis of Cost of Goods Sold and Gross Profit

	2009		2010		2011	
	Million Baht	% of sales	Million Baht	% of sales	Million Baht	% of sales
Total sales	4,457.0	100.0	4,713.8	100.0	4,825.1	100.0
Cost of Goods Sold	3,203.4	71.9	3,531.9	74.9	3,274.8	67.9
Gross Profit	1,253.6	28.1	1,181.9	25.1	1,550.3	32.1

In 2009, the gross profit ratio of the exporting business declined as drought led to a shortage of fresh fruit while prices escalated, resulting in an increase in the cost of goods sold. As for the domestic beverage business, in 2009 the company focused on managing the demand and supply chain to reduce the cost of goods sold and enhance productivity, resulting in an increase in the domestic gross profit ratio.

In 2010, the gross profit ratio declined mainly due to the export of canned pineapple business. The drought crisis became more severe and greatly affected the production of pineapple. Apart from causing prices of fresh fruits to rise continuously, the weather condition affected their quality as well, resulting in a decline of output per ton of fruits. At the same time the strengthening of the Baht caused sales denominated in Baht to slump. As most of the cost of the canned fruit business was in Thai Baht, it directly affected the declining export business' gross profit ratio. Total sales of the domestic beverage business increased substantially as a result of marketing activities emphasizing on the positive benefits, characteristics and quality of the company's products. At the same time, improvements in the chain of supply and demand management initiated since 2009 led to substantial cost savings. As for the retail business, total sales grew drastically, resulting in an economy of scale which led to an increase in the overall of the domestic gross profit ratio.

In 2011, the gross profit ratio increased as a result of the export business which benefited from the company's production process adjustment to ensure a higher productivity from inputs of raw materials. This led to a substantial increase in the gross profit of the exports business while gross profit from domestic businesses, both beverage and retail, declined slightly as sales were not according to plans during the period of the floods and raw material costs also increased.

Selling and Administrative Expenses

	2009		2010		2011	
	Million Baht	% of sales	Million Baht	% of sales	Million Baht	% of sales
Sales and administrative expenses	1,133.7	25.4	1,334.6	28.3	1,560.4	32.3

The selling and administrative expenses ratio in 2010 increased from 2009 as a result of the company's emphasis on marketing policies, especially in the 100% fruit juice in order to deal with the intensified competition in the domestic market. This strategy proved to be successful as total domestic sales increased significantly. In 2011, the increase in selling and administrative expenses was due to marketing efforts in the beverage business in order to support the several new products which were launched during the year. However, the fact that sales were not in accordance with plans during the 4th quarter led to an increase in the selling and administrative expenses compared to total sales ratio of the beverage business.

Report on Cash Flow Analysis

Expenses	2009	2010	2011
Cash flow from operations			
Profit before income tax	240.2	178.8	369.8
Adjustments to reconcile profit before income tax to net cash provided by operating activities	172.7	-0.2	126.4
Adjustments to decrease (increase) in working capital	119.4	220.1	-638.6
Net cash provided by (used in) operating activities	532.3	396.0	-142.4
Net cash provided by (used in) investing activities	-123.0	-319.8	-283.7
Net cash provided by (used in) financing activities	-353.3	-115.9	422.4
Effects of foreign currency exchange on cash & cash equivalents	-	-2.7	0.1
Increase (decrease) in cash & cash equivalents	56.0	-39.7	-3.6
Cash & equivalent at the beginning of the periods	28.5	84.5	44.7
Cash & equivalent at the end of the periods	84.5	44.7	41.1

Cash flow from operations was positive in 2009 due to the company's policy in gradually utilizing and selling the remaining inventory of last year as planned, resulting in lower level of inventory especially raw materials. From the immense order during the end of the year period, the company unavoidably, had high volumes of finished goods and ongoing manufacturing goods in the inventory as such goods were needed for delivery during the beginning of the following year. In 2010, cash flow from operations declined owing to rising costs of fresh fruits caused by fresh fruit shortages as well as an increase in marketing and promotional expenses. In 2011, cash flow from operations was negative due to declining fresh fruit prices caused by oversupply. The company's inventory balance at the end of the year was high due to its policy to produce and keep finished goods in order to benefit from low costs and to sell them when prices are at appropriate levels.

Cash flow from investing activities:

In 2009, one of the company's subsidiaries invested in moving all of the remaining fixed assets under the subsidiary's ownership from the Prachuap Khiri Khan factory to the Wang Noi factory as well as in purchasing

new machineries to replace certain parts of the existing ones. The company purchased and took ownership of buildings and structures at the Prachuap Kriri Khan factory from the subsidiary. The company also incurred investment expenditures regarding the maintenance of fixed assets at the AURA mineral water factory to ensure that they were in good condition and operated efficiently.

In 2010, at the beverage factory in Wangnoi, additional machineries were acquired to support the expansion of the production capacity of existing products with a view to accommodating sales growth. Moreover, additional machinery investment was made to support the production line of packaging of products using PET bottles so as to cater to customers' diversified needs. At the Prachuap Khiri Khan factory, apart from expenses for normal maintenance of fixed assets, the company made additional machinery investment to support the empty can line for enhanced efficiency. At the AURA mineral water factory, additional machines were bought to support the production line expansion.

In 2011, the company made additional investment at the beverage factory in Wang Noi in order to enhance efficiency of the current production line. As regards the Prachuap Khiri Khan factory, the company incurred investment expenditures for the empty can line through replacement of parts of existing machineries and additional investment for enhanced efficiency of the production line. As for the AURA mineral water factory, the company incurred costs of overhauling machineries of the existing production line.

Cash flow from financing activities:

In 2009, the company paid off all long-term debt obligations totaling Baht 308.5 million for the investment in the Prachuap Khiri Khan factory (Of this, Baht 102.8 million was used for loan prepayment). Subsequently, the company received a new long-term loan amounting to Baht 500.0 million for investment in long-term assets to replace short-term credit facilities which were previously used as a source of funds as well as for use as a part of working capital. Viewing that at the time of the global economic crisis and liquidity crunch the company might be faced with a problem to mobilize funds for use as working capital as the company's credit facilities were all an uncommitted line, the company decided to seek long-term credit facilities as part of its total loan portfolio in order to meet the company's minimum working capital requirements during such economic crisis and to help reduce risks arising from a lack of liquidity in funding sources in the future. The acquisition of the new long-term loan resulted in a decrease in short-term loans. In 2009, the company paid dividends (based on the 2008 operating results) of 130.3 million. In 2010, it entered into a Baht 200.0 million long-term loan contract for investment in machineries at the beverage factory in Wang Noi and partially drawdown Baht 180 million to pay for the machineries according to the term of payment. The company then repaid the long-term loan obligations of Baht 200 million during the year. Also, the company paid dividends (based on the 2009 operating results) of Baht 72.4 million. In 2011, the company entered into an additional Baht 300 million long-term loan contract to obtain funds for use as working capital and to replace certain portions of short-term loans. The level of funds obtained was deemed commensurate with the company's minimum working capital requirements. This long-term credit facility would also help enhance the company's liquidity in the future when it is expected that there will be an increasing demand for short-term credit facilities to support business expansion. This year the company also paid long-term debt obligations of Baht 274.0 million. The increase in the short-term loans was due to the company's plan to keep inventory for subsequent sale.

Liquidity

Liquidity ratio (times)	2009	2010	2011
Current Ratio	1.2	0.9	1.0
Interest Coverage Ratio	4.6	4.1	4.9
Debt to Equity Ratio	1.3	1.3	1.4

Current Ratio:

In 2009, the company obtained a long-term loan for repayment of the short-term loan used for fixed assets investment in the previous year as well as for use as a minimum working capital as required by the company. The decrease in short-term loans led to an increase in the current ratio. In 2010, the current ratio declined to lower than 1 (time) as a result of a reduction in inventory and trade accounts receivable from the export business following a decline in sales caused by the lack of raw materials - fresh fruits. In the meantime, current liabilities increased as the current portion of long-term liabilities increased. (The long-term loans of the company were due for payment starting from the 3rd quarter of 2010. The subsidiary was scheduled to make the first payment in the 2nd quarter of 2010. Additionally, the company still had accrued expenses payable related to the marketing and promotional support program. The company also had accounts payable totaling Baht 59.2 million for machineries at the beverage factory in Wang Noi which were due for payment in April 2011. The company will use funds obtained from approved long-term credit facilities to pay off such accounts payable. In 2011, the company's current ratio slightly increased due to the increase in inventory and the replacement of a portion of the short-term loans with the long-term loans used as working capital.

Interest Coverage Ratio:

In 2009, interest rates decreased throughout the year. As the financial crisis began to wind down, the company's interest coverage ratio went up to 4.6 times. In 2010, the company's additional long-term loan for machinery investment at the beverage factory and the upward trend of interest rates starting from the 3rd quarter caused a slight decrease in the company's interest coverage ratio. In 2011, interest rates rose continuously from the previous year and began to decline in the 4th quarter owing to diminishing concerns about inflation rates. Also, due to the flooding situation, the Bank of Thailand had lifted financial restrictions to some degree to help business operators. Apart from that, the company's profit before interest and tax rose, hence an increase in the company's interest coverage ratio in 2011.

Debt to Equity Ratio:

The company's debt to equity ratio remained unchanged in 2009 and 2010 and increased in 2011 due to an increase in total liabilities.

Profitability

Profitability ratio (%)	2009	2010	2011
Gross profit margin	28.1	25.1	32.1
Net profit margin	4.6	3.1	7.1
Return on equity	10.4	7.2	14.3

Gross profit margin:

The gross profit margin dropped in 2009 and continued to decline in 2010 as a result of the negative effects of the lack of fresh fruit supplies for production as planned and the rise in fresh fruit prices in the export business which were aggravated by the Baht appreciation in 2010. In 2011, the gross profit margin increased thanks to the export business which saw improvements in the efficiency and effectiveness of the manufacturing process.

Net profit margin:

In 2009, although the company realized a profit from investments in associated companies amounting to Baht 120.1 million, the company's net profit margin remained low due to a decline in sales. In 2010, the company realized a profit from investments in associated companies amounting to Baht 245.2 million. Unfortunately, the declining sales of the export business along with the increase in costs of goods sold (fruits) and administrative and selling expenses on the beverage business, according to the company's marketing policy, resulted in a lower net profit margin. In 2011, despite the fact that the company realized a profit from investments in associated companies amounting to Baht 179.0, lower than that of the previous year and incurred a large amount of marketing expenses to support several launches of new products during the year, the company's net profit margin increased as a result of the substantial decrease in costs of fruits in the export business.

Return on equity:

In 2009, return on equity was low due to the negative effects on the canned pineapple exporting business from the beginning of the year which worsened in 2010. Nonetheless, in 2011, the decline in the cost of sale of the canned pineapple export business resulted in a considerable increase in return on equity.

Asset Quality and Financial Ratio

% of Total Assets	2009	2010	2011
Accounts receivable-net	12%	10%	8%
Inventory	22%	17%	26%
Investments and loans-net	12%	16%	16%
Property, plant and equipment-net	49%	52%	45%
Deposits and guarantees	-	-	-
Others	5%	5%	5%

The ratio of accounts receivable to total assets continued to decrease from 2009 to 2011. In 2009, the average collection period was 44 days as several debtors were faced with a liquidity problem and thus requested to extend the payment period of partial debts. Nevertheless, the company had closely monitored debt payment and adopted a more stringent policy in granting credits. This evidently caused a decrease in the average collection period in 2010 to 39 days. In 2011, the company expanded its market to attract new customers in replacement of the existing customers in countries with economic problems. On entering new markets with risks, the company has to exercise extra caution in considering and granting credits to new customers and strictly follow up on debt payment, hence a reduction in the average collection period to 33 days.

Inventory: In 2010, the ratio of inventory to total assets decreased from that of 2009 due to orders placed by customers around the end of 2009 which required the company to produce and keep finished goods in the inventory for further submission at the beginning of 2010, hence the high level of inventory at the end of 2009. The number of days in inventory in 2009 and 2010 was 116 days and 84 days respectively. The inventory level was in line with the forecast of raw material price changes as the company's inventory increased at the time when the raw material prices were expected to increase. In 2010, despite the company's forecast of the worsened drought crisis, shortages of fresh fruit supply led to the company's inability to keep inventory according to the company's policy, hence a decline in inventory level. In 2011, fresh fruit supply in the market was at a high level, hence a reduction in costs. The company, therefore, gradually produced and kept finished goods in inventory for further sale according to the inventory management policy, resulting in the increase in the proportion of inventories to total assets and the increase in the number of days in inventory to 165 days.

Investment: The company made an investment in Tipco Asphalt Pcl. in which the company had the policy to hold 20-25% of shares. Such investment was recorded using the equity method in accordance with generally accepted accounting principles. The investment cost was shown in notes to financial statements. The company had the policy to maintain the investment and make a profit in the form of a return on investment to at least cover such investment cost as a minority shareholder.

Property, plant and equipment: The company has regularly undertaken repairs and maintenance on a yearly basis. In 2009, the company invested in additional machineries in replacement of the existing ones at the beverage factory in Wang Noi. As regards the factory in Prachuap Khiri Khan and the AURA mineral water factory, the company continued to maintain machineries as well as the surrounding environment to be in a good condition and efficient. In 2010, additional machinery investments were made at the beverage factory in Wang Noi, the factory in Prachuap Khiri Khan and the AURA mineral water factory with a view to enhancing production efficiency. In 2011, most of the investments were related to repairs and maintenance of existing buildings, machineries and equipment. As regards the factory in Prachuap Khiri Khan, most of the investments were related to the empty can line to replace old machineries and enhance efficiency.

Operating Efficiency

Operating Efficiency Ratio (%)	2009	2010	2011
Return on assets	4.4%	3.1%	6.0%
Return on fixed assets	8.8%	5.8%	13.2%

In 2009, return on assets was at a low level as a result of the decline in sales. In 2010, the continued decrease in return on assets was due to the decrease in sales in the export business. In 2011, sales bounced back and the company did not make additional investment in assets while enjoying and optimizing the benefits of assets it had invested in earlier. Thus, return on assets and return on fixed assets increased substantially.

Trends in the future

2012 will still be another difficult and challenging year for business undertakings as there are a large number of risk factors, both in Thailand and foreign countries, which have not yet been resolved including the economic situation of the United States which has not yet recovered, the financial problems in European countries leading to an economic recession, the domestic political situation, flooding problems as well as exchange rate fluctuations. This poses a challenge to the company in preparing plans and strategies that would effectively tackle the aforesaid issues and enable it to move forward in a sustainable manner.

The export business continues to experience problems caused by a decreasing demand for products of major countries such as the United States and the European countries as a result of economic problems which tend to take time to recover. The company has made efforts to enter new potential markets such as countries in the Middle East and East Europe. However, there are still many restrictions in doing business with these countries which require the company to exercise extra care in taking actions and to examine all concerned issues such as risks from default on payment, fund transfer systems, etc. Therefore, the market expansion to penetrate new groups of customers must be done gradually. In addition, the company has a strong commitment to develop new products to cater to market needs with a view to supporting sales growth. Another key risk factor of the export business is the high volatility in exchange rates which causes sales to deviate from actual plans. Restructuring selling prices which allows the use of exchange rates in setting prices and the requirement for the sales function to keep abreast of situations and information at all times should help the company to embrace changes rapidly and mitigate risks to a certain extent. In this regard, the company has entered into a forward foreign exchange contract to hedge against risks according to the existing policy. The company has also studied and considered other financial tools as risk management alternatives.

As regards the fruit juice drink business, factors such as the domestic political situation and flooding prospects have a negative impact on domestic consumption and are still uncertain. In 2012, new product launches and implementation of marketing strategies will be key forces that will drive sales. Over the last two years, the company has improved the efficiency of the production line of products packed in PET bottles, which makes it available for the company's launch of new products to cater to diversified needs in the market. As regards the "Squeeze Juice Bar" retail business, the selling prices have been adjusted since the end of 2011 to be in line with increased costs, resulting in increased returns. The company continues to adopt a strategy of branch expansion to appropriate areas both in the forms of the company's own management and franchise management to stimulate business growth.

As regards the plant extract business, the company has coordinated with a group of alliances in doing research and development of fruit extract substances, allowing the company to start exporting products of this segment at the end of 2011. The company also has the plan to expand a line of products in 2012 as it already has a customer base. In addition, the company has initiated a project to do a research about plant extract substances in collaboration with foreign partner, which is under way and is expected to be completed during 2012. The company is expected to launch new products in 2012 which are the fruit of its own research and development projects.

As regards the fresh fruit business, Tipco's Hom Suwan pineapple has become widely recognized and received

a good response from the market. Such success is a result of two key factors, i.e. the company's management and maintenance of sources of production to ensure that products meet quality standards and are brought to the market on a continuous basis.

Financial Situations

The anemic economic recovery of the United States and the financial problems of Europe have aggravated exchange rate fluctuations in 2012 and capital flows into Asian countries which are viewed to have not yet been affected by the problems and whose economies remain strong. However, investments in Asia are still considered as risk-weighted assets, hence capital flows in and out of Asia for short-term profit-making and cause Baht fluctuations in response to the said capital flows. One of the company's risk management strategies is to closely monitor currency movements and to enter into forward foreign exchange contracts as appropriate. The company has also studied other financial mechanisms as alternatives for enhanced efficiency of risk management. As regards interest rates which are another key financial risk factor, from the beginning of 2011 there has been a concern over inflation rates and the Bank of Thailand has thus taken financial measures to raise interest rates and indicated signs of an upward trend in interest rates in order to maintain a stable inflation rate. As the company's entire long-term loan obligations were tied up with floating interest rates, the company would be exposed to risks should interest rates rise. Thus, the company entered into interest rate swaps to exchange floating rates with fixed rates for a portion of its long-term loans in order to mitigate interest rate risks. However, subsequently, in the 4th quarter of 2011, the concern about inflation declined and the flooding crisis occurred, interest rates were then reduced to help business operators and stimulate the economy. Although it is expected that interest rates should be further reduced in 2012, there is still a high uncertainty due to various factors such as the flooding problem, oil prices and the political situation. In this regard, the company has constantly assessed interest rate risks and financial tools as well as negotiated with financial institutions to adjust financial costs to ensure that they remain within an appropriate level.

Future goals

The company aims to achieve steady and sustainable growth in 4 main businesses: vegetables, fruits and food; ready-to-drink beverage; retail and food service; and plant extract for food, beverage and cosmetic ingredients. As regards the vegetable, fruits and food business, the company focuses on exporting products to the global market and as for the ready-to-drink beverage business, the company together with its joint venture partner, Suntory Beverage and Foods Co., Ltd., has put emphasis on business growth and to become one of the leaders in Asian markets.

Risk Factors

Meeting of the Subcommittee of Business Risk Assessment classified business risk into 2 categories: short-term and long-term business risk. The impact of risk is classified into 5 levels: Level 5-severe risk (maximum); Level 4-high risk; Level 3-medium risk; Level 2-limited risk; and Level 1-minimum risk as details below:

Short term business risk

CATEGORY	NATURE OF RISK	DEGREE OF RISK	REASON	IMPACT AND MEASURES TO COPE
Production and export of canned pineapple, pineapple juice concentrate and mixed fruit	(A) The volatility of foreign exchange rate	5	The slow recovery of US Economy and remained financial problems in Euro Zone have encouraged in/ out capital flow shortly, resulting in the fluctuation of exchange rate	Fluctuations in the exchange rate may erode the company's profitability. The company has set up regularly meetings between Finance and Sales to fix the exchange rate used for quoting product prices and to update the situation and trend of exchange rate. The meeting will also make decisions together concerning closing exchange rate risk exposure.
	(B) High level of Inventory	4	Economic crisis in Europe caused of the slow down of purchase and delivery order	As sales of countries that have economic problem reduced, the company is seeking new market to compensate like, Middle East, East Europe including developing new products.
	(C) Labor shortage	4	Labor is not sufficient due to high turnover rate of labor in production line	The company could not keep up with its production due to labor shortage. Furthermore, labor cost tends to be higher. So, it imposed the measures to solve the problem by setting up an incentive program for employees to reduce the turnover rate and also increasing level of alien labor

Long term business risk

CATEGORY	NATURE OF RISK	DEGREE OF RISK	REASON	IMPACT AND MEASURES TO COPE
Production and export of canned pineapple, pineapple juice concentrate and mixed fruit	(A) The volatility of foreign exchange rate	5	Impact of the global economy, Thai political instability	Fluctuations in the currency exchange rate may erode the company's profitability. The company has therefore implemented risk prevention measures with the forward purchase and sales contract of foreign currencies in appropriate amounts. (Depending on the Baht's trend to be weak or strong.)
	(B) Uncertain trend of Interest rate	4	Various and more complicated factors effect the change of interest rate	Uncertain direction of interest rate caused of difficulty on risk management. Since all of the company's long term loans based on floating interest rate. The company has changed some loan to be fixed interest rate based in order to close risk in case of rate hiking. However, the company has measure to closely monitor update information for adjusting port to be in line with the market shortly.
	(C) Labor shortage	4	Labor is not sufficient due to high turnover rate of labor in production line	The company could not keep up with its production due to labor shortage. Furthermore, labor cost tends to be higher. So, it imposed the measures to solve the problem by setting up an incentive program for employees to reduce the turnover rate and also increasing level of alien labor
	(D) World economic recession	3	Financial crisis in Euro Zone countries still remains	Sales to countries that still have economic problem, like US and Euro Zone countries slow down. The company plan to adjust portion of sales to enter more product to new market with concern of account receivable risk as important factor.

Shareholding Structure and management (1/04/2010)

No.	Name	No. of Shares	%
1.	Mr. Sitilarb Supsakorn	60,265,043	12.49
2.	Miss Roumsin Supsakorn	51,146,798	10.60
3.	Miss Laksana Supsakorn	46,511,968	9.64
4.	Mrs Rieam Supsakorn	40,991,054	8.49
5.	Miss Piyaratana Supsakorn	30,379,229	6.30
6.	Mrs. Anurat Tiamtan	26,966,765	5.59
7.	Mr. Napat Supsakorn	24,155,203	5.01
8.	THAI NVDR Co.,LTD	13,932,148	2.87
9.	Mr. Somchit Sertthin	11,599,846	2.40
10.	Mr. Krissanun Keawalee	10,550,000	2.19

Organization Structure

Board of Directors

1. Mrs. Anurat Tiamtan	Chairlady
2. Mr. Surachet Supsakorn	Director
3. Mr. Somchit Serthhin	Director
4. Miss. Roumsin Supsakorn	Director
5. Mr. Prasob Snongjati	Independent Director
6. Mr. Virat Phairatphiboon	Independent Director
7. Dr. Asaniya Suwansirikul	Independent Director
8. Mr. Chalit Limpanavech	Independent Director
9. Mr. Viwat Limsakdakul	Managing Director
10. Mr. Phicharn Sluckpetch	Secretary

Executive Board

1. Mr. Viwat Limsakdakul	Executive Board Chairman & Managing Director
2. Mr. Pornchai Phulsuksombati	Director of Business Development and Financial Support
3. Mr. Chanchai Kanjanaratmanee	Operations Director-Beverage Business
4. Mr. Napat Supsakorn	Operations Director-Fruit and Vegetables Business
5. Mr. Peerapong Archawapongsawat	Senior Manager-Retail Business and Food Service

Audit Committee

1. Mr. Prasob Snongjati	Chairman
2. Mr. Virat Phairatphiboon	Member
3. Dr. Asaniya Suwansirikul	Member
4. Miss Wantanee Puapadong	Secretary

Remuneration and Search Sup-Committee	
1. Dr. Asaniya Suwansirikul	Chairlady
2. Mr. Prasob Snongjati	Member
3. Mr. Surachet Supsakorn	Member

Corporate Governance Subcommittee
All members of Board of Directors are all members of Corporate Governance Sub-committee.

Business Risk Assessment Committee	
1. Managing Director	Chairman
2. Director of Business Development and Financial support	Vice Chairman
3. Operations Director -Beverage Business	Member
4. Operations Director-Fruit and Vegetables Business	Member
5. Senior Manager-Retail Business and Food Services	Member
6. Senior Plant Manager-Prachuab Factory	Member
7. Senior Plant Manager-Wang Noi Factory	Member
8. Senior Manager-Controller	Member
9. Senior Manager-Treasurer	Member
10. Senior Manager-Human Resources Development	Member
11. Senior Manager-Quality System Management	Member
12. Senior Manager-Engineering Services	Member
13. Senior Manager-Information Technology	Member
14. Warehouse Manager	Member
15. Procurement Manager	Member
16. Production Manager	Member
17. Quality Assurance Manager	Member
18. Customer Services Manager	Member

Management Team

1. Mr. Viwat Limsakdakul	Managing Director
2. Mr. Pornchai Phulsuksombati	Director of Business Development and Financial support
3. Mr. Chanchai Kanjanaratmanee	Operations Director -Beverage Business
4. Mr. Napat Supsakorn	Operations Director-Fruit and Vegetables Business
5. Mr. Peerapong Archawapongsawat	Senior Manager-Retail Business and Food Service

Authority and Duties of the Board of Directors

1. Conduct the company's business in full compliance with all the relevant laws, company's objective and Articles of Association, and the shareholders' resolutions, as well as preserve the interests of the company in accordance with the principle of good corporate governance.
2. Determine policies and business directions as well as monitor and supervise that performance of management comply with such policies and directions and with efficiency and effectiveness for maximizing the company's economic value and shareholder's wealth.
3. Hold an annual general shareholder meeting within four months from the end of the company's accounting period and convene an extraordinary general shareholder meeting as necessary.
4. Hold a Board of Directors meeting quarterly, wherein at least half of the number of directors must be present. Decisions at the meetings will be resolved by a majority vote; if votes result in a tie, the chairperson of the meeting will cast the decisive vote.
5. Recommend, discuss broad and thoroughly, and make decision carefully concerning consideration of agenda matters at the board of directors meeting.
6. Prepare a balance sheet and income statement at the end of the company's accounting period and present these externally audited financial statements to the shareholders at the annual general meeting for consideration and approval.
7. Appoint the Managing Director and determine the remuneration.
8. Empower operating authority to the managing director to manage the company, including the authority to appoint and terminate employment; determine remuneration for employment in accordance with policies of the Board of Directors; as well as delegate authority to employees in accordance to the business situation.

9. Consider and approve the capital expenditure and the annual operating budget and supervise the usage of the company's resources.
 10. Determine guidelines and policies for the remuneration of senior management.
 11. Implement an internal control and audit system, including financial, operational, and compliance control as well as establish the risk control and management system.
 12. Report financial and other important information that are significant to shareholders in an accurate, complete, and sufficient way, as well as verify and certify those information accordingly.
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Authority and Duties of the Executive Board

1. Determine the most efficient and effective business directions and strategies for the Company.
 2. Review periodically the operating performances, in order to promptly implement corrective measures to achieve business goals.
 3. Evaluate and consider investment projects and the annual budget for the consideration of the Board of Directors.
 4. Provide advice to the Board of Directors when making important decisions.
 5. Handle the Company's financial activities with financial institutes within scope of authority, concerning short-term loans, withdrawal, and opening of new accounts.
 6. Handle mortgage transactions with the Department of Lands within scope of authority.
 7. Authorize investment budgets within scope of authority.
 8. Represent the Company and deal with external parties on behalf of the Company.
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Authority and Duties of the Managing Director

1. Manage the Company's operations and business in accordance with the policies and authorities determined by the Board of Directors.
2. Determine the business plan, including both long term and short term business goals, determine long term strategies, as well as prepare the annual budget, for approval by the Board of Directors.
3. Manage operations through the management, to achieve goals according to the business plan, for sustainable competitiveness and appropriate returns for the shareholders.

4. Allocate resources and recruit high potential personnel to maximize benefits of the Company;
5. Implement and develop a strong organizational culture to support business growth according to the Company's vision;
6. Monitor closely the operations of the Company, evaluate performances, and report to the Board of Directors on a regular and well-timed basis;
7. Consider and present to the Board of Directors for approval, the following matters: policies, corporate direction, issues or a significant impact on the Company's business, and the compliance to the law and regulations of the Stock Exchange of Thailand;
8. Prepare the scope of authority, in order to delegate authority to employees to conduct operations and make decisions with efficiency, aiming for flexible without loss of control management, as well as present to the Board of Directors for consideration and approval;
9. Prepare the report on the financial status and financial statements and present to the Board of Directors for consideration and approval in each quarter.

Authority and Duties of the Audit Committee

1. Review the Company's financial reports to ensure that they are accurate, complete, sufficient and credible;
2. Oversee that the Company and management implement and maintain a suitable and efficient internal control system and external audit, as appropriate. The Committee may advise the directors or management to further strengthen and the its methods and provide relevant information;
3. Select and nominate an external auditor and propose the auditors to the Board of Directors for consideration;
4. Review the performance of the Company and the management to ensure compliance with relevant regulations and laws;
5. Ensure there is no conflicts of interest;
6. Prepare an Audit Committee's report on activities of the Audit Committee, and disclose in the Company's Annual Report. Such report must be signed by the Chairman of the Audit Committee and consists of information required by rules and regulations of the Stock Exchange of Thailand.

Authority and Duties of the Corporate Governance Sub-committee

1. Determine corporate governance policies in accordance with the regulations of the Stock Exchange of Thailand.
 2. Review corporate governance policies periodically and assess the compliance of operations with such policies.
 3. Approve the Company's Code of Conducts.
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Authority and Duties of the Nomination and Remuneration Sub-committee

1. Search for an appropriate candidate who is qualified according to the Company's regulation to be appointed as Director, as well as appraise the performance of Directors who are retired by rotation and qualified for re-election. Then nominate the qualified candidate to the Board of Directors for approval, and subsequently present to the Shareholders' Meeting for appointment as Director.
2. Propose the remuneration, benefits, and specific employment conditions for employment, of the Chairman of the Executive Board, Managing Director, and Senior Management as assigned by the Board of Directors.
3. Propose the remuneration for the Chairman and the Directors, according to the Company's remuneration policy, to the Board of Directors for approval, and subsequently present to the Shareholders' Meeting for approval.
4. Recommend the successors of the Chairman of the Executive Board and the Managing Director to the Board of Directors. Review the succession plan for the Senior Management and other important positions, prepared by the Chairman of the Executive Board and/or Managing Director.
5. In charge of the following strategies:
 - 5.1 Human Resources Strategy for Senior Management
 - 5.1.1 Consider and recommend on human resource policies for the senior management, proposed by the Chairman of the Executive Board and/or Managing Director, and present to the Board of Directors for consideration.
 - 5.1.2 Ensure that all qualified nominees are included in the succession plan for senior management and important positions, and ensure that these plans be consistently reviewed by the Chairman of the Executive Board and/or Managing Director.
 - 5.2 Strategies on Performance Evaluation and Remuneration of Senior Management
 - 5.2.1 Review Remuneration Strategies and propose to the Board of Directors for consideration and approval.

- 5.2.2 Review the remuneration and benefits, including the Employee's Share Options Program, to encourage the senior management to strengthen and enhance the capabilities of one's self and of the subordinates, and to perform their duties with devotion and of highest capacity, for developing the company's business both in the short and long term. Propose these remunerations to the Board of Directors for consideration and approval.
- 5.2.3 Recommend to the Chairman of Executive Board and/or Managing Director, the consideration guidelines for Remuneration and other benefits for the Senior Management.
- 5.2.4 Deliberate and recommend to the Board of Directors regarding policies and incentive remunerations intended to retain quality personnel.
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Authority and Duties of the Business Risk Evaluation Sub-committee

1. Ensure that all possible risks which can affect the stability of the Company are identified, monitored, and avoided.
 2. Keep in line with the business direction, strategies, and organizational core value.
 3. Determine the severity of risk of all activities.
 4. Specify clear indicators of risk.
 5. Inspect the risk independently or implement regular self assessment.
 6. Balance between potential damage from risks associated with business decisions, and the cost of controlling such risks.
 7. Encourage and promote employee feedback or warning to the management immediately at first sign of a situation deteriorates.
 8. Benchmark with other companies possessing excellent risk management systems.
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Nomination of Director, Independent Director, and Managing Director

The process for nomination and appointment of Directors, Independent Directors and Managing Director:

1. The Board of Directors determines the qualifications for Director, Independent Director, and Managing Director.
 2. The Nomination and Remuneration Sub-committee searches for qualified candidates and proposes to the Board of Directors for consideration.
 3. The Board of Directors proposes the appropriate candidates to the Shareholders' Meetings for consideration and appointment as Director or Independent Director.
 4. The Board of Directors considers appointment of the Managing Director.
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Qualifications for Directors

1. Possess an unblemished record.
 2. Apply both vision and a broad business perspective.
 3. Exhibit good interpersonal skills, a sense of justice, and an amenable personality.
 4. Apply effective communications skills;
 5. Demonstrate systematic business thinking and decision making;
 6. Understand financial matters, commerce or industry, and show business management experience.
 7. Have prior experience as a director of a company or state enterprise.
-

Guidelines for Selection of Directors

1. Individual candidates must possess the qualifications as specified above.
 2. Overall, the Board of Directors should be comprised of persons with a variety of skills that are of benefit to the determination of corporate direction and guidance.
-

Qualifications of Independent Directors

1. Candidates must possess the requisite qualifications
2. The Director should perform his or her duties and express opinions using independent judgment and integrity by taking into consideration the benefit of the Company as a priority. The individual should not consider the interests of majority shareholders, individual shareholders or himself;
3. The candidate must possess the complete set of characteristics specified by the Stock Exchange of Thailand and Company's good practices, as follows:
 - 3.1 Does not have shareholding in excess of 2% of the total number of shares with voting rights in the Company, businesses in the Group, associated companies or persons with possible conflict of interest (including connected persons as per Measure 258 of the Securities Act);
 - 3.2 Does not have any involvement in company management, is not an employee or consultant receiving a regular monthly salary, nor an individual with controlling authority in the Company, nor have businesses within the Group or associated companies. This extends to persons who may have possible conflict of interest, and candidates must have had no interest or stake as aforementioned for a period of not less than one year;

- 3.3 The nominee may not have any business relation; have no interest or stake—whether direct or indirect—in financial or management matters of the Company, businesses within the Group, associated companies or persons with a possible conflict of interest of a nature that may compromise independence;
- 3.4 The nominee must not be a close relative of management members, majority shareholders in the Company, those doing business within the Group, associated companies or persons with possible conflict of interest, nor may the individual be an appointee to maintain the interest of Directors or major shareholders;
- 3.5 The individual is obliged to disclose any relations to the Board of Directors which may compromise independence.
-

Qualification for Managing Director

1. Possess integrity and an unblemished record.
 2. A professional management who is not a major shareholder
 3. Possess skills and experiences in various areas, including international business.
 4. Exhibit a strong leadership, broad visionary, good interpersonal and communication skills, with an amenable personality.
 5. Possess the ability to coordinate differences and various skills and capability of employees to achieve business objectives, in accordance with the corporate culture.
 6. Demonstrate skills in marketing, finance and personnel management.
 7. Capable to oversee, manage, and conduct the whole operations of a dynamic organization.
 8. Possess business knowledge, able to identify business opportunities, and excels in problem solving.
-

The Procedures and Rules for Appointment of Director at the General Shareholders' Meeting

1. The shareholders' meeting must vote to elect Directors one person at a time.
 2. In exercising the voting rights for election of each Director, each shareholder shall have voting rights according to the number of shares held with one share equal to one vote.
 3. In exercising the voting rights for the election of each Director, the person who obtains the highest votes of attending shareholders will be elected as a Director.
-

Article of Association—Directors Section

16. At each Annual General Shareholders' Meeting, one-third of all the directors, or, if the number cannot be evenly divided by three then the number nearest to one-third, must retire from office. Directors who are required to vacate their positions in the first and second year, following the registration of the company, shall be drawn by ballot for removal. In the subsequent years, Directors who have served in office the longest will be required to leave their positions. A retiring director is eligible for re-election.
17. In addition to the normal completion of the term, Directors may vacate their positions due to the following circumstances:
- 1) Death
 - 2) Resignation
 - 3) Lack of qualifications or possession of characteristics not permitted under Measure 68 of the Public Limited Companies Act of 1992.
 - 4) A resolution passes by the Shareholders' Meeting for a Director's removal under Item 20.
 - 5) A court order for removal of a Director.
18. Any Director resigning from his/her position is required to submit a letter of resignation to the company. The resignation becomes effective on the day of submission of the letter to the company. The resigning director can also inform their resignation to the registration officer.
19. Any vacancy among the members of the Board of Directors occurring otherwise than by rotation may be filled by nomination by the Board of Directors, in the next Board of Directors' meeting. An exception applies when there is less than 2 months left before the next election. Any person appointed shall retain office only during such period of time as the director whom he replaced would have been entitled to retain.
- The resolution of the Board of Directors, for the case above, must be made up of votes of no less than three quarters of the number of the remaining board directors.
20. The Shareholders' Meeting may pass a resolution to retire a director from his position, before the end of his term, with votes of no less than three quarters of the total number of the votes of shareholders who are attending and eligible to vote. In addition, these shareholders must hold in aggregate at least 50% of the total amount of shares held by attending and eligible shareholders.
21. A director can but need not be a shareholder of the company.

Connected Transactions

Persons with Mutual Interest and Related Transactions

Stake holding interest of management is considered in relation to connected companies, subsidiaries and associated companies. Certain business are suppliers providing product or materials transport services in which the cost of such products or services provided to the company is calculated at market rates stated in mutual price policies referring to the Notes to Financial Statements No. 6, and with no contractual obligations between the Board of Directors with stake-holding interest owing to their status as Directors or shareholders are:

1. Mrs. Anurat Tiamtan
2. Mr. Surachet Supsakorn
3. Mr. Somchit Sertthin
4. Miss. Roumsin Supsakorn

Details of connected relations among the Company's Directors with related companies are summarized mainly as the table below:

Related company	Type and Nature of Business	Relationship with the related companies	Relationship with the company/shareholder name and equity stake of the related company's total share
Thanomwongse Service Co., Ltd.	Distributor of petroleum products, constructor of buildings, roads and surface maintenance	Mrs. Anurat Tiamtan Director Mr. Surachet Supsakorn Director	15.79% held by Mrs. Anurat Tiamtan 15.79% held by Miss Roumsin Supsakorn 1 share held by Mr. Surachet Supsakorn
Tipco Asphalt PCL.	Producer and distributor of asphalt and distributor of fuel products	Mrs. Anurat Tiamtan Director Mr. Somchit Sertthin Director	24.33% held by Tipco Foods PCL.

Related company	Type and Nature of Business	Relationship with the related companies	Relationship with the company/shareholder name and equity stake of the related company's total share
Ekachaicontainer Terminal Co., Ltd.	Transport and shipping service	Mr. Somchit Sertthin Director	25.17% held by Mrs. Anurat Tiamtan 11.90% held by Thanomwongse Service Co., Ltd. 12.56% held by Miss Roumsin Supsakorn

Details of related transaction accounts between Tipco Foods PCL. and its subsidiaries with related persons in 2010 include these followings:

Type of transaction	Company/relationship	Related transaction value (million Baht)	Pricing policy
1. Other incomes	Tipco Asphalt PCL. Suratt Bittumen Co., Ltd. Suntory Limited in Japan	0.07 0.02 211.16	Market prices, equivalent to that quoted for outsiders
	Total	211.25	
2. Purchasing products	Tipco Asphalt PCL.	20.66	Market prices, equivalent to that quoted for outsiders
	Total	20.66	
3. Acquiring services and others	Thanomwongse Service Co., Ltd. Tipco Asphalt PCL. Ekachaicontainer Terminal Co., Ltd.	12.43 2.24 0.97	Market prices, equivalent to that quoted for outsiders
	Total	15.64	

Details of related transactions between Tipco F&B Co., Ltd. and related companies include these followings:

Type of transaction	Company/relationship	Related transaction value (million Baht)	Pricing policy
1. Selling products	Siamcontainer Transport Co., Ltd.	0.17	Market prices, equivalent to that quoted for outsiders
	Raycol Asphalt Co., Ltd.	0.09	
	Thanomwongse Service Co., Ltd.	1.51	
	Tipco Asphalt PCL.	1.22	
	Rattanajit Co., Ltd.	0.27	
	Thai Bitumen Co., Ltd.	0.03	
	Thai Crushing Co., Ltd.	0.03	
	Suratt Bitumen Co., Ltd.	0.11	
	Thai Slurry Seal Co., Ltd.	0.02	
	Tipco Maritime Co., Ltd.	0.04	
	Total	3.49	
2. Purchasing products	Tipco Asphalt PCL.	1.95	Market prices, equivalent to that quoted for outsiders
	Total	1.95	
3. Acquiring services and others	Tipco Asphalt PCL.	0.94	Market prices, equivalent to that quoted for outsiders
	Thanomwongse Service Co., Ltd.	10.89	
	Ekachacontainer Terminal Co., Ltd.	0.22	
	Suntory Limited in Japan	2.01	
	Siamcontainer Transport Co., Ltd.	0.01	
	Raycol Asphalt Co., Ltd.	0.21	
	Total	14.28	

Details of related transactions between Tipco Retail Co., Ltd. and related companies include these followings:

Type of transaction	Company/relationship	Related transaction value (million Baht)	Pricing policy
1. acquiring services and others	Thanomwongse Service Co., Ltd.	1.50	Market prices, equivalent to that quoted for outsiders
	Tipco Asphalt PCL.	0.02	
	Total	1.52	

Other service transactions were building rental paid to Thanomwongse Service Co., Ltd. This was booked as expense of the Company, Tipco F&B Co., Ltd. and Tipco Retail Co., Ltd. of 8.08 million Baht, 4.88 million Baht and 1.00 million Baht, respectively. The Audit Committee had taken serious consideration to prove that such rental was fair when compared with similar buildings and facilities services available in Bangkok. Approval was made by the Company's Board of Directors, in which related Directors had no voting rights.

The fuel purchasing transaction with Tipco Asphalt PCL, was done after surveying prices with other suppliers in order to make sure that this complied with the Company's procurement standard under ISO quality system.

The Necessity and Rationality of the Transactions

The related transactions between the Company, subsidiaries and related persons who might conflict of interest are treated as normal business activities and needed to be approved by Audit Committee first and then the Board of Directors. This is in line with all endorsement procedures of the Company involving in price comparison and market price quotation policy.

The Measure and Process of Related Party Transactions

The related party transactions at the present continuing to the future, must be approved by both the Audit Committee and the Board of Directors. This is in line with all endorsement procedures of the Company involving in price comparison and supplier selection process, in which the Directors who have the conflict of interests must obtain from voting.

Policies and Tendencies of Related Party Transactions in the Future

The related party transactions, which occur at present and may continue to the future, are treated as normal business activities. There will be neither unusual transactions nor the transfers of interest between the Company, subsidiaries and related persons with possible conflicts of interest. The Company will have the Audit Committee or the Company's auditor or independent expert to examine the suitability of prices and rationality of transactions and to make relevant remarks. Details, values and reasons on these transactions are required to publicly disclose and report to Shareholders' Meeting and in the annual report. The Board of Directors has to comply with securities and exchange laws and regulations, announcement of the Stock Exchange of Thailand. Moreover, the Company has to strict with the disclosure of relevant transactions and acquisitions or sales of significant assets of the Company or subsidiaries in accordance with the accounting standard of the Institute of Certified Accounts and Auditors of Thailand. In case of any related party transactions between the Company, subsidiaries and related persons with possible conflict of interests, the Company must have the Audit Committee to examine the justification of these transactions. In case of any transactions that may be beyond the Audit Committee's capability, the Company will establish independent expert or auditor team to do that before having any conclusions to propose to the Company's Board of Directors or shareholders.

Report of the Board of Directors 'Responsibility to Financial Reporting

The Board of Directors of the Company is responsible for the financial statements of the Company and its subsidiaries, including the financial information presented in the Annual Report. The financial statements are prepared in accordance with the generally accepted accounting principles, while the suitable and consistent accounting policies are duly adopted. Cautious judgment and the best possible estimates are exercised in the preparation of the Statements. In addition, significant information is sufficiently shown in the Notes to the Financial Statements. The Statements have been inspected by licensed and independent auditors, who have not made any conditional comments. The Statements therefore accurately and reasonably reflect the financial position and operating performance results of the business, for the benefit of shareholders, general investors and parties with interests in the Company, in a transparent manner.

The Board of Directors has initiated, and continues to maintain, a system of risk management, as well as suitable and efficient internal controls, in order to reasonably ensure that the recording of accounting data is conducted accurately, comprehensively and adequately. This is with the aim of protecting the assets of the business, and to identify weaknesses, to prevent risk from acts and corruption or transactions of a significantly abnormal nature.

To this end, the Board of Directors has appointed the Audit Committee, comprising of 3 Independent Directors, to oversee and be responsible for ensuring the quality of financial reporting, as well as internal controls. The Audit Committee's opinions on this matter are shown in the Audit Committee's Report as appearing in the Annual Report.

The Board of Directors of the Company is of the opinion that the business' internal control systems are of a satisfactory level to engender a reasonable degree of confidence in the consolidated Financial Statements, as well as the Financial Statement of the Company's subsidiaries as of 31 December 2011.



(Mrs. Anurat Tiamtan)
Chairlady of the Board



(Mr. Viwat Limsakdakul)
Managing Director

Report of the Audit Committee

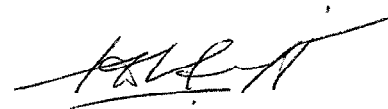
The Audit Committee of Tipco Foods Public Company Limited comprises 3 Independent Directors. Mr. Prasob Snongjati serves as Chairman of the Audit Committee, while Mr. Virat Phairatphiboon and Dr. Asaniya Suwansirikul serve as Members of the Audit Committee. The Audit Committee carried out its duties in compliance with the regulations of the Stock Exchange of Thailand and as assigned by the Board of Directors.

In 2011, the Audit Committee held 5 formal meetings with the corporate auditors and internal auditors. The Committee also held several consultations with the internal auditors and management, with significant details summarized as follows:-

1. The Audit Committee had reviewed and approved the annual internal audit program, in order to ensure the sufficiency of internal control systems, with Audit and Management Consultants Co., Ltd., the internal auditors of the Company. An emphasis was placed on managing business risk and the internal auditors were assigned the task of reviewing this on a quarterly basis.
2. The Committee had reviewed the financial statements and financial reports to ensure compliance with generally accepted accounting principles and found that information disclosed are sufficient, complete and credible.
3. The Committee had reviewed connected transactions between the Company and related parties and found that such transactions were carried out in the normal business operation manner, with justified competitive price and at an arm's length basis.
4. The Audit Committee opined that an effective system of controls was in place. No shortcomings of a significant nature were found. Management was encouraged to enhance the efficiency of internal control and risk management systems to conform with a changing business environment on an ongoing basis. The Committee also provided supports and encouragement to the internal auditors to ensure internal audit activities in 2011 measured up to an international standard.

5. The Audit Committee monitored the Company's investment projects by frequently following up and reviewing progress with management.
6. The Committee reviewed and ensured that the Company was in compliance with the relevant regulations and laws, in order to provide an equity and transparency to Shareholders and all related parties. The Company was found to be in complete compliance with such regulations and laws.
7. The Audit Committee reviewed and submitted a proposal to the Board of Directors to appoint auditors from Bunchikij Accountants Co., Ltd. as the corporate auditors for the year 2011 based on their past performance, excellent reputation and professionalism.

In summary, the Audit Committee had reviewed the operations of the principal business of the Company and held joint discussions with relevant management, internal auditors and the corporate auditors and is confident that the Company's internal control systems are currently sufficient and consistently enhanced. The Company was found to comply with good corporate governance and risk management, while the process of the corporate financial statements preparation was carried out under appropriate and adequate controls. The Company's financial statements were prepared in accordance with the generally accepted accounting principles. In addition, the Audit Committee conducted regular reviews of the relevant laws, regulations and rules to ensure that the Company was in compliance with such laws, regulations and rules.



Prasob Snongjati
Chairman of the Audit Committee
10 February 2012

*F*INANCIAL *S*TATEMENTS

AUDITOR'S REPORT

To the Shareholders and Board of Directors of TIPCO FOODS PUBLIC COMPANY LIMITED
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

I have audited the accompanying consolidated statements of financial position of TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES as at December 31, 2011 and 2010, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and have audited the accompanying separate statements of financial position of TIPCO FOODS PUBLIC COMPANY LIMITED as at December 31, 2011 and 2010, and the related separate statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated and the separate financial statements referred to above present fairly, in all material respects, the consolidated financial position as at December 31, 2011 and 2010, and the consolidated results of its operation and cash flows for the years then ended of TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES, and the financial position as at December 31, 2011 and 2010, and the results of its operation, and cash flows for the years then ended of the TIPCO FOODS PUBLIC COMPANY LIMITED only, in conformity with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Notes 2, 3 and 4 to the financial statements, during the year 2011, the company and its subsidiaries have adopted the new and revised Financial Reporting Standards as announced by The Federation of Accounting Professions, which was effective for accounting periods beginning on or after 1 January 2011, for preparation and presentation of financial statements. The consolidated and separate financial statements for the year ended December 31, 2010, presented for comparative purpose, are therefore presented in the new format to conform with the financial statements for the year ended December 31, 2011.

Bangkok
February 21, 2012



(Pornchai Kittipanya-ngam)
Certified Public Accountant
Registration No. 2778
Bunchikij Co., Ltd.

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2011 and 2010

ASSETS

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2011	2010	2011	2010
CURRENT ASSETS					
Cash and cash equivalents	5.2 and 7	41,149,809	44,746,464	21,454,864	27,367,902
Current investments	8	307,527	263,805	0	0
Trade and other receivables	5.3 and 9	577,511,511	622,959,702	226,099,806	269,010,436
Short-term loans 4 to related parties	10	0	0	289,300,000	274,000,000
Inventories	5.4 and 11	1,480,003,676	813,635,407	1,023,874,563	519,228,357
Other current assets	12	22,146,505	7,984,301	15,478,160	5,254,336
Total current assets		2,121,119,028	1,489,589,679	1,576,207,393	1,094,861,031
NON-CURRENT ASSETS					
Available-for-sale investments	5.5 and 13	11,142,199	0	11,142,199	0
Investments in associated company	5.5 and 14	936,647,977	741,094,394	647,109,739	647,109,739
Investments in subsidiary companies	5.5 and 14	0	0	210,811,670	210,811,670
Deposits at bank used as collateral	15	4,180,000	4,180,000	0	0
Property, plant and equipment	5.7 and 16	2,607,003,580	2,504,996,025	904,247,597	850,635,042
Intangible assets	5.8 and 17	30,279,803	31,253,748	27,388,041	28,370,018
Interest rate swap contract		4,254,143	0	4,254,143	0
Deposits and guarantees	18	15,835,856	15,306,462	2,325,470	2,387,489
Other non-current assets		8,938,944	11,167,114	3,948,712	0
Total non-current assets		3,618,282,502	3,307,997,743	1,811,227,571	1,739,313,958
Total assets		5,739,401,530	4,797,587,422	3,387,434,964	2,834,174,989

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2011 and 2010

LIABILITIES AND SHAREHOLDERS' EQUITY

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	19	1,238,070,822	812,000,632	746,000,000	571,937,508
Trade and other payables	20	552,466,741	443,668,461	189,881,667	163,834,337
Account payable for machinery		69,614,192	59,163,866	4,151,863	0
Current portion of long-term liabilities	21	302,995,245	291,788,946	124,656,681	135,369,828
Accrued income tax		8,295,873	0	7,825,924	0
Accounts payable to forward exchange contracts	23	10,850,481	8,060,429	10,854,624	9,000,648
Other current liabilities		16,572,162	27,867,617	4,215,700	9,142,494
Total current liabilities		2,198,865,516	1,642,549,951	1,087,586,459	889,284,815
NON-CURRENT LIABILITIES					
Long-term liabilities	21	1,091,366,701	1,103,280,566	606,888,603	429,124,388
Provision for dismantling cost		2,830,000	0	0	0
Employee benefit obligations	5.12 and 22	40,050,132	0	34,005,459	0
Total non-current liabilities		1,134,246,833	1,103,280,566	640,894,062	429,124,388
Total liabilities		3,333,112,349	2,745,830,517	1,728,480,521	1,318,409,203
SHAREHOLDERS' EQUITY					
Share capital	24				
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		1,517,573	0	0	0

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2011 and 2010

LIABILITIES AND SHAREHOLDERS' EQUITY

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
SHAREHOLDERS' EQUITY					
Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate		3,139,507	0	0	0
Capital reserve for share-based payment transactions of the associated company		1,129,990	0	0	0
Retained earnings					
Appropriated for legal reserve	24.2	50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated		1,489,476,487	1,194,440,001	1,110,990,712	983,186,146
Other components of equity		(16,390,901)	(56,369,018)	15,384,091	0
Total equity holders of the parent		2,011,452,296	1,670,650,623	1,658,954,443	1,515,765,786
Non-controlling interests		394,836,885	381,106,282	0	0
Total shareholders' equity		2,406,289,181	2,051,756,905	1,658,954,443	1,515,765,786
Total liabilities and shareholders' equity		5,739,401,530	4,797,587,422	3,387,434,964	2,834,174,989

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2011 and 2010

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
Revenues from the sales of goods and the rendering of services	26	4,825,086,125	4,713,779,149	2,458,307,570	2,515,442,721
Cost of the sales of goods and the rendering of services		3,274,826,466	3,531,881,710	2,052,695,023	2,459,368,786
Gross profit		1,550,259,659	1,181,897,439	405,612,547	56,073,935
Other incomes	27	324,181,252	176,459,334	122,025,470	130,498,449
Profit before expenses		1,874,440,911	1,358,356,773	527,638,017	186,572,384
Selling expenses		(1,151,091,229)	(1,004,574,034)	(127,287,356)	(144,904,685)
Administrative expenses		(409,289,101)	(330,008,408)	(148,973,145)	(107,056,548)
Management benefit expenses		(29,427,720)	(33,215,260)	(29,427,720)	(33,215,260)
Profit (loss) before Share of profit from investments in associated company		284,632,861	(9,440,929)	221,949,796	(98,604,109)
Share of profit from investments in associated company		178,960,131	245,153,851	0	0
Profit (loss) before finance costs and income tax		463,592,992	235,712,922	221,949,796	(98,604,109)
Finance costs		(93,780,388)	(56,953,563)	(52,716,504)	(31,410,645)
Profit (loss) before income tax		369,812,604	178,759,359	169,233,292	(130,014,754)
Income tax		(9,873,272)		(9,355,047)	0
Profit (loss) for the years		359,939,332	178,759,359	159,878,245	(130,014,754)
Other comprehensive income (loss)					
Change in fair value of interest rate swap contract		4,604,880	0	4,604,880	0
Available-for-sale investments		10,779,211	0	10,779,211	0

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2011 and 2010

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
Exchange differences on translation of financial statements in foreign currencies		51,947	(135,166)	0	0
Share of comprehensive income (loss) in associated company		24,542,079	(45,251,985)	0	0
Other comprehensive income (loss) for the years		39,978,117	(45,387,151)	15,384,091	0
Total comprehensive income (loss) for the years		399,917,449	133,372,208	175,262,336	(130,014,754)
Profit (loss) attributable to:		343,625,558	146,951,024	159,878,245	(130,014,754)
Equity holders of the parent					
Non-controlling interests		16,313,774	31,808,335	0	0
		359,939,332	178,759,359	159,878,245	(130,014,754)
Total comprehensive income (loss) attributable to:					
Equity holders of the parent		383,603,675	101,563,873	175,262,336	(130,014,754)
Non-controlling interests		16,313,774	31,808,335	0	0
		399,917,449	133,372,208	175,262,336	(130,014,754)
Basic earnings per share					
Profit (loss) of shareholders' equity-parent company	(Baht)	0.7121	0.3045	0.3313	(0.2694)

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2011 and 2010

Unit : Baht

	Equity holders of the parent									
	Retained earnings			Other components of equity						
				Capital reserve for share-based payment transactions of the associate	Change in the interest of the associated company which not resulted in loss of control of the associate	Non-controlling interest in subsidiary associated company acquired at price lower than book value	Issued and paid-up share capital	Other comprehensive income		
	Appropriated Legal reserve	Unappropriated	Fair value of interest rate swap contract	Available-for-sale investments	Exchanges differences on translation of financial statement in foreign currencies	Share of comprehensive income in associate	Total other components of equity	Total equity holders of the parent	Non-controlling Interest	Total
Balance as at January 1, 2010	50,000,000	1,119,846,122	0	0	1,637,687	(12,619,554)	(10,981,867)	1,641,443,895	349,297,947	1,990,741,842
Dividend paid (Note 24.1)		(72,357,145)						(72,357,145)		(72,357,145)
Total comprehensive income for the year 2010		146,951,024			(135,166)	(45,251,985)	(45,387,151)	101,563,873	31,808,335	133,372,208
Balance as at December 31, 2010	50,000,000	1,194,440,001	0	0	1,502,521	(57,871,539)	(56,369,018)	1,670,650,623	381,106,282	2,051,756,905
Balance as at January 1, 2011 -as previously reported	50,000,000	1,194,440,001	0	0	1,502,521	(57,871,539)	(56,369,018)	1,670,650,623	381,106,282	2,051,756,905
Impact of change in accounting policy										
Employee benefits (Note 4)		(34,853,373)						(34,853,373)	(2,583,171)	(37,436,544)
Employee benefits in associated company		(13,735,699)						(13,735,699)		(13,735,699)

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

TIPCO FOODS PUBLIC COMPANY LIMITED (Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2011 and 2010

Unit : Baht

Equity holders of the parent															
	Issued and paid-up share capital	Non-controlling interest in subsidiary of the associated company acquired at price lower than book value	Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate	Capital reserve for share-based payment transactions of the associate	Retained earnings			Fair value of interest rate swap contract	Other comprehensive income				Total equity holders of the parent	Non-controlling Interest	Total
					Appropriated Legal reserve	Un-appropriated	Available-for-sale investments		Exchanges differences on translation of financial statement in foreign currencies	Share of comprehensive income in associate	Total other components of equity				
Balance as at January 1, 2011- After adjusted	482,579,640	0	0	0	50,000,000	1,145,850,929	0	0	1,502,521	(57,871,539)	(56,369,018)	1,622,061,551	378,523,111	2,000,584,662	
Non-controlling interests in subsidiary of the associated company acquired at price lower than book		1,517,573										1,517,573		1,517,573	
Change in the interest in subsidiary of the associated company which not resulted in loss of control of the associate			3,139,507									3,139,507		3,139,507	
Capital reserve for share-based payment transactions of the associated company				1,129,990								1,129,990		1,129,990	
Total comprehensive income for the year 2011					50,000,000	343,625,558	4,604,880	10,779,211	51,947	24,542,079	39,978,117	383,603,675	16,313,774	399,917,449	
Balance as at December 31, 2011	482,579,640	1,517,573	3,139,507	1,129,990	50,000,000	1,489,476,487	4,604,880	10,779,211	1,554,468	(33,329,460)	(16,390,901)	2,011,452,296	394,836,885	2,406,289,181	

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

SEPARATE FINANCIAL STATEMENTS

For the years ended December 31, 2011 and 2010

Unit : Baht

	Issued and paid-up share capital	Retained earnings		Other components of equity			Total
		Appropriated Legal reserve	Unappropriated	Fair value of interest rate swap contract	Available-for-sale investments	Total other components of equity	
Balance as at January 1, 2010 (Audited)	482,579,640	50,000,000	1,185,558,045	0	0	0	1,718,137,685
Dividend paid (Note 24.1)			(72,357,145)				(72,357,145)
Total comprehensive income for the year 2010			(130,014,754)				(130,014,754)
Balance as at December 31, 2010	482,579,640	50,000,000	983,186,146	0	0	0	1,515,765,786
Balance as at January 1, 2011 (Audited)	482,579,640	50,000,000	983,186,146	0	0	0	1,515,765,786
- as previously reported							
Impact of change in accounting policy							
Employee benefits (Note 4)			(32,073,679)				(32,073,679)
Balance as at January 1, 2011-After adjusted	482,579,640	50,000,000	951,112,467	0	0	0	1,483,692,107
Total comprehensive income for the year 2011			159,878,245	4,604,880	10,779,211	15,384,091	175,262,336
Balance as at December 31, 2011	482,579,640	50,000,000	1,110,990,712	4,604,880	10,779,211	15,384,091	1,658,954,443

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2011 and 2010

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
Cash flows from operating activities :					
Profit (loss) before income tax		369,812,604	178,759,359	169,233,292	(130,014,754)
Adjustments to reconcile profit before income tax to net cash provided by operating activities					
Depreciation and amortization		197,134,176	186,688,453	102,351,475	99,495,292
Withholding tax-written off		224,538	289,704	0	0
Doubtful accounts (reversal)		528,537	(200,000)	528,537	(200,000)
Loss on decline in value of inventories (reversal)		0	(128,632)	0	(128,632)
Loss on expired goods (reversal)		(7,849,383)	(18,548,923)	(4,563,073)	(15,787,415)
(Gain) loss on exchange rate		10,704,258	15,624,190	4,830,737	14,579,003
(Gain) loss on sales of fixed assets and writting off		6,874,609	5,788,070	199,991	2,068,847
Employee benefit expenses		5,214,155	0	3,854,480	0
Share of profit from investments in associated company		(178,960,131)	(245,153,851)	0	0
Interest income		(58,325)	(101,059)	(9,834,305)	(6,231,388)
Interest expenses		92,554,422	55,547,880	52,537,932	31,232,073
		496,179,460	178,565,191	319,139,066	(4,986,974)
Change in operating assets and liabilities					
(Increase) decrease in assets					
Trade accounts receivable		60,390,898	41,369,467	54,122,231	55,510,750
Amounts due from related parties		1,739,970	(40,958,388)	630,450	1,282,260
Inventories		(664,396,561)	222,791,882	(500,715,403)	256,695,563

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2011 and 2010

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
Value added tax		(12,880,960)	3,036,605	(12,880,960)	5,867,860
Prepaid expenses		(574,680)	(523,695)	(2,042,561)	(1,470,559)
Other accounts receivable		(13,407,940)	26,962,515	(8,086,780)	2,501,482
Other current assets		3,818,649	4,797,707	960,360	(21,970)
Deposits and guarantees		(529,394)	71,396	62,019	310,546
Deferred Charges		301,437	2,410,562	(2,109,125)	0
Other non-current assets		2,010,761	6,109,909	0	61,623
Increase (decrease) in liabilities					
Trade accounts payable		(272,471)	(52,496,488)	(6,235,125)	(59,066,635)
Amounts due to related parties		(511,476)	531,653	(85,718)	327,053
Accrued expenses		87,890,788	64,665,623	21,254,701	(24,426,253)
Advance incomes		4,373,837	3,348,881	3,483,804	3,851,993
Accrued withholding tax		12,315	172,024	181,739	(430,560)
Other current liabilities		(12,451,821)	(2,458,706)	(6,030,927)	(872,260)
Employee benefit obligations		(2,600,567)	0	(1,922,700)	0
Exchange differences on translation of financial statements in foreign currencies		51,948	(135,166)	0	0
Cash generated from operations		(50,855,807)	458,260,972	(140,274,929)	235,133,919
Interest paid		(89,738,514)	(54,240,803)	(50,879,479)	(29,937,781)
Refund of prepaid company income tax		0	2,633,833	0	0
Income taxes paid		(1,792,538)	(7,937,911)	(1,529,123)	(4,444,746)
Net cash provided by (used in) operating activities		(142,386,859)	398,716,091	(192,683,531)	200,751,392

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2011 and 2010

Unit : Baht

		Consolidated Financial Statements		Separate Financial Statements	
	Note	2011	2010	2011	2010
Cash flows from investing activities :					
Increase in current investments		[43,722]	[21,028]	0	0
Increase in time deposits		0	[180,000]	0	0
Increase in short-term loans to related parties		0	0	[15,300,000]	[400,000]
Purchases of Available-for-sale investments		[362,988]	0	[362,988]	0
Sales of fixed assets		11,506,127	3,078,157	1,126,961	957,017
Purchases of fixed assets		[282,661,775]	[320,557,226]	[146,589,645]	[85,425,713]
Payment for intangible assets		[474,900]	[1,421,900]	[82,000]	[843,725]
Repayment for account payable for machinery		[11,705,539]	[804,403]	0	[804,403]
Interest received		58,325	101,059	9,834,305	6,231,388
Net cash used in investing activities		[283,684,472]	[319,805,341]	[151,373,367]	[80,285,436]
Cash flows from financing activities :					
Increase (decrease) in bank overdrafts		70,190	2,000,632	[1,937,507]	1,937,507
Increase (decrease) in loans from financial institutions		426,000,000	0	176,000,000	60,000,000
Repayment for long-term machinery payable		[26,411,848]	[23,295,435]	0	0
Repayment for liabilities under finance lease		[3,258,052]	[2,285,125]	[1,989,208]	[1,752,915]
Proceeds from long-term loans		300,000,000	180,000,000	300,000,000	0
Repayment for long-term loans		[274,000,000]	[200,000,000]	[134,000,000]	[95,000,000]
Dividend paid		0	[72,357,145]	0	[72,357,145]
Net cash provided by (used in) financing activities		422,400,290	[115,937,073]	338,073,285	[107,172,553]

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2011 and 2010

Unit : Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2011	2010	2011	2010
Effect from exchange rate in cash and cash equivalents		74,386	(2,718,643)	70,575	(2,711,924)
Increase (decrease) in cash and cash equivalents, net		(3,596,655)	(39,744,966)	(5,913,038)	10,581,479
Cash and cash equivalents as at January 1,		44,746,464	84,491,430	27,367,902	16,786,423
Cash and cash equivalents as at December 31,	5.2 and 7	41,149,809	44,746,464	21,454,864	27,367,902
Supplemental disclosures of cash flows information					
Non-cash items :					
Account payable for machinery		16,323,956	57,283,108	4,023,956	0
Machinery payables-installment		0	10,460,000	0	0
Lease contract liabilities		4,232,075	3,194,000	2,661,075	0

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

TIPCO FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(Formerly "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED")

Notes to Financial Statements

For the year ended December 31, 2011 and 2010

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 operations of the Company and its subsidiaries are manufacturer and distributor the products of pineapple in syrup, pineapple juice, mixed fruit juice, herbal drinks 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 follow:
- 212 Phetkasem Rd., Moo 16, Aownoi, Amphur Muang, Prachaubkhirikhan 77210
 - 205/1 Moo 2, Pongyaeng, Amphur Mae-Rim, Chiang Mai 50180
 - 90/1 Moo 7, Phaholyothin Rd., Sanubtueb, Amphur Wangnoi, Ayuthaya 13170
- 1.3 By the resolution of the ordinary shareholders' meeting No. 1/2011 on April 22, 2011, passed the solution to change the company's name from "TIPCO FOODS (THAILAND) PUBLIC COMPANY LIMITED" to "TIPCO FOODS PUBLIC COMPANY LIMITED". The company registered the change with the Ministry of Commerce on May 10, 2011.

2. Basis for 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	
	2011	2010	2011	2010
SUBSIDIARIES				
Tipco Beverage Co., Ltd.*	50,000,000	50,000,000	99.9999	99.9999
Tipco Marketing Co., Ltd.*	24,740	24,740	100.00	100.00
Tipco Biotech Co., Ltd.	50,000,000	50,000,000	99.9988	99.9988
INDIRECT SUBSIDIARIES				
Tipco F&B Co., Ltd. (indirect portion by Tipco Beverage Co., Ltd.)	600,000,000	600,000,000	50.00	50.00
Tipco Retail Co., Ltd. (indirect portion by Tipco Beverage Co., Ltd. and Tipco F&B Co., Ltd.)	500,000,000	500,000,000	75.50	75.50

* There is no any income from operation in this accounting period

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 a foreign subsidiary company which was included in this consolidation, were translated into Thai Currency by using the rate prescribed in note 5.14 to the financial statements. Gain (loss) on exchange rate were shown under the section of Shareholders' Equity.

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

2.4 Notifications of applying the Financial Reporting Standards

The Federation of Accounting Professions Under the Royal Patronage of His Majesty the King has issued and revised Financial Reporting Standards

2.4.1 Effective for accounting periods beginning on or after January 1, 2011:

Accounting Standards	
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Cash Flow Statements
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events After the Reporting Periods
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investment in Associated
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earning per Shares
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
Financial Reporting Standards	
TFRS 2	Share Based Payment
TFRS 3 (revised 2009)	Business Combination
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Assets
Financial Reporting Interpretation	
TFRI 15	Agreements for the Construction determine of Real Estate
Interpretations of Accounting Standards	
TSIC 31	Revenue-Barter Transactions Involving Advertising Services

The adoption of the new and revised financial reporting standards has resulted in the change of the accounting policies of the Company and its subsidiaries. The impact of these changes are disclosed in notes 4 to the financial statements.

2.4.2 Effective for accounting periods beginning on or after January 1, 2013.

Accounting Standards	
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Change in Foreign Exchange Rate
Financial Reporting Interpretation	
TSIC 10	Government Assistance-No Specific Relation to Operating Activities
TSIC 21	Income taxes-Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income taxes-Changes in the Tax Status of an Entity or its Shareholders

The Company and its subsidiaries would not yet adopt the above standards.

2.5 Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure for contingent assets and liabilities. The actual results may differ from such estimates.

2.6 The financial statements for the year 2010, have been reclassified to conform to the classifications used in the financial statements for year 2011. The status of the financial statements, however has not changed substantively.

The significant reclassified items are as follow :

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	Reclassified items	Previously reported	Reclassified items	Previously reported
Trade and other receivables	622,959,702	0	269,010,436	0
Trade accounts receivable	0	499,583,602	0	248,398,493
Amounts due from related parties	0	56,480,893	0	277,854,174
Short - term loans to related parties	0	0	274,000,000	0
Value added tax	0	1,790,887	0	1,790,887
Prepaid expenses	0	13,223,747	0	7,308,162
Other accounts receivable	0	44,402,239	0	9,173,025
Other current assets	7,984,301	15,462,635	5,254,336	3,740,031
Trade and other payables	443,668,461	0	163,834,337	0
Trade accounts payable	0	220,349,147	0	117,506,323
Amounts due to related parties	0	934,024	0	354,053
Accrued expenses	0	199,495,578	0	27,381,574
Advance income	0	17,130,040	0	13,271,756
Accrued withholding tax	0	3,351,665	0	1,143,709
Reserve for anti-dumping duty	0	4,998,948	0	0
Other current liabilities	27,867,617	25,276,676	9,142,494	13,319,416

3. The change of the accounting policies and the presentation of the financial statements

On January 1, 2011, the Company and its subsidiaries have adopted the new and revised financial reporting standards as described in note 2.4 to the financial statements, which has resulted in the change of the accounting policies for the following :

3.1 TAS 1 (Revised 2009) Presentation of Financial Statement

The requirement of the revised accounting standards, the financial statement is consist of:

- 3.1.1 Statement of financial position
- 3.1.2 Statement of comprehensive income
- 3.1.3 Statement of changes in shareholders' equity
- 3.1.4 Statement of cash flows
- 3.1.5 Notes to the financial statement

3.2 TAS 16 (Revised 2009) Property, Plant and Equipment

The revised standard requires the entity that an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised standard also requires an entity to review useful life, residual value and depreciation method at least at each financial year-end. The changes have been applied prospectively in accordance with the transition.

Besides, the revised standard also requires the entity to include in cost of PPE, an initial estimate of the costs of dismantling and removing the item and restoring the site, when the entity has obligation to do. The changes have been applied retrospectively in accordance with the transitional provisions of the revised TAS. However, the impact of this change is amounting to 0.05% of total assets of the consolidated financial statement which is not materiality. The subsidiary has applied prospective method in accordance with TAS 8 (revised 2009) Accounting Policies, Changes in Accounting Estimates and Errors.

3.3 TAS 19 Employee Benefits

Under the new policy, the Company and its subsidiaries' have obligation in the severance payments upon the retirement under the labor law as a defined benefit plan, which the amount in the interim financial statements was calculated by a qualified actuary by using the projected unit credit method. Previously, this obligation would be recognized when it has occurred.

The Company and its subsidiaries have recognized the total amount of this liabilities as an adjustment to the beginning balance of retained earnings (January 1, 2011) as described in note 4 to the financial statement.

4. Impact of the adoption of new and revised financial reporting standards

The change of the accounting policies as described in note 3 to the financial statements has impacted to the financial statements, as follow :

Unit : Baht

	Consolidated Financial Statements	Separate Financial Statements
Statement of financial position as at December 31, 2011		
Retained earnings at January 1, 2011		
- as previously reported	1,194,440,001	983,186,146
Impact of change in accounting policy.		
Employee benefits	(34,853,373)	(32,073,679)
Employee benefits-in associated company	(13,735,699)	0
(The first time adoption in TAS 19 for associated company)		
Retained earnings at January 1, 2011 - After adjusted	1,145,850,929	951,112,467
Statement of comprehensive income		
Increase in employee expenses	5,214,155	3,854,480
Decrease in Basic earnings per share (Baht)	0.0108	0.0080

5. Summary of significant accounting policies

5.1 Measurement basis used in preparing financial statements

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

5.2 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.

5.3 Trade accounts receivable

Trade accounts receivable 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.

5.4 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 from 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.

5.5 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 balance sheet date by reference to the Stock Exchange of Thailand. Unrealized gain (loss) on adjustment the value of investments are recognized in shareholder' equity

Investments in associated company in the Consolidated financial statements are accounted for by the equity method. (See attachment No. 1)

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 attachment No. 2)

5.6 Leases agreement

Financial leases

The leases of assets, which the substantial 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 Income Statements over the lease period. The leased asset is depreciated over the useful life of the asset.

Operating leases

The leases of assets, which the substantial 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 Income Statements on a straight-line method over the period of the lease.

5.7 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 or 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

A foreign subsidiary company calculated depreciation by Double-declining balance method for the tools and equipment, the cost in the amount of USD 2,152.84, and they had been already depreciated in fully amount.

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

Cost of addition, improvement, repair or extension of lease agreement that increase the future economic benefit 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.

5.8 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
--------------------	------------

The Company and its subsidiaries recorded the amortization as expenses for each accounting period.

5.9 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 statements of income.

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.

5.10 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.

5.11 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.

5.12 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.

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.

5.13 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.

Foreign currency receivables and payables which were covered by the forward exchange contract are translated at the rate prescribed in the contract. the difference will be written off along the period of loans agreements.

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.

5.14 Translation of foreign currency financial statements

As at December 31, 2011 and 2010 the financial statements of Tipco Marketing Company Limited which was foreign subsidiary company, located in United State of America, were translated into Thai currency, at the ended of the period, the statements of financial position used the closing rate (the average buying and selling rates of Commercial Bank), the statements of income used the average exchange rate of the period. Gain or loss on exchange rate had been shown in the shareholders' equity as follows :

	Unit : Baht	
	2011	2010
Beginning currency translation differences	1,502,521	1,637,687
Add increase (decrease) during the period	51,947	(135,166)
Ending currency translation differences	1,554,468	1,502,521

The share capital and retained earnings were translated by using the historical rate.

5.15 Income tax

Income tax, the Company and its subsidiaries recorded the total amount of income tax as expense for the period, and recorded the accrued portion as liabilities in the statement of financial position.

5.16 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).

6. Related party transactions

6.1 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 Limited in Japan	Holding and co-directors
Tipco Asphalt PCL.	Holding and co-directors
Thanomwongse Service Co., Ltd.	Co-directors
Raycol Asphalt Co., Ltd.	Indirect portion
Thai Slurry Seal Co., Ltd.	Holding by associates' directors
Ekachacontainer 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

Person or related parties	The relationship
Thai Bitumen Co., Ltd.	Co-directors
Tasco Shipping Co., Ltd.	Co-directors
Vital Well Co., Ltd.	Co-directors
Tipco Maritime Co., Ltd.	Co-directors
Alpen Maritime Co., Ltd.	Co-directors

6.2 The company and its subsidiaries's policy about the above category of the related parties is as follows:

Type of transactions	Basis of accounting
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 and its subsidiaries with the related parties	Market price

The financial statements included related party transactions by identifying the related party, identifying the category of transactions, disclosure of management's view. Besides, the related parties are considered when one of parties has the ability to control or control party or can exercise significant influence over the other party in making financial or operating decisions. Some part of the company's assets, liabilities, revenues and expenses are connected 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.

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Balance at the end periods				
Trade accounts receivable				
- Subsidiary company				
Tipco F&B Co., Ltd.			19,705,118	13,663,714
Tipco Retail Co., Ltd.			818,582	385,138
Tipco Biotech Co., Ltd.			780,354	742,547
- Related companies				
Tipco Asphalt PCL.	88,116	159,035		
Thai Slurry Seal Co., Ltd.	360	0		
Thanomwongse Service Co., Ltd.	281,341	144,472		
Rattanajit Co., Ltd.	0	120,959		
Siamcontainer Transport Co., Ltd.	183,080	193,152		
Ekachacontainer Terminal Co., Ltd.	79,600	81,394		
Other receivable				
- Subsidiary companies				
Tipco F&B Co., Ltd.			2,679,069	3,470,937
Tipco Biotech Co., Ltd.			255,280	46,745
Tipco Marketing Co., Ltd.			232,515	197,515
Tipco Retail Co., Ltd.			3,240	83,357
Accounts due from related parties				
- Related company				
Thanomwongse Service Co., Ltd.	0	300	0	0
Tipco Asphalt PCL.	126,477	68,867	79,932	53,620
Suratt Bittumen Co., Ltd.	9,630	15,248	0	0
Tasco Shipping Co., Ltd.	10,433	4,815	0	0

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Alpha Maritime Co., Ltd.	10,433	0	0	0
Suntory Beverage & Food Limited in Japan	54,583,952	56,391,663	0	0
Fixed Assets				
- Related company				
Thanomwongse Service Co., Ltd.	1,807,050	1,789,304	0	0
Trade accounts payable				
-Subsidiary company				
Tipco F&B Co., Ltd.			11,315,936	13,132,971
Tipco Biotech Co., Ltd.			3,135,707	593,601
Tipco Retail Co., Ltd.			0	5,250
- Related companies				
Tipco Asphalt PCL.	1,387,409	2,144,548	28,050	1,705,382
Thanomwongse Service Co., Ltd.	579,868	1,022,018	305,879	672,958
Ekachacontainer Terminal Co., Ltd.	139,805	154,944	121,685	149,249
Raycol Asphalt Co., Ltd.	221,989	0	0	0
Siamcontainer Transport Co., Ltd.	16,927	0	0	0
Other payables – related parties				
Thanomwongse Service Co., Ltd.	443,083	571,835	268,335	354,053
Suntory Beverage & Food Limited in Japan	1,764,775	358,189	0	0
Loans receivable				
-Subsidiary companies				
Tipco Beverage Co., Ltd.				
Balance brought forward			262,800,000	256,800,000
Increase in loans receivable in the period			9,500,000	6,000,000
Repayment of loans receivable in the period			0	0

Unit : Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Balance carried forward			272,300,000	262,800,000
Tipco Biotech Co., Ltd.				
Balance brought forward			11,200,000	16,800,000
Increase in loans receivable in the period			10,800,000	2,100,000
Repayment of loans receivable in the period			(5,000,000)	(7,700,000)
Balance carried forward			17,000,000	11,200,000
Revenues and expenses for the periods				
Sales				
- Subsidiary company			223,614,313	181,698,059
- Related companies	3,493,991	2,257,776		
Rental income				
- Subsidiary company			1,754,944	2,404,022
Interest income				
- Subsidiary company			9,833,422	6,224,264
Other income				
- Subsidiary company			56,272,717	55,917,555
- Related companies	211,249,351	56,513,773	90,553	287,541
Purchases				
- Subsidiary company			75,199,270	90,491,613
- Related companies	22,605,540	22,353,600	20,660,340	15,084,600
Rental and services expenses				
- Related companies	29,427,518	24,953,683	15,635,703	16,052,909
Marketing support expenses				
- Subsidiary company			41,121,688	40,634,086
Other expenses				
- Related companies	2,008,461	358,189	0	0

7. Cash and cash equivalents

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Cash on hand	1,234,121	1,350,626	387,540	530,564
Demand deposits	39,915,688	43,395,838	21,067,324	26,837,338
(As at December 31, 2011 and 2010 the interest rate are 0.01 %-0.50% p.a. and 0.005%-1.25% p.a. respectively)				
Total	41,149,809	44,746,464	21,454,864	27,367,902

8. Current investments

They represent the fixed deposit (6 months) of the subsidiaries which are free of commitments. (The interest rate as at December 31, 2011 and 2010 are at 2.10% p.a. and 0.50%-0.95% p.a. respectively)

9. Trade and other receivable

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Trade accounts receivable				
- domestic	290,065,592	321,829,229	30,973,956	58,463,516
- foreign	157,417,936	184,263,121	150,809,131	182,300,269
- Related parties	632,497	699,012	21,304,054	14,791,400
	448,116,025	506,791,362	203,087,141	255,555,185
Less Allowance for doubtful accounts	7,738,909	7,207,760	7,685,230	7,156,692
Trade accounts receivable, net	440,377,116	499,583,602	195,401,911	248,398,493

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
- Other receivables				
- Other receivables - others	57,810,179	44,402,239	17,270,661	9,173,026
- Other receivables - related parties	54,740,923	56,480,893	3,250,036	3,854,174
- Prepaid expenses	14,531,990	13,223,748	9,718,446	7,308,162
- Advance to employees	1,844,071	929,088	408,276	276,582
- Accrued income	8,207,232	8,340,132	50,476	0
Total other receivables	137,134,395	123,376,100	30,697,895	20,611,944
Total	577,511,511	622,959,702	226,099,806	269,010,437

Aging schedule as at December 31, 2011

Unit : Baht

	Consolidated Financial Statements	Separate Financial Statements
Not yet due	377,004,669	162,195,096
Overdue 1-90 Days	57,649,665	30,428,331
Overdue 91-180 Days	4,906,273	2,778,485
Overdue 181-270 Days	1,345,046	528,537
Overdue 271-360 Days	0	0
Overdue 360 Days	7,210,372	7,156,692
Total	448,116,025	203,087,141

Aging schedule as at December 31, 2010

Unit : Baht

	Consolidated Financial Statements	Separate Financial Statements
Not yet due	438,243,556	198,612,800
Overdue 1-90 Days	56,741,337	43,667,312
Overdue 91-180 Days	2,924,476	4,486,097
Overdue 181-270 Days	1,632,225	1,632,284
Overdue 271-360 Days	42,008	0
Overdue 360 Days	7,207,760	7,156,692
Total	506,791,362	255,555,185

10. Short-term loans to related parties

Unit : Baht

Consist of :	Separate Financial Statements	
	2011	2010
Loans to subsidiary companies		
- Tipco Beverage Company Limited	272,300,000	262,800,000
- Tipco Biotech Company Limited	17,000,000	11,200,000
Total	289,300,000	274,000,000

Loans to subsidiary companies are in the form of promissory notes. The interest rate at 4.00% p.a. and 2.50% p.a. as at December 31, 2011 and 2010 respectively.

11. Inventories

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Finished goods	787,178,194	260,988,105	619,409,493	173,613,762
Work in process	141,680,451	155,790,101	65,327,619	71,577,284
Raw materials	520,693,161	384,229,046	313,371,540	262,156,441
Spare parts and factory supplies	34,628,885	29,595,624	23,006,184	20,732,553
	1,484,180,691	830,602,876	1,021,114,836	528,080,040
Less Allowance for expired goods	14,719,550	22,568,933	4,374,040	8,937,112
	1,469,461,141	808,033,943	1,016,740,796	519,142,938
Goods in transit	10,542,535	5,601,464	7,133,767	85,429
Total	1,480,003,676	813,635,407	1,023,874,563	519,228,357

12. Other current assets

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Value added tax	18,807,173	4,589,689	15,314,739	2,400,610
Short-term deposits	1,202,850	10,990	0	0
Prepaid company income tax	89,377	0	0	0
Withholding tax	125,761	2,108,543	0	1,838,671
Others	1,921,344	1,275,079	163,421	1,015,055
Total	22,146,505	7,984,301	15,478,160	5,254,336

13. Available - for - sale investments

Unit : Baht

For the year ended 31 December 2011	Consolidated and Separate financial statement
Opening net book amount	0
Additions	1,009,070
Disposals	(646,082)
Changes in fair value	10,779,211
Closing net book amount	11,142,199

In this accounting period, 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, 2011, the remaining warrants are 1,266,159 units.

14. Investments in associated companies-equity method

[See attachment No. 1 and 2]

Investment in associated company

The financial statements of associated company, named Tipco Asphalt PCL. as at December 31, 2011 and 2010 were audited respectively 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	
	2011	2010
Investment in associated company	936,647,977	741,094,394
Percentage of total assets in consolidation	16.32	15.44
Equity in profit for the periods of associated company		
For the year ended December 31,	178,960,131	245,153,851
Percentage of total revenues in consolidation	3.36	4.77

The financial statements of associated company are as follows :

Unit : Thousand Baht

Consist of :	Consolidated Financial Statements	
	2011	2010
Total assets	15,520,507	10,748,611
Total liabilities	11,077,572	7,120,601
Total revenues	23,053,760	26,303,337
Profit for the period	735,572	1,007,665

15. Deposits at bank used as collateral

They represent the fixed deposit (6 months) of the subsidiaries which were used as collateral as follow :

Unit : Baht

Consist of :	Consolidated Financial Statements	
	2011	2010
For issuing Bank of Guarantee	4,000,000	4,000,000
Used as collateral to the court for a lawsuit	180,000	180,000
	4,180,000	4,180,000

16. Property, plant and equipment

[See attachment No. 3]

17. Intangible assets

Unit : Baht

Consist of :	Consolidated Financial Statements				
	2010	Purchase	Decrease	Transfer	2011
Cost price-intangible assets					
Computer softwares	23,004,389	601,600		27,600	23,633,589
Trademarks	28,489,473				28,489,473
Total	51,493,862	601,600		27,600	52,123,062
Accumulated amortization-intangible assets					
Computer softwares	20,240,114	1,603,145			21,843,259
Total	20,240,114	1,603,145			21,843,259
Total intangible assets	31,253,748				30,279,803

Unit : Baht

Consist of :	Separate Financial Statements				
	2010	Purchase	Decrease	Transfer	2011
Cost price-intangible assets					
Computer softwares	21,547,458	148,700		27,600	21,723,758
Trademarks	26,463,244				26,463,244
Total	48,010,702	148,700		27,600	48,187,002
Accumulated amortization-intangible assets					
Computer softwares	19,640,684	1,158,277			20,798,961
Total	19,640,684	1,158,277			20,798,961
Total intangible assets	28,370,018				27,388,041

18. Deposits and guarantees

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Anti dumping tax *	18,109,413	17,228,100	0	0
Less Allowance for loss on Anti dumping tax	(12,854,741)	(12,229,152)	0	0
Net	5,254,672	4,998,948	0	0
Others	10,581,184	10,307,514	2,325,470	2,387,489
Total	15,835,856	15,306,462	2,325,470	2,387,489

* The guarantees of the subsidiary represent the guarantee of Anti dumping tax for the product which were sold in The United State of America from the year 1996 to 2002.

The subsidiary has provided the allowance for loss on Anti dumping tax because the subsidiary has requested for the refund of guarantee, but it seems to be lost.

19. Bank overdrafts and short-term loans from financial institutions

As at December 31, 2011

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	Amount	Interest rate at	Amount	Interest rate at
Bank overdrafts	2,070,822	MOR	0	MOR
Loans from financial institutions :				
- Loan agreements	300,000,000	MMR	0	
- Promissory notes	936,000,000	3.65-4.00% p.a.	746,000,000	3.65-4.00% p.a.
Total	1,238,070,822		746,000,000	

As at December 31, 2010

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	Amount	Interest rate at	Amount	Interest rate at
Bank overdrafts	2,000,632	MOR	1,937,508	MOR
Loans from financial institutions :				
- Loan agreements	95,000,000	MMR	0	
- Promissory notes	715,000,000	2.15-2.64% p.a.	570,000,000	2.15-2.64% p.a.
Total	812,000,632		571,937,508	

20. Trade and other payable

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Trade accounts payable				
- Others	228,887,172	217,027,103	99,631,406	101,246,912
- Related parties	2,345,998	3,321,509	14,907,257	16,259,412
Total	231,233,170	220,348,612	114,538,663	117,506,324
- Other payables				
- Other payables-others	298,025	324,270	80,640	0
- Other payables-related parties	2,207,858	1,015,916	238,335	354,052
- Accrued expenses	292,888,730	204,849,623	53,852,025	32,702,205
- Advance incomes	25,838,958	17,130,040	21,142,004	13,271,756
Total other payables	321,233,571	223,319,849	75,313,004	46,328,013
Total	552,466,741	443,668,461	189,881,667	163,834,337

21. Long-term liabilities

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Long-term loans (Note 21.1)	1,363,000,000	1,337,000,000	728,000,000	562,000,000
Machinery payable (Note 21.2)	24,383,608	52,596,350	0	0
Lease contract liabilities (Note 21.3)	6,978,338	5,473,162	3,545,284	2,494,216
	1,394,361,946	1,395,069,512	731,545,284	564,494,216
Less Current portion of long-term loans	290,692,308	274,000,000	123,000,000	134,000,000
Current portion of machinery payable	9,260,016	15,502,462	0	0
Current portion of lease contract liabilities	3,042,921	2,286,484	1,656,681	1,369,828
Total	1,091,366,701	1,103,280,566	606,888,603	429,124,388

21.1. Loan agreements

21.1.1 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 shall be at the rate equals to the 3MTHBFIX.

21.1.2 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 first repayment was in September 2009. The interest rate for the first 36 months after the drawdown date shall be at the rate equals to the 3MTHBFIX plus 2.25% p.a. and for the 36 months later, after the drawdown date onwards, the interest rate shall be at the rate equals to the 3MTHBFIX plus 2.50% p.a. Land, building were mortgaged to cover the loans from financial institution.

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 31 December, 2011, the notional amount of Baht 383 million was outstanding. The notional amount reduces on a quarterly basis in accordance with the long-term loan repayment schedule.

21.1.3 As at March 22, 2007, the Company entered into the Facility Agreements for short-term loans facilities in the amount of Baht 150,000,000 for using as working capital, and long term-loan facilities in the amount of Baht 255,000,000 for investing in the business project. The term of repayment will be quarterly, the interest rate shall be at the Bank's cost of funds plus 1.25% p.a. Land and building were mortgaged to cover the loans.

21.1.4 As at February 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 will be in August 2012. The interest rate shall be at BIBOR 1 Month or BIBOR 3 Months plus 0.525% p.a.

21.1.5 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 purchase of machinery. The term of repayment will be quarterly, the first repayment will be in May 2010. The interest rate shall be at BIBOR 1 Month or BIBOR 3 Months plus 0.525% p.a.

21.2 Machinery payable

The subsidiary entered into the purchase of machinery agreement by installment, the terms of payment are 24-69 months, the first repayment was in 2009 and the last payment will be in 2014.

21.3 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 2014.

22. Employee benefit obligations

The Company and its subsidiaries adopted TAS 19 Employee Benefits, disclosures are as follow :

Unit : Baht

22.1 Movement in the present value

of the defined benefit obligations

	Consolidated financial statements	Separate financial statements
Defined benefit obligations at January 1, 2011	37,436,544	32,073,679
Current service costs	3,711,108	2,569,151
Interest costs	1,503,047	1,285,329
Benefits paid by the plan	(2,600,567)	(1,922,700)
Defined benefit obligations at December 31, 2011	40,050,132	34,005,459

Unit : Baht

22.2 Expenses recognized in profit or loss

	Consolidated financial statements	Separate financial statements
Current service cost	3,711,108	2,569,151
Interest cost	1,503,047	1,285,329
Total	5,214,155	3,854,480

22.3 Principal actuarial assumptions at the reporting date

% per annual

	Consolidated and Separate financial statement
Discount rate	4.10
Future salary increase	3.00 – 5.00

23. Forward exchange contracts

The Company and the subsidiary entered into the selling forward exchange contract with five banks and recorded the banks as accounts receivable and accounts payable. The accounts receivable are translated at the rate prescribed in the contract, and contra with the accounts payable which are translated at the average selling rate of commercial Banks, and entered into the buying forward exchange contract with three banks

which the accounts payable are translated at the rate prescribed in the contract, and contra with the accounts receivable which are translated at the average buying rate of commercial Banks, the difference are accounted for as premium or discount on Forward Exchange Contract and have been included in other current assets and will be written off along the period of contracts.

The outstanding balance of forward exchange contracts are as follows :

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
The exchange forward contract-Sold (USD)	17,449,454	51,532,860	16,749,454	49,752,577
The exchange forward contract-Sold (EUR)	120,000	0	120,000	0
The exchange forward contract-Bought (USD)	509,622	873,423	64,921	0
The exchange forward contract-Bought (EURO)	0	500,000	0	0
The exchange forward contract-Bought (YEN)	60,000,000	119,000,000	0	0

24. Equity

24.1 Dividend paid

The ordinary shareholders' meeting No. 1/2010 held on April 22, 2010, passed the resolution to pay the dividend at Baht 0.15 per share in amount of Baht 72,386,946 on May 14, 2010.

24.2 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.

24.3 Managing Capital

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

25. Changes in associated company's equity

Unit : Baht

	2011	2010
Currency translation differences	(31,525,633)	(55,858,967)
Retained earnings of a subsidiary of the associated company arising as a result of Company's acquisition of minority interest in the subsidiary at a price lower than book value	0	1,517,577
Surplus on change in fair value of interest rate swap contract	(1,803,827)	(3,530,149)
Total	(33,329,460)	(57,871,539)

26. Revenues from the sale of goods and the rendering of services

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Revenues from the sale of goods	4,825,086,125	4,713,779,149	2,455,899,874	2,511,870,236
Revenues from the rendering of services	0	0	2,407,696	3,572,485
Total	4,825,086,125	4,713,779,149	2,458,307,570	2,515,442,721

27. Other incomes

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Management fees income	0	0	15,147,545	15,282,372
Royalty income	0	0	41,121,688	40,634,086
Marketing support income	248,660,536	90,855,782	0	242,208
Sale scraps income	6,317,051	5,437,934	3,696,526	3,130,421
Revenue from claim goods	0	10,481,217	0	10,481,217

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Gain on exchange rate	2,444,768	15,693,522	1,739,687	12,465,722
Reversal of doubtful accounts	0	200,000	0	200,000
Reversal of loss on expired goods	7,849,383	18,548,923	4,563,073	15,787,416
Interest income	58,325	101,059	9,834,305	6,231,388
Others	58,851,189	35,140,897	45,922,646	26,043,619
Total	324,181,252	176,459,334	122,025,470	130,498,449

28. 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.

29. Classification of expenses by nature

Significant expenses by nature are as follow:

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Employee expenses	477,631,645	394,388,667	297,297,419	239,683,126
Management benefit expenses	29,427,720	33,215,260	29,427,720	33,215,260
Depreciation	195,378,599	183,735,827	101,110,881	98,114,462
Amortization	1,603,145	1,649,696	1,158,276	1,368,309
Finance costs	93,780,389	56,953,563	52,716,504	31,410,645
Cost of production and service (Excluded cost of employees and depreciation)	3,029,732,420	2,558,283,728	2,102,250,182	1,783,534,033

30. Income tax expenses

Unit : Baht

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Profit before income tax*	188,419,007	(69,411,768)	169,233,292	(130,014,753)
Add Undeductible expenses	23,280,575	14,414,361	16,498,969	6,180,839
Tax base-exempted expenses/income	(18,840,973)	(34,450,084)	(10,137,126)	(22,746,605)
Profit (loss) for tax calculation	192,858,609	(89,447,491)	175,595,135	(146,580,519)
Corporate income tax rate	30 and 15-39	25, 30 and 15-39	30	25

* Profit before income tax in the consolidated financial statements are the profit before elimination intra-group transaction

31. Privileges according to the Investment Promotion Act B.E. 2520

The Company and its subsidiaries have obtained the certificate for the investment promotion, some privileges for factories in empty can product for factory at Prachaubkhirikhan and product of vegetable and fruit for factory at Ayuthaya are as following :

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 2016.
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.

32. 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 report the revenues from domestic sales and export sales separately and to report separately the promoted and non-promoted business. The Revenues are as follows :

(See attachment No. 4)

33. Long-term lease agreements

January 1, 2010, 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 404,630/month and Baht 633,960/month respectively.

34. Segment information

The Company and its subsidiaries operate in two reportable business segments which are organized by similar products, products of vegetable & fruit and others. The business operations are carried on both in Thailand and overseas. The segment information has been presented as follows:

Business segment information					Unit : Baht
	Consolidated Financial Statements For the year ended December 31, 2011				
	Segment		Eliminated	Total	
	Products of vegetable & fruit	Others			
Revenues from sales of goods	4,935,733,460	262,979,984	(373,627,319)	4,825,086,125	
Cost of the sales	3,413,468,284	233,406,223	(372,048,041)	3,274,826,466	
Gross profit	1,522,265,176	29,573,761	(1,579,278)	1,550,259,659	
Other incomes				324,181,252	
Share of profit from investments for using the equity method				178,960,131	
Selling expenses				(1,151,091,229)	
Administrative expenses				(409,289,101)	
Management benefit expenses				(29,427,720)	

Unit : Baht

Business segment information

	Consolidated Financial Statements For the year ended December 31, 2011			
	Segment		Eliminated	Total
	Products of vegetable & fruit	Others		
Profit before finance costs and income tax				463,592,992
Finance costs				(93,780,388)
Income tax				(9,873,272)
Net profit after tax				359,939,332
Minority interest				16,313,774
Net profit				343,625,558
Fixed assets - net	2,533,039,906	73,963,674		2,607,003,580
Assets for center				3,132,397,950
Total assets				5,739,401,530

Unit : Baht

Business segment information

	Consolidated Financial Statements For the year ended December 31, 2010			
	Segment		Eliminated	Total
	Products of vegetable & fruit	Others		
Revenues from sales of goods	4,854,229,586	193,874,121	(334,324,558)	4,713,779,149
Cost of the sales	3,696,761,011	168,116,884	(332,996,185)	3,531,881,710
Gross profit	1,157,468,575	25,757,237	(1,328,373)	1,181,897,439
Other incomes				176,459,334
Share of profit from investments for using the equity method				245,153,851
Selling expenses				(1,004,574,034)
Administrative expenses				(330,008,408)

Business segment information

Unit : Baht

	Consolidated Financial Statements For the year ended December 31, 2010			
	Segment		Eliminated	Total
	Products of vegetable & fruit	Others		
Management benefit expenses				(33,215,260)
Profit before finance costs and income tax				235,712,922
Finance costs				(56,953,563)
Net profit after tax				178,759,359
Minority interest				31,808,335
Net profit				146,951,024
Fixed assets - net	2,447,997,977	56,998,048		2,504,996,025
Assets for center				2,292,591,397
Total assets				4,797,587,422

Geographic segment information

Unit : Baht

	For the year ended December 31, 2011			
	Sales-export	Sales-Domestic	Eliminated	Total
Revenues from the sale of goods and the rendering of services	1,980,171,876	3,218,541,568	(373,627,319)	4,825,086,125
Segment operating profit	341,325,828	1,210,513,109	(1,579,278)	1,550,259,659

Unit : Baht

	For the year ended December 31, 2010			
	Sales-export	Sales-Domestic	Eliminated	Total
Revenues from the sale of goods and the rendering of services	2,070,243,975	2,977,859,732	(334,324,558)	4,713,779,149
Segment operating profit	60,394,053	1,122,831,759	(1,328,373)	1,181,897,439

35. Financial instruments

The Company and its subsidiaries' financial instruments on balance sheet are as following:-

35.1 Risk management policies

35.1.1 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 are not much, 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.

35.1.2 Interest rate risk

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 follow:

	Consolidated financial statements				Unit : Million Baht
	As at December 31, 2011				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1-5 year			
Financial Assets					
Cash and cash equivalents	40	-	-	1	41
Current investments	0.3	-	-	-	0.3
Trade and other receivables	-	-	-	577	577
Available-for-sale investment	-	-	-	11	11
Deposit at bank used as collateral	4	-	-	-	4
Financial liabilities					
Bank overdrafts and short-term loans					
from financial institutions	936	-	302	-	1,238
Trade and other payables	-	-	-	552	552
Machinery payable	-	-	-	69	69
Long-term loans from banks	-	-	1,363	-	1,363
Long-term machinery payable	9	15	-	-	24
Financial lease payable	4	3	-	-	7

	Consolidated financial statements				Unit : Million Baht
	As at December 31, 2010				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1–5 year			
Financial Assets					
Cash and cash equivalents	43	-	-	1	44
Current investments	0.3	-	-	-	0.3
Trade and other receivables	-	-	-	623	623

	Consolidated financial statements				Unit : Million Baht
	As at December 31, 2010				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1-5 year			
Deposit at bank used as collateral	4	-	-	-	4
Financial liabilities					
Short-term loans from financial institutions	715	-	97	-	812
Trade and other payables	-	-	-	444	444
Machinery payable	-	-	-	59	59
Long – term loans from banks	-	-	1,337	-	1,337
Long – term machinery payable	15	37	-	-	52
Financial lease payable	3	2	-	-	5

	Separate financial statements				Unit : Million Baht
	As at December 31, 2011				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1-5 year			
Financial Assets					
Cash and cash equivalents	21	-	-	-	21
Trade and other receivables	-	-	-	226	226
Short-term loans to related parties	289	-	-	-	289
Available-for-sale investment	-	-	-	11	11
Financial liabilities					
Short-term loans from financial institutions	746	-	-	-	746
Trade and other payables	-	-	-	190	190

	Separate financial statements				Unit : Million Baht
	As at December 31, 2011				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1-5 year			
Machinery payable	-	-	-	4	4
Long – term loans from banks	-	-	728	-	728
Financial lease payable	2	2	-	-	4

	Separate financial statements				Unit : Million Baht
	As at December 31, 2010				Total
	Fixed interest rates		Floating interest rate	Non-interest bearing	
	Within 1 year	Over 1–5 year			
Financial Assets					
Cash and cash equivalents	27	-	-	-	27
Trade and other receivables	-	-	-	269	269
Short-term loans to related parties	274	-	-	-	274
Financial liabilities					
Bank overdrafts and short-term loans					
from financial institutions	570	-	2	-	572
Trade and other payables	-	-	-	164	164
Long – term loans from banks	-	-	562	-	562
Financial lease payable	1	1	-	-	2

35.1.3 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, 2011 are as follow:

Foreign currency	Bought contracts	Sold contracts	Contractual exchange rate	
			Bought	Sold
			(Baht per 1 foreign currency unit)	
US Dollar	509,622	17,449,454	31.1318-31.2326	30.28-31.7258
Euro	0	120,000	42.6250	0
Yen	60,000,000	0	0.3925	0

The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies as at December 31, 2011 are as follow:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 31 December 2011
			(Baht per 1 foreign currency unit)
US Dollar	5,092,543	477,496	31.64
Australia Dollar	0	83,733	32.15
Euro	0	12,119	40.97
Yen	0	127,315,000	0.4078

Foreign exchange contracts of the Company and its subsidiary outstanding at December 31, 2010 are as follow:

Foreign currency	Bought contracts	Sold contracts	Contractual exchange rate	
			Bought	Sold
			(Baht per 1 foreign currency unit)	
US Dollar	873,423	51,532,860	30.04-30.05	29.61-32.61
Euro	500,000	0	40.67	0
Yen	119,000,000	0	0.3593-0.3627	0

The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies as at December 31, 2010 are as follow:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 31 December 2011
			(Baht per 1 foreign currency unit)
US Dollar	6,203,170	600,660	30.10
Australia Dollar	0	144,755	30.67
Euro	0	38,965	39.87
Yen	0	158,100,000	0.3699

35.2 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 are 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 discount cash flow of the present value.

Long-term loans, which have the fixed interest rate, the carrying value approximate at their fair values, calculated by the present value of the contractually determined stream of future cash flow discounted at the rate of interest applied at that time by the market to instruments, presented as at the statements of financial position. Long-term loans at fair value, which have the variable interest rate or the nearly interest rate applied at that time by the market to instruments, the carrying value approximate at their fair value, presented in the statements of financial position.

36. Commitments

Consist of :	Consolidated Financial Statements		Separate Financial Statements	
	2011	2010	2011	2010
Letter of guarantee (BAHT)	24,077,638	21,042,408	13,167,632	13,351,282
Letter of credit (EUR)	241,500	0	241,500	0
Letter of credit (USD)	8,675	0	8,675	0
Letter of credit (CHF)	0	128,000	0	128,000

37. Approval of financial statements

These financial statements were approved for issue on February 21, 2012, by the authorized directors.

Attachment No. 1

14. Investments in subsidiary and associated companies-equity method

Unit : Thousand Baht

Name	Business	Relation- ship	Consolidated Financial Statements					
			Paid-up share capital		%		Investments (Equity method)	
			2011	2010	2011	2010	2011	2010
The local subsidiary companies								
TIPCO BEVERAGE COMPANY LIMITED	Holding Company	Shareholder	50,000	50,000	99.99	99.99	124,008	119,193
TIPCO BIOTECH COMPANY LIMITED (Formerly "THAI SANGKYO COMPANY LIMITED")	Pharmaceutical ingredients	Shareholder	36,800	36,800	99.99	99.99	148,743	151,371
The foreign subsidiary company								
TIPCO MARKETING COMPANY LIMITED (USD) (Registered under United States of America's Law)	Agent	Shareholder	25	25	100.00	100.00	(534)	(355)
Total							272,217	270,209
Less Eliminated intragroup transactions							272,217	270,209
							0	0
The local associated company								
TIPCO ASPHALT PUBLIC COMPANY LIMITED	Manufacturer of Asphalt	Shareholder	1,525,477	1,525,477	24.33	24.33	936,648	741,094

Attachment No. 2

14. Investments in subsidiary and associated companies-cost method

Unit : Thousand Baht

Name	Business	Relation-ship	Separate Financial Statements								
			Paid-up share capital		%		Investments (Cost method)		Dividend received		
			2011	2010	2011	2010	2011	2010	2011	2010	
The local subsidiary companies											
TIPCO BEVERAGE COMPANY LIMITED	Holding Company	Shareholder	50,000	50,000	99.99	99.99	49,999	49,999	0	0	0
TIPCO BIOTECH COMPANY LIMITED (Formerly "THAI SANGKYO COMPANY LIMITED")	Pharmaceutical ingredients	Shareholder	36,800	36,800	99.99	99.99	160,787	160,787	0	0	0
The foreign subsidiary company											
TIPCO MARKETING COMPANY LIMITED (USD)	Agent	Shareholder	25	25	100	100	25	25	0	0	0
(Registered under United States of America's Law)								210,811	210,811	0	
The local associated company											
TIPCO ASPHALT PUBLIC COMPANY LIMITED	Manufacturer of Asphalt	Shareholder	1,525,477	1,525,477	24.33	24.33	647,110	647,110	0	0	0
							857,921	857,921	0	0	0

Attachment No. 4

32. Revenues report for a Promoted Business

	Consolidated Financial Statements							Unit : Baht
	2011			2010				
	Promoted Business		Non-Promoted Business	Promoted Business		Non-Promoted Business	Total	
	Exemption from company income tax	Allowance from company income tax for the net profit of B.O.I. income in the rate		Exemption from company income tax	Allowance from company income tax for the net profit of B.O.I. income in the rate			
Sales-Domestic	2,076,824,040	0	840,438,149	2,917,262,189	1,999,691,697	0	714,403,332	2,714,095,029
Sales-Export	124,493,006	0	1,783,330,930	1,907,823,936	99,739,303	39,166,799	1,860,778,018	1,999,684,120
	2,201,317,046	0	2,623,769,079	4,825,086,125	2,099,431,000	39,166,799	2,575,181,350	4,713,779,149

	Separate Financial Statements							Unit : Baht
	2011			2010				
	Promoted Business		Non-Promoted Business	Total	Promoted Business		Non-Promoted Business	
	Exemption from company income tax	Allowance from company income tax for the net profit of B.O.I. income in the rate			Exemption from company income tax	Allowance from company income tax for the net profit of B.O.I. income in the rate		
Sales-Domestic	516,124,795	0	86,503,905	602,628,700	69,284,974	938,778	474,714,297	544,938,049
Sales-Export	1,855,678,870	0	0	1,855,678,870	0	39,166,799	1,931,337,873	1,970,504,672
	2,371,803,665	0	86,503,905	2,458,307,570	69,284,974	40,105,577	2,406,052,170	2,515,442,721

General Company Information

1. General Information

1.1 Company Information

Tipco Foods Public Company Limited (former name "Tipco Foods (Thailand) Public Company Limited") operates the main business in producing and exporting of canned pineapple, pineapple juice concentrate and canned mixed fruits. Current paid-up capital is Bt 482.58 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok. 10400

Public Company No : 38

Home Page : www.tipco.net

Telephone No : 0-2273-6200

Fax No. : 0-2271-4304, 0-2271-1600

Factory : 212 Moo 16, Tambon Aou Noi, Muang District, Prachuab Kirikan Province. 77210

Factory : 205/1 Moo 2, Tambon Pongyang, Maerim District, Chiangmai Province. 50180

1.2 Subsidiary and Associated Companies

Tipco Asphalt Public Company Limited

operates the business in manufacturing asphalt emulsion and distribution of petroleum products. Currently the Company holds 24.33 percent shares. Total paid-up capital is Bt 1,525.48 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok 10400

Tipco Beverage Company Limited,

operates the business as holding company. Currently the Company holds 99.99 percent of shares. Total paid-up capital is Bt 50 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok 10400

Tipco F&B Company Limited

operates the business in producing and distribution of ready - to-drink beverage products. Currently the Company indirect holds 50% percent of shares in TIPCO F&B Company Limited by TIPCO Beverage Co., Ltd. Total paid-up capital is Bt600 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok. 10400

Factory : 212 Moo 16, Tambon Aou Noi, Muang District, Prachuab Kirikan Province. 77210

Factory : 90/1 Moo 7, Tambon Sanubtueb, Wang Noi District, Ayutthaya Province. 13170

Tipco Marketing Company Limited

operates the business of distributing agent. Currently the Company holds 100 percent of shares. The total paid-up capital is US\$1billion.

Office : 800 Liberty Bldg., Buffalo, New York 14202, USA.

Tipco Biotech Company Limited

operates the business of herbal extraction substance and agriculture business. Currently the Company holds 99.99 percent of shares. Total paid-up capital is Bt36.8 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok.

Factory : 504 Tambon Prachuab Kirikan , Muang District, Prachuab Kirikan Province

TIPCO Retail Company Limited,

operates the retail business. Currently the Company indirect holds 50.99 % of shares by TIPCO Beverage Co.,Ltd and 49% of shares by TIPCO F&B Co., Ltd. Total paid-up capital is Bt50 million.

Head Office : 118/1 TIPCO Tower, Rama 6 Road, Samsen Nai Sub-district, Phaya Thai District,
Bangkok. 10400

1.3 References:

Company Registrar : Thailand Securities Depository Company Limited
62 The Stock Exchange of Thailand Building, 4, 6-7 FL.,
Rajadapisek Road, Klongtoey,
Bangkok 10110 Telephone: 0-2229-2800

Auditor : Mr. Pornchai Kittipanya-ngam, CPA No. 2778 and/or
Mrs. Suwanee Kittipanya-ngam, CPA No. 2899 and/or
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Summary of Specified Items per Form 56-2 in 2011 Annual Report

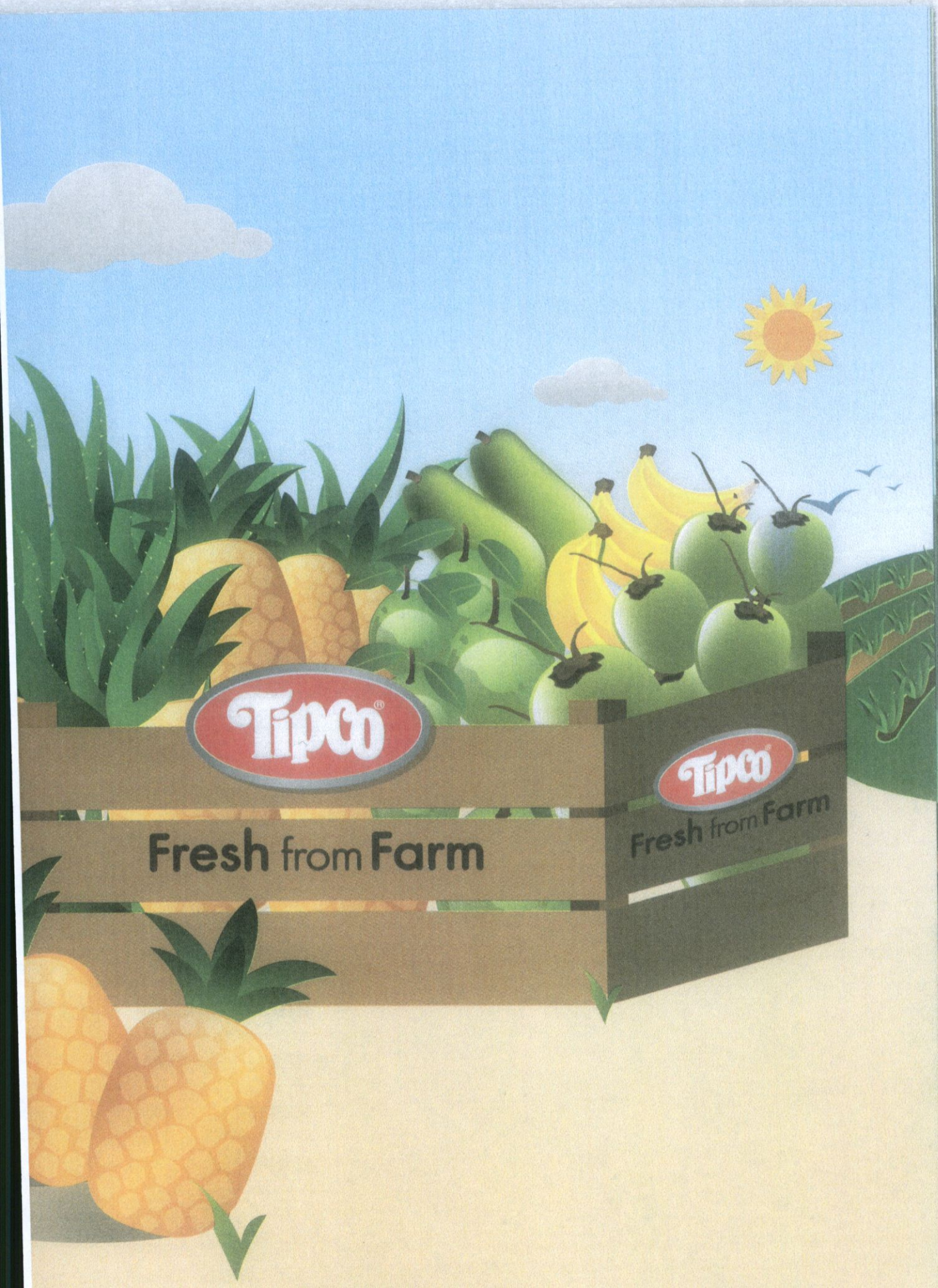
Presented in accordance with the Capital Market Supervisory Board notification Ref. Tor.Jor.11/2552 regarding rule, conditions and procedures for disclosure of information relating to financial status and operation result of issuing company

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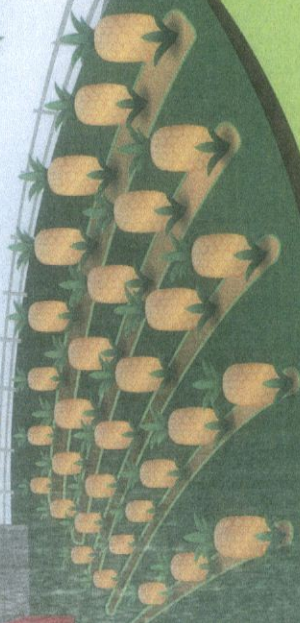


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PINEAPPLE



ANNED PINEAPPLE
CAN SIZE

AMETER x HEIGHT

JUTTING

SLICE

CHUNK

TIDBIT/PIECE

DICE/CUBE

CRUSH

PACKING
UNITS/CARTON)

LOADING W/O PALLET
CARTONS/20ft CONTAINER)

PACKING MEDIA

EFIX

8 Oz.		15 Oz.		20 Oz.		30 Oz.		108 Oz.	
307X201		307X309		307X409		401X411		603X700	
NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)
227	137	425/440	260	567	340	820/836	490	3035/3063	2040/2380
227	137	425/440	260	567	340	820/836	490	3035/3063	1863
227	137	425/440	260	567	340	820/836	490	3035/3063	2040/2380
227	137	425/440	260	567	340	820/836	490	3035/3063	1863
227	137	425/440	260	567	340	N/A	N/A	3035/3063	2040
24		24		24		24		6	
2900		1650		1300		900		1000	
NATURAL JUICE				LIGHT SYRUP				HEAVY SYRUP	
MIN 10.50 or 12				14-17				18-22	

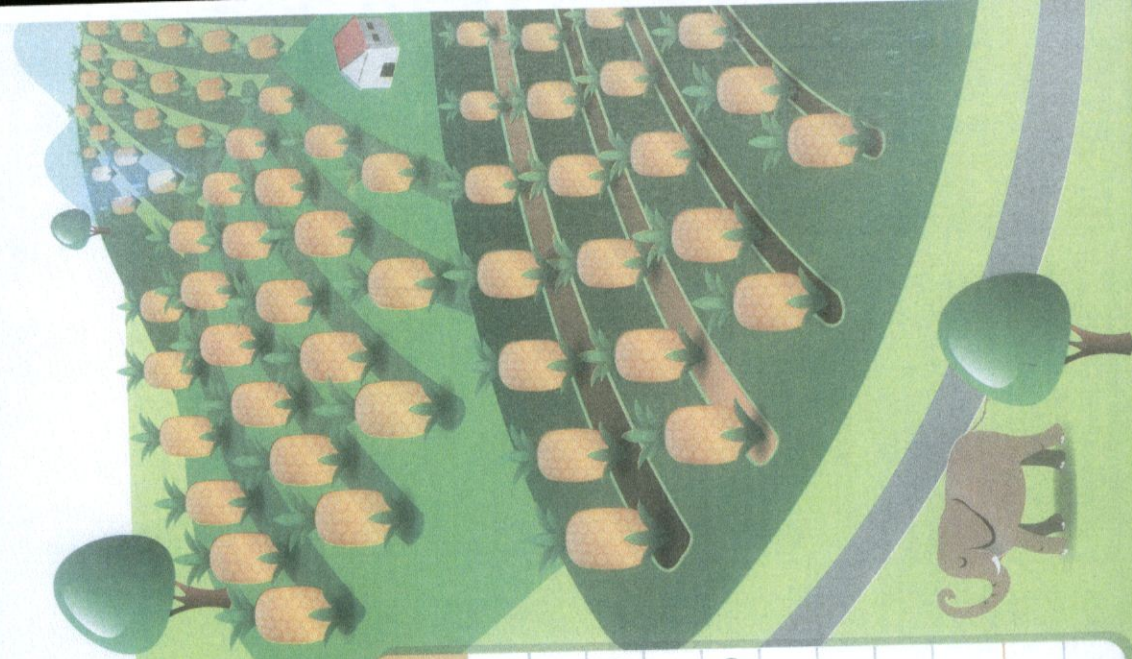
Crush

Dice/Cube

Tidbit/Piece

Chunk

Slice



PINEAPPLE

Tidbit/Piece

Dice/Cube

Crush



PINEAPPLE JUICE CONCENTRATE

	60 +/-1 BRIX	65 +/-1 BRIX	72 +/-1 BRIX
	NW (kg)	NW (kg)	NW (kg)
FROZEN/ASEPTIC PJC (PULP 6-12, B/A 18-34)	258	263	272
FROZEN CLARIFIED PJC	258	263	272
ASEPTIC DEIONIZED PINEAPPLE SYRUP	N/A	N/A	283
SINGLE STRENGTH MIN 12.0 BRIX	FROZEN 190	ASEPTIC 210	
LOADING WITH PALLET (DRUMS/20ft CONTAINER)	64		
LOADING W/O PALLET (DRUMS/20ft CONTAINER)	ASEPTIC: 78 FROZEN: 70		

POUCHED PINEAPPLE

BAG IN BOX

CUTTING	1.5 (kg)		10 (kg)	
	NW (kg)	DW (kg)	NW (kg)	DW (kg)
TIDBIT/PIECE	1.50	1.05	10	7.07.5
DICE/CUBE	1.50	1.05	10	7.07.5
PACKING (UNITS/CARTON)	12		2	
LOADING WITH PALLET (CARTONS/20ft CONTAINER)	900		800	
PACKING MEDIA	NATURAL JUICE MIN 10.50 or 12	LIGHT SYRUP	HEAVY SYRUP	
BRIX		14-17	18-22	

ASEPTIC PINEAPPLE CRUSH/PUREE

	BAG IN DRUM		BAG IN BOX	
	NW (kg)	DW (kg)	NW (kg)	DW (kg)
COARSE CRUSH APPX. 10 MM.	210	75% 80%	22.5	75% 80%
MEDIUM CRUSH APPX. 7 MM.	210	75% 80%	22.5	75% 80%
FINE CRUSH APPX. 4 MM.	210	75% 80%	22.5	75% 80%
PUREE	210	MIN 65% PULP	22.5	MIN 65% PULP
LOADING	78 W/O PALLET (DRUMS/20ft CONTAINER)		880 WITH PALLET (CARTONS/20ft CONTAINER)	



TROPICAL FRUIT SALAD

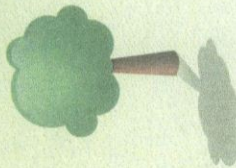
PINEAPPLE RED PAPAYA YELLOW PAPAYA GUAVA BANANA



CANNED TROPICAL FRUIT SALAD

CAN SIZE

CAN SIZE	8 Oz.		15 Oz.		20 Oz.		30 Oz.		40 Oz.	
	307X201		307X309		307X409		401X411		603X700	
DIAMETER x HEIGHT	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)
CUTTING	227	137	425	250	567	340	820	490	3035	1785
CHUNK	227	137	425	250	567	340	820	490	3035	1785
TIDBIT/PIECE	24		24		24		24		6	
PACKING (UNITS/CARTON)	2900		1650		1300		900		1000	
LOADING W/O PALLET (CARTONS/20ft CONTAINER)	2900		1650		1300		900		1000	
PACKING MEDIA	PINEAPPLE JUICE OR LIGHT SYRUP (WITH OR W/O PASSION FRUIT JUICE / BANANA PUREE / GUAVA PUREE)									
BRIX	MIN 11				14-17					





POUCHED ALOE VERA

BAG IN BOX		
CUTTING	NW (kg)	DW (kg)
APPX. 20x20 MM.	10	7.0
APPX. 15x15 MM.	10	7.0
APPX. 10x10 MM.	10	7.0
APPX. 8x8 MM.	10	7.0
PACKING (UNITS/CARTON)	2	
LOADING WITH PALLET (CARTONS/20ft CONTAINER)	800	
PACKING MEDIA	EXTRA LIGHT SYRUP	
BRIX	10-15	

ASEPTIC ALOE VERA CRUSH

CUTTING	BAG IN DRUM		BAG IN BOX	
	NW (kg)	DW	NW (kg)	DW
	200	45%	N/A	N/A
	200	45%	N/A	N/A
	200	45%	N/A	N/A
LOADING WITH PALLET (DRUMS/20ft CONTAINER)		64		
LOADING W/O PALLET (DRUMS/20ft CONTAINER)		78		

LOE VERA

POUCHED ALOE VERA

CAN SIZE	8 Oz.		15 Oz.		108 Oz.	
	307X201	307X309	307X309	603X700	307X201	307X309
CUTTING	NW (g)	DW (g)	NW (g)	DW (g)	NW (g)	DW (g)
	227	137	425/440	260	2900/3050	1800/2000
	227	137	425/440	260	2900/3050	1800/2000
	227	137	425/440	260	2900/3050	1800/2000
	227	137	425/440	260	2900/3050	1800/2000
PACKING (UNITS/CARTON)	24	24	24	6	24	6
	2900	1650	1650	1000	2900	1650
LOADING W/O PALLET (CARTONS/20ft CONTAINER)		18-22				
LOADING MEDIA		18-22				

HEAVY SYRUP

LIGHT SYRUP

EXTRA LIGHT
SYRUPACIDIFIED
WATER

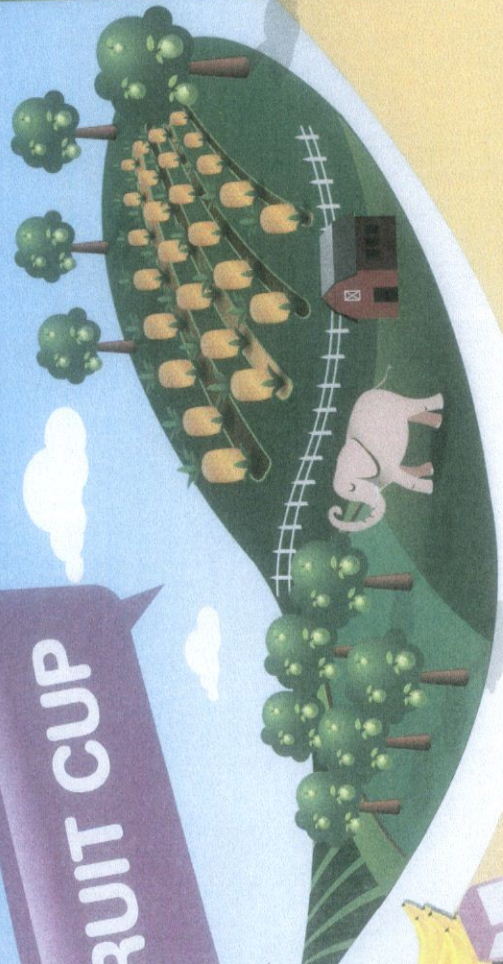
0-2

10-15

14-18

18-22

FRUIT CUP



CUP SIZE	4 Oz.		8 Oz.	
	NW (g)	DW (g)	NW (g)	DW (g)
DIAMETER x HEIGHT	84 X 45		84 X 79	
CUTTING	114	57	227	114
CHUNK / TIDBIT	24		12	
PACKING (UNITS/CARTON)	2,890		3,875	
LOADING (CARTON/20ft CONTAINER)				
PACKING MEDIA	JUICE		LIGHT SYRUP	
	ORANGE FRUIT JUICE	PASSION FRUIT JUICE	MIXED FRUIT JUICE	WHITE GRAPE JUICE
HEAVY SYRUP				MANGO JUICE
BRIX	MIN 10.5 or 12		14-17	
			18-22	



RED PAPAYA



PINEAPPLE



YELLOW PAPAYA



GUAVA



BANANA



ALOE VERA



TROPICAL FRUIT SALAD CUP



CUP SIZE	4 Oz.		8 Oz.	
	NW (g)	DW (g)	NW (g)	DW (g)
DIAMETER x HEIGHT	84 X 45		84 X 79	
CUTTING	114	57	227	114
CHUNK / RANDOM	24		12	
PACKING (UNITS/CARTON)	2,890		3,875	
LOADING (CARTON/20ft CONTAINER)				
PACKING MEDIA	JUICE		LIGHT SYRUP	
	ORANGE FRUIT JUICE	PASSION FRUIT JUICE	MIXED FRUIT JUICE	WHITE GRAPE JUICE
HEAVY SYRUP				MANGO JUICE
BRIX	MIN 10.5 or 12		14-17	
			18-22	



CUP SIZE	4 Oz.		8 Oz.	
	NW (g)	DW (g)	NW (g)	DW (g)
DIAMETER x HEIGHT	84 X 45		84 X 79	
CUTTING	114	57	227	114
APPX. 15x15 MM.				
APPX. 10x10 MM.				
APPX. 8x 8 MM.				
PACKING (UNITS/CARTON)	24		12	
LOADING (CARTONS/20ft CONTAINER)	2,890		3,875	
PACKING MEDIA	JUICE		LIGHT SYRUP	
	ORANGE FRUIT JUICE	PASSION FRUIT JUICE	MIXED FRUIT JUICE	WHITE GRAPE JUICE
HEAVY SYRUP				APPLE JUICE
BRIX	MIN 10.5 or 12		14-17	
			18-22	

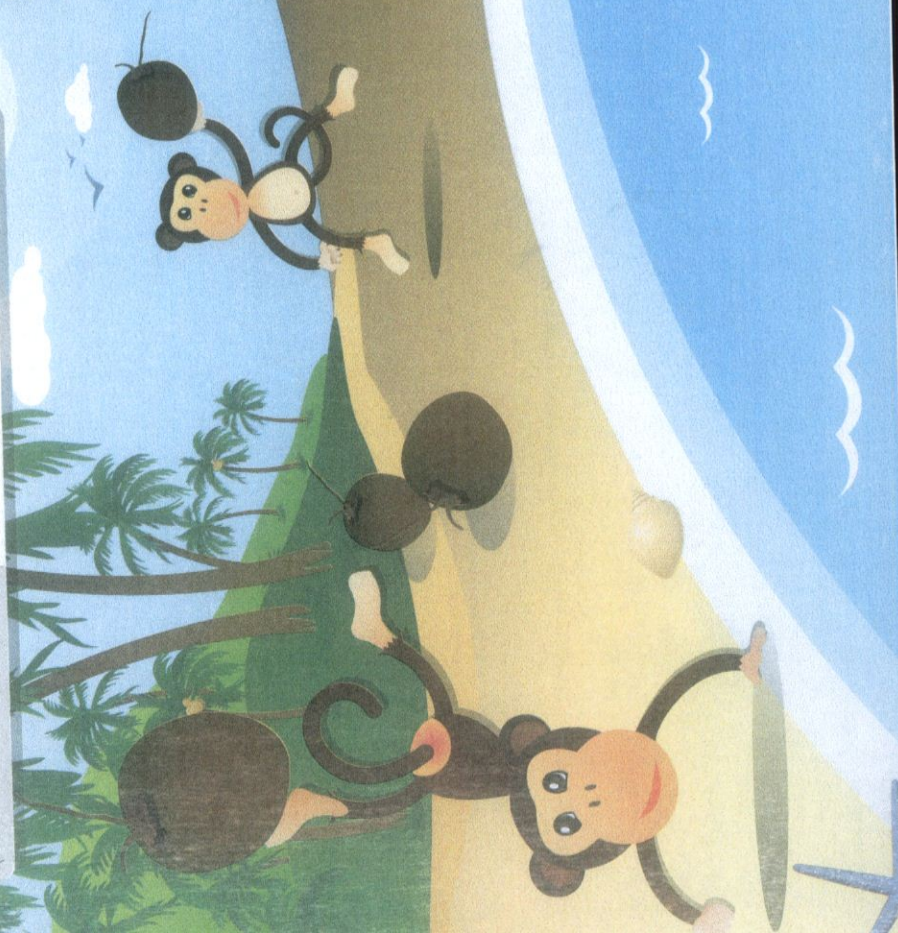
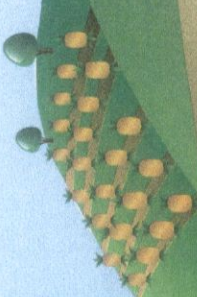
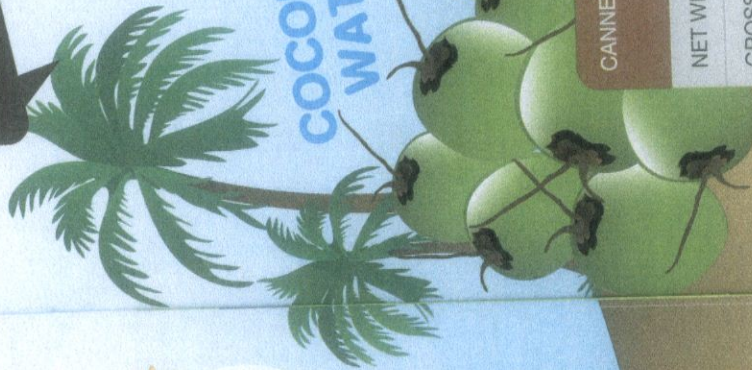
CANNED COCONUT MILK

CANNED COCONUT MILK	COCONUT MILK	COCONUT CREAM
CAN SIZE	15 Oz. TALL	15 Oz. TALL
NET WEIGHT (g)	400	400
GROSS WEIGHT (g)	465	465
PACKING (UNITS/CARTON)	24	24
LOADING (CARTONS/20ft CONTAINER)	1,700	1,700

PINEAPPLE JUICE

COCONUT WATER

CANNED JUICE	240 ml.	520 ml.
CAN SIZE	254/288	532
NET WEIGHT (g)	308	596
GROSS WEIGHT (g)	24	24
PACKING (UNITS/CARTON)	2,700	1,400
LOADING (CARTONS/20ft CONTAINER)		



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