



Winner Group
Enterprise PLC.

รายงานประจำปี 2558 Annual Report 2015





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Annual Report 2015

Winner Group Enterprise PLC.

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Message from the Board of Directors

Dear Shareholders,

In 2015 the world economic growth rate slowdown, at the rate of 3.0 percent, while the previous year's growth rate was at 3.4 percent. Likewise, the situation of the US economic expanded at the growth rate of 2.4 percent in 2015 same as last year while Eurozone was at lower economic growth of 1.5 percent. The sluggish world economy declined from Emerging Markets (EM) countries like China. Despite China's economic growth rate slowed to a 25 year low of 6.9 percent in 2015. The rock bottom oil and consumer price impacted on the lowest world economic volume towards 2009.



Moreover, the Chinese Yuan was changed in recent August for currency rate and affected with weakness in EM currencies as Baht weakness made high import costs. Political factors exposed to delay public consumptions, private investment, and government expenditures as well as export goods inconsistent while Thai economic growth rate in 2015 dropped at 2.8 percent.

Even though global economic disappointed, the Company's performance was favorable and sustained its total sales in 2015 of Baht 1,431 million ,equivalent to previous year as management of profit grew higher than previous year.

Facing with high market competition and market volatility, the Company was able to effectively manage risk to minimize negative impact from external factors, prevent obstacles to business operations and adjust business operating strategy to cope with such immediate changes. The Company's direction was to target long-term future business both research and development of new products to create business opportunity in country and ASEAN countries, improvement of information technology to create business competitiveness and human capital development to drive business beyond sustainable development.

Lastly, we, on behalf of the Board of Directors, Management and Staff, would like to address our sincere thanks to shareholders, distributors, customers, business partners and all relevant stakeholders for always being trustworthy, confident, supportive our products and foreseen our potentiality and readiness to sustain growth in the future.

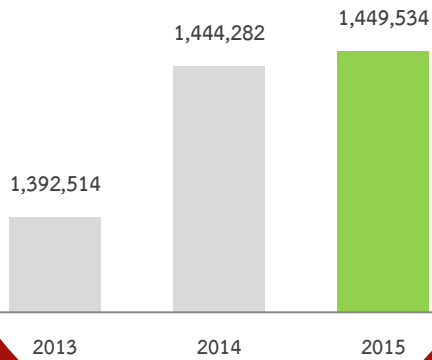
P. Tawisuwan

(Mr. Prakarn Tawisuwan)

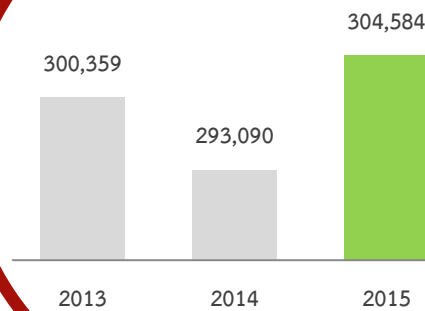
Chairman of the Board of Directors

Financial Highlights

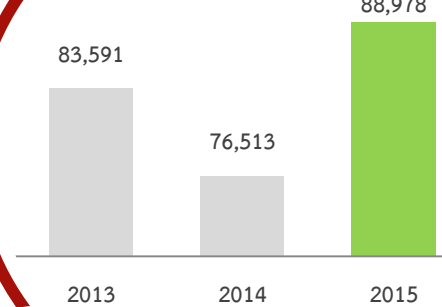
Total Revenue
(Thousand Baht)



Gross Profit
(Thousand Baht)



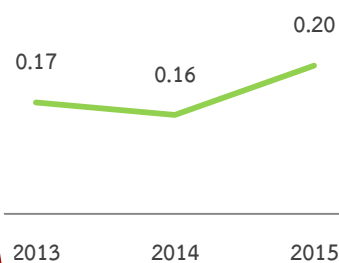
Net Profit
(Thousand Baht)



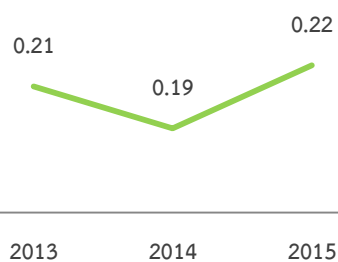
(Unit: Thousand Baht)

Financial Highlights	2013	2014	2015
Total Assets	924,659	834,379	919,253
Total Liabilities	369,478	270,684	334,581
Total Shareholders' Equity	555,182	563,694	584,672
Key Financial Ratio			
Debt to Equity Ratio (times)	0.7	0.5	0.6

Dividend
(Unit: Baht per share)



EPS (Diluted)
(Unit: Baht per share)



The Board of Directors and Executives



Mr. Prakarn Tawisuan

Age (years) : 69

Chairman of the Board of Director / Independent Director /

Chairman of the Audit Committee

Education

- XMBA Thammasat University
- Bachelor of Economic, Thammasat University
- Director Certification Program (DCP) 75/2006, Thai Institute of Directors

No. of shares held (as at August 31, 2015)

-None-

Relationship with Directors and Management

-None-

Work Experiences (last 5 years)

Listed Companies

- | | |
|----------------|---|
| 2013 - Present | Chairman of Board of Directors / Independent Director /
Chairman of Audit Committee - Winner Group Enterprise Public Company Limited |
| 2007 - 2008 | Independent Director - Siam Steel Syndicate Public Company Limited |

Non-Listed Companies

- | | |
|----------------|---|
| 2015 - Present | Director - M.R. Rosalins Gagananga Foundation
Under the Royal Patronage of HRH Princess Maha Chakri Sirindhorn |
| 2013 - 2014 | Advisor - CIMB-Principal Asset Management Company Limited |
| 2012 - 2013 | Acting President - CIMB-Principal Asset Management Company Limited |
| 2011 - 2012 | Advisor - CIMB-Principal Asset Management Company Limited |
| 2010 - 2011 | Sub-committee Reform Consideration Sub-Committee,
Bangkok Mass Transit Authority |
| 2008 - 2010 | Advisor - TMB Asset Management Company Limited |

The Board of Directors and Executives



Mr. Jane Wongisariyakul

Age (years) : 63

Director / Chairman of Executive Committee /

Chairman of Risk Management Committee / Managing Director

(Authorized Director)

Education

- XMBA Thammasat University
- Bachelor of Science in Food Technology, Chulalongkorn University
- Bachelor of Business Commerce, Beijing Language and Culture University, China
- Director Accreditation Program (DAP) 31/2005, Thai Institute of Directors
- Certificate of Public Economics Management for Executives (Batch 8), The College of Politics and Governance, King Prajadhipok's Institute
- Role of Nomination and Governance Committee (RNG) 5/2013, Thai Institute of Directors

No. of shares held (as at August 31, 2015) 34.27%

Relationship with Directors and Management

- The husband of Mrs. Vannaporn Wongisariyakul
- The father of Ms. Kanollas Wongisariyakul

Work Experiences (last 5 years)

Listed Companies

2013 - Present Director / Chairman of Executive Committee /
Chairman of Risk Management Committee / Managing Director
Winner Group Enterprise Public Company Limited

2006 - Present Independent Director / Audit Committee Member - Eason Paint PCL.

Non-Listed Companies

2011 - Present Director - Jamchuri Testing Laboratory Company Limited

2012 - Present Director - Jamjuree Innovations Company Limited

2008 - Present Director - Jamjuree Innovations Products Company Limited

2010 - Present Vice Chairman - Faculty of Science Foundation, Chulalongkorn University

2014 - 2015 President - Royal walling tour to commemorate on the Auspicious Occasion of the HRH Maha Chakri Sirindhorn's 5th Cycle Birthday Anniversary 2nd April 2015

2004 - 2014 Director - Spa Plan Co., Ltd (previously named Spa Ovation (Thailand) Co., Ltd)

2010 - 2013 Vice Chairman of Executive Committee - the Professor Dr. Tab Nilanidhi Foundation

2010 - 2013 President - Chulalongkorn University Science Alumni

The Board of Directors and Executives



Mrs. Vannaporn Wongisariyakul

Age (years) : 60

Director / Executive Committee Member /

Risk Management Committee Member / Deputy Managing Director
(Authorized Director)

Education

- Master of Science in Food Technology, Chulalongkorn University
- Bachelor of Science in Food Technology, Chulalongkorn University
- Director Accreditation Program (DAP) 91/2011, Thai Institute of Directors

No. of shares held (as at August 31, 2015)

8.78%

Relationship with Directors and Management

- The wife of Mr. Jane Wongisariyakul
- The mother of Ms. Kanollas Wongisariyakul
- The sister of Mr. Krissada Sirirojana

Work Experiences (last 5 years)

Listed Companies

2013 - President Director / Executive Committee Member / Risk Management Committee Member /
Deputy Managing Director - Winner Group Enterprise Public Company Limited

The Board of Directors and Executives



Miss Kanokpan Kreangkraikrissada

Age (years) : 46

Director / Executive Committee Member /

Risk Management Committee Member / Deputy Managing Director
(Authorized Director)

Education

- Master of Business Administration (MBA), Chulalongkorn University
- Bachelor of Science in Food Science, Kasetsart University
- Directors Accreditation Program (DAP) 91/2011, Thai Institute of Directors
- Certificate of Mini MBA, Thammasat University

No. of shares held (as at August 31, 2015) 2.93%

Relationship with Directors and Management - The wife of Mr. Krissada Sirirojana

Work Experiences (last 5 years)

Listed Companies

2013 - President Director/ Executive Committee Member / Risk Management Committee Member /
Deputy Managing Director - Winner Group Enterprise Public Company Limited

Non-Listed Companies

2001 - 2013 Director / Assistant Managing Director - Winner Group Enterprise Company Limited

The Board of Directors and Executives



Miss Kanollas Wongisariyakul

Age (years) : 33

Director / Executive Committee Member /

Risk Management Committee Member / Deputy Managing Director
(Authorized Director)

Education

- Bachelor of Finance, Thammasat University
- Directors Accreditation Program (DAP) 91/2011, Thai Institute of Directors

No. of shares held (as at August 31, 2015) 3.9%

Relationship with Directors and Management - The daughter of Mr. Jane and Mrs. Vannaporn Wongisariyakul

Work Experiences (last 5 years)

Listed Companies

2015 - Present	Director / Executive Committee Member / Risk Management Committee Member / Deputy Managing Director - Winner Group Enterprise Public Company Limited
2013 - 2015	Assistant Managing Director - Winner Group Enterprise Public Company Limited
2008 - 2010	Territory Manager (Industry & Commerce Dept.) - Esso (Thailand) Public Company Limited

Non-Listed Companies

2011 - 2013	Assistant Managing Director - Winner Group Enterprise Company Limited
2010 - 2011	Business Development Manager - Winner Group Enterprise Company Limited

The Board of Directors and Executives



Mrs. Wilaiporn Tantanavivat

Age (years) : 65

Director / Nomination and Remuneration Committee Member

Education

- Master of Applied Science, New South Wale University, Sydney, Australia
- Bachelor of Science in Food Science, Chulalongkorn University
- Directors Accreditation Program (DAP) 100/2013, Thai Institute of Directors

No. of shares held (as at August 31, 2015) 2.42%

Relationship with Directors and Management -None-

Work Experiences (last 5 years)

Listed Companies

2013 - Present Director / Nomination and Remuneration Committee Member
Winner Group Enterprise Public Company Limited

Non-Listed Companies

1983 – Present Director - Bow Commercial Limited
1994 - 2013 Director - Winner Group Enterprise Company Limited

The Board of Directors and Executives



Mr. Surapat Rojchanavisart

Age (years) : 63

Director

Education

- Master of Business Administration, Tarleton State University, Texas, USA
- Bachelor of Science in General Science, Chulalongkorn University
- Directors Accreditation Program (DAP) 100/2013, Thai Institute of Directors

No. of shares held (as at August 31, 2015) 4.15%

Relationship with Directors and Management -None-

Work Experiences (last 5 years)

Listed Companies

2013 - Present Director
Winner Group Enterprise Public Company Limited

Non-Listed Companies

2012 - Present Executive Committee - Chai's Clansman Association of Thailand
2010 - Present Director - Pro Master Pack Company Limited
2010 - 2011 Director - Chai's Clansman Association of Thailand

The Board of Directors and Executives



Dr. Warunee Varanyanond

Age (years) : 66

Independent Director / Audit Committee Member /

Nomination and Remuneration Committee Member

Education

- Doctor of Science, PhD. (Food Technology), Kagawa University, Japan
- Master of Science in Food Technology, Chulalongkorn University
- Bachelor of Science in Food Technology, Chulalongkorn University
- Directors Accreditation Program (DAP) 100/2013, Thai Institute of Directors

No. of shares held (as at August 31, 2015) *-None-*

Relationship with Directors and Management *-None-*

Work Experiences (last 5 years)

Listed Companies

2013 - Present Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member - Winner Group Enterprise Public Company Limited

Non-Listed Companies

2015 - Present Advisor - Food Science and Technology Association of Thailand (FoSTAT)

2014 - Present Qualified Person - Biodiversity-Based Economy Development Office (Public Organization)

2010 - Present Advisor & Qualified Person - Institute of Food Research and Product Development (IFRPD) Kasetsart University

2009 - Present Qualified Person - The National Innovation Agency (NIA)

2009 - Present Qualified Person - Thai Agricultural Research Development Agency (Public Organization)

2009 - Present Executive Committee - Office of Certification Body of Thailand Institute of Scientific and Technological Research (TISTR)

2007 - Present Qualified Person of Agriculture and Biology - National Research Council of Thailand

2012 - 2015 Director - Faculty of Science Foundation, Chulalongkorn University

2002 - 2015 Executive Committee - Food Science and Technology Association of Thailand (FoSTAT)

The Board of Directors and Executives



Miss Thipawan Uthaisang

Age (years) : 58

Independent Director / Audit Committee Member /

Chairman of Nomination and Remuneration Committee

Education

- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University
- Bachelor of Laws, Sukhothai Thammathirat Open University
- Director Certification Program (DCP) 29/2003, Thai Institute of Directors
- Advanced Certificate in Politics and Governance in Democratic Systems for Executives (Batch 9), The College of Politics and Governance, King Prajadhipok's Institute
- Capital Market Academy Executive Program (Class 8), Capital Market Academy, The Stock Exchange of Thailand
- Thailand National Defence College (NDC), Class 2010

No. of shares held (as at August 31, 2015) *-None-*

Relationship with Directors and Management *-None-*

Work Experiences (last 5 years)

Listed Companies

- | | |
|------------------|--|
| 2013 - Present | Independent Director / Audit Committee Member / Chairman of Nomination and Remuneration Committee - Winner Group Enterprise Public Company Limited |
| 2013 - President | Independent Director / Chairman of Audit Committee - Prodigy PCL. |
| 2009 - Present | Independent Director / Audit Committee Member - Ladprao General Hospital PCL. |
| 2009 - Present | Independent Director / Audit Committee Member - Pailin Booknet PCL. |
| 2005 - Present | Independent Director / Audit Committee Member - Eason Paint PCL. |

Non-Listed Companies

- | | |
|----------------|---|
| 2015 - Present | Independent Director / Chairman of Audit Committee - AIRA & AIFUL PCL. |
| 2001 - Present | Executive Director / Managing Director - Papermate (Thailand) Company Limited |

Business Overview

Vision and Business Objectives

Vision

To become the leading company with expertise in integrated food business in all distribution channels

Mission

We are committed to deliver quality products and provide reliable service, to meet the customers' needs and satisfaction with the dedication to develop company's human resources capability to have expertise in food industry and maintain good relationship with suppliers.

The Company sets business objectives for the near future of 2-3 years as follows.

1. The Company plans to develop and supply new products to meet a wide range of requirement of customers in food industry and food service operators (Food Service/HoReCa) and supply innovative products to meet consumer's needs to diversify product ranges distributed by the Company.
2. The Company will develop more customized products to meet customers' needs, OEM premix products and packaging filling services. Also, we aim to export our own products such as icing sugar and baking powder to neighboring countries. To increase the plant's production to near maximum capacity and reduce operating costs per unit to be more competitive.
3. The Company plans to develop consumer food products under our own brand to enter new markets.
4. The Company will expand customer base to include more customers in all segments of the food industry by expanding customer base from primarily food industry manufacturers to food service customers (Food Service/HoReCa) and end consumer. The Company aims to expand customer groups from Bangkok and Greater Bangkok to major cities in each region especially touristic provinces.
5. The Company plans to expand its food business to other businesses such as drugs, cosmetics, personal care, animal feed, etc. to expand growth and business diversity.

History and Development

History

Winner Group Enterprise Public Company Limited ("the Company or Winner") was founded in 1983 by a group of experts in food science and technology led by Mr. Jane Wongisariyakul. At present, Winner engages in the business of importing, manufacturing and distributing of raw materials, food ingredients and food chemical used in food processing from all over the world such as potato starch, modified starch, wheat starch, egg power, thickener and gelling agent, stabilizer, cocoa, preservative, artificial sweetening agent and other kinds of food chemical.

In 2004, the Company expanded its business by acquiring the factory for production lines of food additive and premix such as icing sugar, and sugar used in food industry, baking powder, thickening agent, seasoning etc. and on October 3, 2013, the Company registered IPO in the Stock Market Alternative Investment (MAI).

With the expertise and skills in supplying of raw materials, food chemical related in food industry and strong sales teams that understand our customers' business, the Company could supply suitable products met our customer needs. The Company expanded our product range, distribution channels and customer base to new groups of customers who are likely to grow continuously in various types of food industry.

Additionally, the Company expanded into consumer products under the world leading brand such as Pop Secret microwave popcorn, Nature Valley serial bar, Betty Crocker bakery and cake mix, Streamline fruit jam, Harvey Fresh juice distributed in modern trade and traditional trade channel and expanded our customer base to food service business such as hotels restaurants, catering and other retail traders.

Key Milestones in 2015

1. In 2015, the Company selected new products from various sources for import and distribution in the total of 93 SKUs as follows.

Industry Products

- Couverture Chocolate and Compound Chocolate from Barry Callebaut
- Modified starch from AVEBE

Consumer Products

- Snack
 - Biscuit and cookie from Violanta
 - Wafer, wafer sticks and mixed biscuit flavor from VFOOD
 - Microwave popcorn, caramel flavor from Pop Secret
- Frozen & Chilled
 - Frozen French fries from Damaco
 - Frozen Strawberry, Blueberry, Raspberry and Kiwi
- Gourmet
 - Pasta from Berrak
 - Whipping cream and Couverture Chocolate from Master Martini
 - Fruit toppings and fruit fillings from Orana
 - Maraschino cherry in syrup from Olivia
 - Canola oil mixed with Olive oil and Pure Organic Olive oil from Romulo
 - Almond from Australia
- Beverage
 - Soy-bean milk original flavor from Binggrae
 - Concentrated grape juice, kiwi-strawberry juice and grape-cranberry juice from Langers

2. The Company has been developed "Enterprise Resource Planning (ERP) Project" by the objectives are: to improve corporate software to be proactive status for investment planning and to manage corporate resources effectively. The project kicked off on October 2014 and scheduled to finish within May 2016.
3. The Company has been developed "Performance Improvement Project-Management by Objectives (MBO)" by the objectives are: to leverage corporate working procedures effectively and to accelerate staff's knowledge and capability to utilize in corporate situation. The concept of MBO is to direct KPI for corporate and all staff levels to be the same direction. To be clear in working process of the project, the

Company has invited consultant to educate staff knowledge and evaluate working process. The project timeline is 12-month starting from March 2015 and scheduled to finish within March 2016.

4. The Company is certified by “Halal”, additional certification on pancake powder and crispy powder from the Central Islamic Council of Thailand.
5. The Company decided to close operation of Dêlicé, Ekkamai branch in May 2015 due to high competition in coffee shop business which was irrelevant to expenditures.
6. On October 19, 2015, the Stock Exchange of Thailand and Thai Institute of Directors announced “the examination result on Corporate Governance Report of Thai Listed in 2015”. The Company classified into “very goods” (score range of 80-89 scores) which was higher than the average scores of all Thai Listed in 2015.
7. On November 1, 2015, the Company signed technology licensing agreement with Apisomkij Company Limited as an applicant to request petty patent for invention “heat transfer refrigeration and air-conditioning equipment”. Currently, the Company was granted a patent exclusive right of manufacture and distribution of such equipment in Thailand and ASEAN countries.

Nature of Business

The Company's core business is an importer, manufacturer and distributor of food ingredients and food additives used in food processing industry, including raw materials, ingredients and additives from sources around the world, as well as food ingredients and additives manufactured by the Company. The Company also imports and distributes consumer food products under the world's leading brands such as microwave popcorn, granular bars, seasoned laver, pasta, olive oil, fruit jams, juices, etc.

Revenue Structure

The Company's revenue structure was divided into product group in 2013-2015 as follows.

Type of Revenue	2013		2014		2015	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
1. Sales Revenue						
1.1 Industry Products	629.6	45.2	636.0	44.1	589.3	40.7
1.2 Consumer Products	748.0	53.7	794.8	55.0	841.2	58.0
2. Other Incomes^{1/}	14.9	1.1	13.5	0.9	19.0	1.3
Total	1,392.5	100	1,444.3	100	1,449.5	100

Note : ^{1/} Other incomes consist of commission, interest income, marketing supports, gain on sales of unit trust, etc.



Products

The products are divided into two groups which are industry products and consumer food products. The proportion of revenue from industry products was 40.7 percent in 2015 and the revenue from consumer food products was 58.0 percent, details as follows:

1. Industry Products (Raw Materials, Ingredients and Additives for Food Industry)

Industry products can be divided into

- (1) Food ingredient e.g. potato starch, wheat flour, cocoa powder, egg powder, sugar and seasoning
- (2) Food additive e.g. thickeners, stabilizers and preservatives

These 2 groups are from worldwide producers and manufacturers with high quality standard and from our own plant under a modernized production process and GMP standard to meet a wide range of requirement of the customers in food industry, which need their own specific formula. Our Company's products are used as raw materials, ingredients and intermediate substances in food processing by various types of food manufacturers.



Product Samples



Brands Distributed by the Company

2. Consumer Food Products

Consumer food products consist of 4 main groups which are:

- (1) snacks
- (2) semi-processed raw materials and frozen products
- (3) gourmet foods
- (4) beverages

Such products are imported from various countries including USA, Spain, Italy, Germany, France, Australia, Singapore, China, Japan and South Korea.



Product Samples



Brands Distributed by the Company

Marketing and Competition

Marketing Strategies

As the executives of the Company have experiences and expertise in sourcing of raw materials, ingredients and additives to producers and manufacturers in food industry in Thailand for a long period of time, the Company has been widely accepted by customers as one of the leading importer, manufacturer and distributor of food ingredients and food additives used in food industry, and also consumer products with quality and standard. We offer a wide and integrated range of products.

The Company has been certified ISO 9001:2008 quality, while the production system has been certified with Good Manufacturing Procedures (GMP). The Company has the policy of maintaining long and good relationship with customers and partners; developing competitive strategies to retain existing customers and increasing market share of the Company as follows:

1) Selecting and offering products with world-class quality constantly

The Company is an experienced specialist in supplying raw materials, food ingredients and additives used in food processing for over 30 years. So the Company has the information of all manufacturers and sources of raw materials with quality and production standards worldwide. The Company will select a manufacturer that has their own technology, acceptable production standards, and specializes in research and development. Because the Company needs to get information from research and development department of manufacturers in order to be able to advise customers on product selection for production efficiently.

Meanwhile, from getting advantage of the expertise in food products, the Company has the policy to focus on customer services to meet and satisfy our customers by providing quality products that meet their price requirements or selecting other supplier to substitute raw materials or selecting other ingredients to create a product that meets customer specification. We also offer technical assistance to develop products of customers by offering technology and innovation used in food processing, including importing new products continuously to help improve quality, lower costs and increase the variety of goods.

2) Meeting customer requirements of export industry

The Company focuses on distributing quality standard products; we then meet the needs of customers who are in food production industry for export. They need to produce products with quality and standards of each destination country, such as exports to Europe, USA and Japan, etc. The industrial customers are required to have a certificate of quality for raw materials used in production as a reference for export their products, such as certificate of origin, certificate of analysis (COA), certificate of quality control system, and manufacturing standards e.g. ISO GMP HACCP HALAL KOSHER and Material Safety Data Sheet (MSDS), etc.

3) Developing premix for customers

Being a part of product and service development to customers, the Company produces raw materials of Customized Blend or Premix to serve customers' requirements, especially industrial customer group as reducing manufacturing process and product costing reason.

4) Offering OEM (Original Equipment Manufacturer) and packaging services

The Company has expanded its production capacity by purchasing additional machines and packaging tools to support the production of different types of premixes such as coffee powder, coffee, tea powder, seasoning powder and flours, as well as repacking products to retail sizes. The Company has plans to offer OEM services to customers and re-packaging products that we import or produce. The packaging services of such goods are to expand distribution channels and products to a broader group of customers.

5) Building and maintain long-term relationships with customers

The Company aims at building long-term relationships with customers by providing technical consulting services and taking care of customers closely. The Sales division of the Company has expertise in food science and technology and responsible for dealing with customers to find their

needs and supply products that suit them. The Company also provides technical advices on product usage to the customers and collaborates with them to develop new products. In addition, the Company also finds alternative products for the customers in order to improve product quality and reduce costs.

6) Expanding distribution channels to Food Services and consumers

The Company plans to expand the Company's product distribution channels to directly reach our target customers such as Food Services by focusing on restaurants, bakery shops (for both stand-alone restaurants and chain restaurants) and catering. Moreover, the Company also focuses on expanding distribution channels to bakery sections in modern retail outlets including supermarkets and hypermarkets, etc. which enables the Company to increase distribution channels along with the expansion of modern retail outlets of which have branches across country. For consumer food products, the Company has plan to expand to new distribution channels in which the Company has never distributed any products such as convenience stores and mini-marts, etc. so the Company can access to consumers easily and extensively.

7) Branding food products to be well-known to consumers

The Company held marketing activities including publicity through various media, special events of consumer food products, etc. In addition, the Company also uses online media to create brand awareness, especially for snacks and beverages so that consumers know more about products and brands that the Company distributed.

Our Customers

Products that the Company distributes are in wide range such as raw materials, ingredients and additives for food processing and consumer products so we can fulfill the customer's needs from food industry, food services providers to retail customers as follows:

Industry consists of food producers, food processing manufacturers and bakery, in private and government sectors. This group uses the Company's products for their production then sell their final products to consumers e.g. instant noodles manufacturer, egg noodles manufacturers, rice noodles manufacturers, vermicelli manufacturers, juices and beverages manufacturers, canned food manufacturers, frozen food manufacturers, sauces and seasonings manufacturers, milk producers and dairy products manufacturers and large and medium bakery manufacturers.

Food services consist of customers who buy products of the Company to use for themselves and the products are used for consumer's food production. This group of customers comprises of hotels, catering companies, stand-alone restaurants and chained restaurants and bakery shops.

Consumers refer to customers that buy products from the Company directly for their own consumption through retail channels such as modern trade and traditional trade or directly get services from D  lic  , a coffee and bakery shop owned by the Company.

Distribution Channels

The Company distributes the products through distribution channels that consistent with the characteristics of customers i.e. industry, food service / HoReCa such as hotels, restaurants, chained bakery

and restaurants, and retail to consumers through modern trade and traditional trade and coffee shops owned by the Company.

1) Food Industry Manufacturers

The Company distributes directly to more than 500 bakeries and food processing manufacturers in Bangkok and across country. The Company also sells products to dealers that sell the Company's products to small-sized factories. The Company does not officially appoint any individuals to be the Company's distributor. When selling to bakeries and food processing manufacturers, they will use the products for their own production. Then the finished products will be sold to end-consumers and/or exported to foreign countries. For this distribution channels, the Company has sales teams with expertise in food science technology to provide technical advice on the products and together with our customers to select and develop products to meet the customers' needs.

2) Food Service

The Company is a direct supplier to food service providers e.g. hotels, restaurants, catering, chained bakeries and restaurants, stand-alone bakeries and restaurants nationwide, and bakery department in modern retail outlets. These food service providers will use the Company's products to make ready-to-eat food and bakery then sell to consumers afterwards.

3) Modern Trade and Traditional Trade

The Company sells the products in modern trade e.g. Tops Supermarket, Siam Paragon, Emporium, the Mall, Makro, Tesco Lotus, Big C, Foodland, Villas, Family Mart, etc. and traditional trade e.g. wholesalers, bakery specialized wholesalers, etc. for over 3,000 outlets. The modern trade and traditional trade channel is expanding in Thailand. As a result, the Company's products are accessible to consumers more thoroughly; especially through modern trade which targeting at customers in Bangkok and Greater Bangkok, touristic provinces and other provinces with high purchasing power.

The ownership of products distributed through modern trade and traditional trade will be transferred to modern retailers and traditional retailers instantly after the Company delivers such products. If there are any damages after delivery, the Company has no obligation in the value of such products. However, the Company might consider product return for some cases, such as product ages less than 3 months, to ensure the confidence of customers in the quality of our products; to maintain brands' image; and the Company's reputation as an importer and distributor of such goods.

Market situation and competition

The deceleration of Thailand economic in 2015 derived from many prospects even the political scenery sounded better and gradually recovered than the previous year; exports still declined same as the global economic situation as well as high shrinkage consumer products factors due to partner countries' economic slowdown. While the world economic and capital market trend gradually slowed because of China and ASEAN economic. The bomb explosion at the Ratchaprasong Intersection Bangkok also impacted directly on travel business and brought into food business effects but the needs of food business enabled growth because food is part of the four basic human needs.

In 2016, food business looks positive growth and the factors motivated trend i.e. better political certainty and flexible monetary policy to support economic recovery in investing of government sectors to create confidentiality to private sectors for relevant project investment and motivated policy on travel business and Asian Economic Community (AEC).

Separated into 2 parts, industry competition in food business are by products as follows.

1) Industry Product

Industrial factories are main customers of Industry Product i.e. instant noodle, noodle, vermicelli, fruit juice, canned food, frozen food, bakeries and vice versa. The Company imported various premium products to serve customers' needs in Industry Product widely. Presently, our competitors are able to source product substitution around 3-5 items per products but the Company can sustain its market share and customer expansion to the prospective customers consistently. Competitive strategy on product quality with international manufacturing standardization is tailored-made world acceptance, customers' deliverables and building long-term customer relationship.

2) Consumer Products

More than 3,000 nationwide places of our imported products represented world premium quality by 2 main distribution channels such as modern trade and original retails including directly distributed our products thru 1,200 food providers nationwide while other competitors focused on distribution in modern trade. The Company therefore has capability to compete over its competitors by increasing distribution channels and releasing its products through another food providers.

Competition in modern trade, the Company arranged marketing activities at the point of sales in form of marketing promotions such as price discounts, marketing events, product demonstration and complimentary premium products which the above mentioned activities would be suitably selected depending on each brand, including PR in media channel to create brand awareness and motivate its sales consistently.

Competition in food provider, due to the volume of customers with various product requirements and type of minimum orders, our salespersons provides the consistency of monitoring and taking swift action to serve customers' requirements. As the strategy in sourcing product variance, immediate action and development of pre-mix, the Company has ability to serve customers' needs and requirements and minimize customers' manufacturing cost.

In 2015, the Company established Technical Service Department which consisted of knowledgeable specialists and expertise in product usage via in the form of product demonstration and product seminar to create customers' perception and assist customers for product decision.

Source of Supply

Winner Group Enterprise Public Company Limited operates as an importer and manufacturer of raw materials, ingredients, additives and consumer food products to distribute in Thailand. Most products are imported from abroad. The total imported value represented 92.1 percent of the total purchase value in 2015 and the local order represented 7.9 percent of the total purchase value in 2015.

The Company ordered finished goods and raw material from suppliers and distributors details as follow:

Purchase Value	2013		2014		2015	
	Million Baht	Percent	Million Baht	Million Baht	Percent	Million Baht
Import	905.8	91.4	936.4	90.8	983.3	92.1
Local	84.9	8.6	94.4	9.2	84.9	7.9
Total	990.7	100.0	1,030.8	100.0	1,068.2	100.0

In 2015, the Company purchased from 10 major suppliers representing for approximately 74.5 percent of total purchase value. The Company ordered products from 2 major suppliers representing more than 10 percent of the total orders. We have been purchasing from these two suppliers for a long period of time and bond good business relationship throughout the years of business.

1) Import of products for sale

The products that the Company sold approximately 92 percent of the revenue in 2015 are imported products. The selection of raw materials, ingredients and additives from each supplier is determined by the customers' requirements both in quality and prices. Because each manufacturer has different sources of raw materials, the products from each of them have different features even though they are same kind of products. At all events for every purchase order, the Company will need to have a certificate from the manufacturer specifying product details and features clearly, as the customers who are food processing manufacturers, especially exporters need to know the country of origin, quality, standards and detailed specification of raw materials prior to manufacture. And the documents will also be used as a reference for export.

2) Production under the Company's product line for sale

The production plant used for manufacturing located at Bangpa-In Industrial Estate, on land area of 5 Rai, 3 Ngan and 76 Square Wah with the approximate utilization area of 4,700 square meters. The products from own production lines are food ingredient, food additives and premixes, including icing sugar, coating sugar, industrial sugar, baking powder, stabilizer, etc. These products are for both standardized and made to order.

In addition, the Company also has production lines for repackaging products into different sizes to meet the customer's requirements. The products which are repackaged by the Company include raw materials, ingredients and additives used in food processing manufacturers and bakeries such as cocoa powder and spices, etc. The re-packaging is in various sizes for both directly distributing by the Company and OEM.

The main raw materials that the Company uses as ingredients in manufacturing of food additives and premixes include refined sugar, tapioca starch, corn starch, etc. The Company purchases raw materials for food additives and premixes from the domestic dealers and manufacturers.

Production Capacity and Utilization Rate

In 2015, maximum capacity was 6,548 ton/year, increased from year 2014 by 438 ton/year. Meanwhile, the actual utilization in year 2014 was 3,624 ton/year, which increased from year 2014 by 119 ton/year when comparing with the previous years as follows.

		2012	2013	2014	2015
Maximum Capacity ^{1/}	Ton/year	4,305	5,673 ^{2/}	6,110	6,548
Actual Utilization	Ton/year	3,472	3,334	3,505	3,624
Utilization Rate	Percent	80.7	58.8	57.4	55.3

Note : ^{1/} Maximum capacity is calculated by the number of normal working hours of 6.5 hours per day (the hours spent in actual production) which already subtract the time spent in machine preparation and cleaning for each production) and the number of working days is 262 days a year.

^{2/} The Company has moved old machines to a new production building which helped de-bottleneck process, as a result the maximum capacity increased to 5,673 tons per year in 2013.

Quality Systems and Environmental Management

The Company has the measurements to control and monitor quality of the ingredients used in production strictly, we have a quality assurance unit to check the quality of raw materials. The quality monitoring measurements are used from the beginning process to the end, including the quality check of raw materials when stored in warehouses and in preparation for production; the ingredients quality check before production; and the products quality check after production prior to distribution. All strict measurements of quality control and monitoring ensure the Company's products to reach clean and safety standards.

The Company has continuously engaged in activities for development of quality and safety standards to ensure that the Company has acceptable quality and safety standards. During the past 4 years the Company has been certified by the following institutions:

Standards		2012	2013	2014	2015
Quality Management System (ISO 9001:2008) by International Organization for Standardization-ISO certification by SGS United Kingdom Ltd. ("SGS")		✓	✓	✓	✓
Good Manufacturing Practice (GMP) by BSI GROUP (THAILAND) CO., LTD - Notification of the Ministry of Public Health (No. 193) Re: Production processes, production equipment, and food storage, dated September 19, 2000 (B.E. 2543)		✓	✓	✓	✓
Halal Assurance & Liability Quality System Certificate (HAL-Q) by The Halal Science Center, Chulalongkorn University			✓	✓	✓
HALAL Certificate by the Central Islamic Committee of Thailand, for the product type: icing sugar, ground sugar, glazing sugar, donut sugar, baking powder, baketex, winsoft, wingum, pancake mix and tempura flour				✓	✓

The Company has been supporting the environmental protection by providing wastewater treatment to comply with the Bangpa-In Industrial Estate's regulations. In the past 4 years, the measurement results were according to the criteria of the estates, details as follow:

Wastewater Analysis Report

No	Report Date	Sampling Location	Parameter	Methodology	Laboratory	Result	Unit	Standard*	Test Result
1	12 May 2011	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	59	mg/l	500	Pass
2	21 July 2011	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	56	mg/l	500	Pass
3	23 November 2012	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	176	mg/l	500	Pass
4	18 June 2013	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	70	mg/l	500	Pass
5	14 July 2013	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	153	mg/l	500	Pass
6	14 October 2013	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	46	mg/l	500	Pass
7	21 November 2013	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	4	mg/l	500	Pass
8	20 February 2014	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	4	mg/l	500	Pass
9	22 April 2014	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	10	mg/l	500	Pass
10	18 August 2014	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	5	mg/l	500	Pass
11	22 December 2014	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	2	mg/l	500	Pass
12	17 February 2015	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	42	mg/l	500	Pass
13	15 June 2015	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	19	mg/l	500	Pass
14	26 October 2015	Wastewater treatment pond in factory	BOD	5 Day BOD Test	Analytical Laboratory Services Company Limited	0	mg/l	500	Pass

* Standards for the Examination of Wastewater in industrial factories from industrial estate notification no.78/2554 re: general regulations on water drainage into central wastewater treatment in industrial estate.

Risk Factors

1. Business Risk

- **Risk of having business in competitive industries**

As an importer and distributor of raw materials, ingredients, food chemicals and consumer food products, the Company has a large number of competitors, both imported products distributors and domestic manufacturers. Some products don't have differentiation in their features so they are easy to be replaced. As a result, the business is highly competitive in terms of price, especially raw materials, ingredients and food chemicals for manufacturers. The intensity of competitiveness may affect the Company's operational performance.

Although new competitors continually enter the business, the Company anticipates that the risk level is not high as the brands the Company distributes are renowned with high quality and acceptable among customers. The Company also meets various needs of food manufacturers, such as the Company has certificate for product quality, certificate of origin. Moreover, the Company also offers technical consulting on product applications. Our executives have more than 30 years of experiences and our sales team has specific expertise in food technology. So the Company understands the needs of food processing industry, also specialize in sourcing and providing supply alternatives to meet customer demands.

- **Risk of price and quantity instability of processed agricultural products that the Company distributed.**

Processed agricultural products may be subject to price fluctuations according to trading (of agricultural products) in the global market. The amount of product each year may depend on climates of the areas. When the volume of agricultural production is limited, it results in higher or changes in commodity prices or may result in the amount of products the Company gets allocated from manufacturers which may affect the Company's operations.

The Company sells products that processed from agricultural products such as Starches and flours which processed from wheat, potatoes, corn and beans, Cocoa products, margarine & shortening and egg powder products, which represents 24% from sales revenue in 2015. Potato starch is the best seller of processed agricultural products with 7.3% of sales revenue in year 2015. The second best seller of processed agricultural products is wheat flour which representing 6 % from sales revenue in 2015.

However, the Company imports processed agricultural products from foreign manufacturers which have risk-protection measurement of commodity price fluctuations. By having agreements on agricultural products such as wheat futures contracts, the manufacturer will offer wheat flour to the Company a quarter in advance and offers fixed rates to the Company at least 3 months. For price adjustment, the manufacturer will notify the Company at least 1 purchase period in advance, so that the Company will have grace period to adjust the price and inform the customers. The Company may keep the same price for a purchase period before adjusting the price to match real market price in order to maintain good relationships with the customers, 59 percent of the revenue from sales is from sourcing and purchasing processed agricultural products, including wheat flour and potato starch, by matching customer's purchase

order with the proposal from manufacturers, as the norm in trading business. In doing so the Company gets less impact of fluctuations in commodity prices from the global market.

Moreover, the management has more than 30 years of experience in trading of processed agricultural products. And with the risk mitigation by Industrial Sales Division who constantly monitors global trends and market situation of commodity prices such as wheat, potatoes, beans, corn and cocoa beans from customers and manufacturers, the Company is well aware of both price and volume trends. When there are changes in prices, manufacturers will keep the Company informed of price changed, then the Sales Division will compare if the price is consistent with the price of domestic market before negotiate or jointly define strategy with the manufacturer in order to keep pace with the changing market. In case that the price is on an upward trend, the Company will implement a plan to order in accordance with demand of customers, draft contract for future orders to determine the price and orders quantity for both manufacturers and major customers, and adapt strategies to fit with the market situation in order to be able to compete with competitors and maintain target gross margin of the product group. If the Company has been allocated such goods in limited quantities, the Company may supply substitute products to replace/fulfill the needs of the clients, reducing the impact on the performance of the Company.

The Company is also well aware of the price and quantity uncertainty of processed agricultural products that the Company distributes. Thereupon, the Company has policy to spread the risks (of such uncertainty) by increasing sales of consumer food products to distribute through other sales channels. In 2015, the Company has 41.2 percent market share of raw materials, ingredients and industrial food chemicals, and has 58.8 percent share of consumer food products.

- **Risk of imported product cost uncertainty**

In 2015, the Company imported products represented 92.1% of the purchase value. The Company mainly uses shipping as transportation and the shipping fee has been included in the cost of the product. Changes in freight rates of transportation will be in line with oil prices in the world market. If oil price rises, the freight rates will be rising as well. Meanwhile, if oil price declines, it may lower freight rates. Changes in freight rates can affect the Company's cost of sales and may affect profitability of the Company.

In 2015 the freight fee of the Company was 1.5% of cost of goods sold. The Company has managed freight cost by comparing price of different freight forwarders so the Company can negotiate for the best rates. For freight rate of main product with high volume and high import frequency, the Company will negotiate with the carrier or agent to quote at least 3 months valid rates to reduce the volatility of costs.

- **Risk of not getting distributor agreement renewal or foreign manufacturers appoints other companies to be a distributor in Thailand.**

The Company has been appointed as a distributor of raw materials, ingredients, food chemicals such as potato starch, additives and consumer food products such as snacks, and gourmet food, etc. The contract types are either exclusive distributor in Thailand or authorized distributor of each product group for the period of 1-5 years. After the expiration of the contract, the agreement will be automatically renewed unless either party provides termination notice in written form. In case the contracts has not been extended or foreign manufacturers may appoint other distributors in Thailand to replace the Company,

the Company may not be able to supply such products or the competitive levels could be higher, which may affect the Company's performance.

In 2015, the Company's revenue generated from sales of the products that the Company has been appointed as a distributor in Thailand represents 57.2% of all sales. The management believes in strong relationship the Company have with partners who appointed the Company to be the sole distributor for over 10 years. Throughout the years of good relationship, the Company complied with terms and conditions agreed in the contracts and generate sales growth of the products we are appointed as the distributor. So the Company has continuously gained the trust from the partners to get contract renewals as the exclusive distributor. The management is confident that the risk of the distributor agreement not being renewed is low.

The Company may have risk of the counterparties who are manufacturers take over distributing and marketing role in Thailand without appointing the Company as a distributor. However, the implementation processes require the investment for building a network of sales and distribution channels. Also, distributing raw materials, ingredients and food chemical products requires skill to approach customers in highly competitive industries because the food industrial and food service customers are located around the country. Even for the consumer food products, it requires expertise in marketing and distributing the products to consumer nationwide.

In case of contract termination, the party who grants the right shall send a written agreement to notify the Company 3-6 months in advance. The management believes that with experience and expertise in sourcing raw materials, food ingredients and industrial chemicals product, along with the ability to supply food products to consumers from worldwide manufacturers, the Company can find substitute products to replace the former manufacturers, if the Company cannot get a contract renewed. The Company believed that finding new products can be done before the time the Company has to deliver goods to customers. However, the Company has never been terminated any distributor's agreement.

In 2015, the Company purchased goods from approximate 67 foreign manufacturers. The order from one major foreign manufacturer was 24.7% of purchased value. Of which, the Company got the rights to be a sole distributor in Thailand for over 10 years. The statistical data in 2015 shows there is no order from any single manufacturer worth more than 30 percent of the overall orders; therefore, the Company believes that the amount of the order is not significantly being confined to only one foreign manufacturer.

- **Risk of the customers directly purchase products from foreign manufacturers.**

The Company's nature of business is to distribute imported products. The main income of being distributor is from distribution fees and other related incomes such as commission. When customers with high volume orders would like to have more control over their cost and foreign exchange, the customers will buy products directly from foreign manufacturers. The Company will provide support, coordinate the documentation process, and follow up shipment including tracking ship transportation, tracking shipping routes to Thailand and fix problems caused by imported goods until the goods are delivered to the customer. However, the Company is entitled as an exclusive distributor from the foreign manufacturers of such goods. When customers purchase directly from the manufacturer overseas, the manufacturer will pay a commission to the Company as a distributor of the product. In the future, if most customers of the

Company buy products directly from the manufacturer overseas it may affect the profitability of the Company, because the income from the commission is lower than the income from reselling.

If the customers directly import from foreign manufacturers, the customer will have more obligations as a food importer. They will need to follow the FDA registration processes with the Food and Drug Administration (FDA), and customs clearance process which are complicated and time consuming. Besides, the process of obtaining FDA registration and customs clearance services are specific and require personnel with experience and skills, which is different from the core business of the customers. The food manufacturer may not have designated division or they may have a division without sufficient expertise to perform such contacts with government agencies. Moreover, the duration of the registration to the Food and Drug Administration will take certain amount of time before importing products each time, which may result in longer lead time comparing with ordering from the Company.

In addition, direct importing from overseas producers is not a core business of food services customers and retailers as the procedures are complicated and may not worth when comparing to the profit they get from distributing imported products. So the Company is very confident that the majority of the Company's customers will keep ordering the import goods from the Company.

- **Risk of expired products**

All of the Company's products are associated with food which has limited shelf life. Normally, all products are mainly aged between 1-3 years; the quality of the product is directly correlated with the age of the product. The Company has the risk that the product will expire before it can be sold. Therefore, the Company must carry provision for allowance of obsolete and outdated, which will affect the results of the Company's performance. Moreover, the distribution of expired product may affect the Company's reputation.

The Company is well aware of the risk of expired products which affects the business performance both the image and the losses incurred. Therefore, the Company focuses on systems and measures to control the product's shelf life before the distribution and delivery to individual customers starting from the origin to the destination, which depend on the age of the product in each product group. For consumer food products that are sold in modern trade and traditional trade, the Company set the policy to control the inventory's shelf life to be not less than 3 months before the expiration date of the product. The Company regularly assigns product consultants (PC) to check the expiry date of the products in stores to control product quality to be in line with the Company's policy.

For raw materials, ingredients and food chemicals, the Company has policy to control product life cycle to be in accordance with purchasing lead time. In order to sell a product each time, Sales department will forecast import duration and the length of time expected to be sold and delivered to customers in order to maintain the age of products to be suitable for processing and consumption. The Company stores products according to the products' shelf life and use First-in First-out (FIFO) system to deliver products to customers. Stocks and quality checking are conducted every month to ensure only quality products are delivered to customers.

In case that the Company has products that have less than 25 percent shelf life, the following procedure will be taken:

1. For Industrial products, Sales Department will offer a special discount to customers to clear all stock before the product expires.
2. For Consumer Food products, the Company will do special promotions for short shelf life product at point of sale such as Buy 1 Get 1 Free, special discount, premium giveaway and bring products to sell directly to consumers in the special event and road show.

Throughout 30 years of the Company's operation, the Company has never been sued by consumers on the matter of expired products.

Along with the mentioned measurement to guarantee product's quality, the Company implements a 100% provision for obsolete product that has shelf life less than 3 months. In 2015, the Company recorded a loss on expired goods of Baht 3 million or 0.2 percent of revenue from sales in 2015, reflecting the effectiveness of product management and the risk of such effect was low during these 3 years.

2. Financial Risk

- **Risk of exchange rates fluctuations**

The main products of the Company are imported from overseas manufacturer. The total imported order was 92.1% of the total purchase value in 2015. The main currency for payment is US Dollar which represented 91.6% percent of total imports in 2015, while the Company domestically sells the products using Thai Baht currency. As a consequence, the Company could be at risk from fluctuations in foreign currency exchange rates. When Thai Baht is weaker than US Dollar, the Company needs to pay more for goods which may affect the Company's cost of goods sold to increase. Meanwhile, if Thai Baht appreciates, it will lower the cost of products that the Company needs to pay.

However, to reduce the risk of foreign exchange rate fluctuations, the Company's financial transactions have been protected by foreign currency forward contracts every time the Company imports foreign goods. This way the Company can determine the cost of goods sold and to protect against fluctuations in exchange rates which will affect the results of operations of the Company. The forward contracts will be in the discretion of the management of the Company and in accordance with the authority level approved by the Board of Directors.

Forward exchange contract will help the Company determine the exact cost of goods sold and lower the impact of fluctuations in foreign currency exchange. However, the Company has no policy to speculate on the exchange rate.

In 2013, the Company recognized a gain on currency exchange of Baht 4.59 million and a loss of currency exchange of 1.2 million in 2014 respectively. In 2015, the Company recognized a gain on currency exchange of Baht 9.4 million which could not guarantee that the Company was able to manage profit with the forward contracts but depending on exchange rate fluctuation during making such contracts.

- **Risk of changes in interest rate**

The Company has credit facilities from financial institutions in trust receipts term loan. The Interest rates are Money market rate (MMR). The Company has the mentioned credit facilities as working capital for importing goods.

As of December 31, 2015, the total outstanding balance of trust receipts was Baht 79.6 million. Changes in interest rates could impact directly to the financial cost of the Company. An increase in the interest rate may lead to a higher financial cost and result in lower operating profit.

However, the Company had working capital management policy based on the capital structure of the Company. The source of funds was primarily from operating cash flow and equity. The Company has been able to generate positive cash flow from operations during the past 3 years. In 2015, the cash flow from operations was Baht 33.4 million.

3. Investment Risk and Shareholders' rights

- **Risk of reliance on the Company's management**

The earning of the Company over the past 30 years was a result of the experience and expertise of the Company's key executives in food industry, including Mr. Jane Wongisariyakul, Mrs. Vannaporn Wongisariyakul and Ms. Kanokpan Kreangkraikrissada. The Company's management has good relationships with customers and other partners. At present the mentioned key management team plays an important role in determining the policies and strategies. If the Company losses such key executives, whether by any reason, the Company may face management crisis which will affect the business operations of the Company.

Presently, the Company's management structure is in the form of Executive Committee consist of executives with direct industry experiences responsible in managing and decision making on important matters of the Company's operation.

The Company also set out its' policy to bring professional executives with expertise in the industry to participate in the Company. The Board of Directors has delegated its' power to the Executive Committee and top management such as Deputy Managing Directors, and managers. Moreover, the Company place importance on personnel development in all departments and create senses of ownership among employees to grow together with the Company. The Company offers its employees opportunities to make suggestions or propose plans beneficial to the Company as well as empower middle-range managers to be more involved in the management and decision making, which would bring efficient management system to the Company.

General Information

Company Name	: Winner Group Enterprise Public Company Limited
Business	: Importing, manufacturing and distributing raw material, ingredients and food additives for food industry and various food products to consumers
Head Office	: 43 Thai CC Tower, 21st Floor., Room 214-219 , South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Thailand
Registration Number	: 0107556000256
Telephone	: 0-2675-6525-31
Fax	: 0-2675-6544
Website	: www.winnergroup.co.th
Registered Capital	: 100,000,000 Baht Comprising 400,000,000 common shares of 0.25 Baht per share
Paid-up Capital	: 100,000,000 Baht Comprising 400,000,000 common shares of 0.25 Baht per share
Securities Registrar	: Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building, 93 Ratchadapisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok 10400 Telephone 0-2009-9000 (Call Center)
Auditor	: Bunchikij Co., Ltd. 87 Modern Town Building 9 th Floor, Ekamai Soi 3, Sukhumvit 63 Road, Klongton-nua, Wattana, Bangkok 10110 Telephone 0-2382-0414

Securities and Shareholder information

Registered and Paid-up Capital

The Company's registered and paid-up capital was 100,000,000 Baht consisting of 400,000,000 ordinary shares at the par value of 0.25 Baht.

Shareholders

Shareholders as of August 31, 2015 is as per the following.

Shareholder	No. of share	Percentage
1. Wongisariyakul Family^{1/}		
1.1 Mr. Jane Wongisariyakul	137,064,300	34.27%
1.2 Mrs. Vannaporn Wongisariyakul	35,100,000	8.78%
1.3 Miss Kanollas Wongisariyakul	15,600,000	3.90%
1.4 Miss Karatrat Wongisariyakul	15,600,000	3.90%
Total	203,364,300	50.84%
2. Rojchanavisart Family^{1/}		
2.1 Mr. Surapat Rojchanavisart	16,600,000	4.15%
2.2 Mr. Paveen Rojchanavisart	15,625,000	3.91%
2.3 Mr. Wanchai Rojchanavisart	780,000	0.20%
2.4 Mrs. Bonggoch Rojchanavisart	100,000	0.03%
2.5 Miss Unchalee Rojchanavisart	100,000	0.03%
2.6 Mr. Tawatchai Rojchanavisart	70,000	0.02%
Total	33,275,000	8.32%
3. Manatsathit Family^{1/}		
3.1 Mr. Anant Manatsathit	4,640,000	1.16%
3.2 Miss Chuntip Manatsathit	4,640,000	1.16%
3.3 Mr. Chakkaphant Manatsathit	4,624,400	1.16%
3.4 Mr. Sathaporn Manatsathit	4,449,900	1.11%
Total	18,354,300	4.59%
4. Tantanavivat Family^{1/}		
4.1 Mrs. Wilaiporn Tantanavivat	9,688,800	2.42%
4.2 Miss Phawadee Tantanavivat	1,200,000	0.30%
4.3 Miss Wiphawee Tantanavivat	1,200,000	0.30%
4.4 Miss Innapha Tantanavivat	1,200,000	0.30%
Total	13,288,800	3.32%
5. Miss Kanokpan Kreangkraikrissada	11,700,000	2.93%
6. Miss Pecharat Wareelertsap	8,000,000	2.00%

Shareholder	No. of share	Percentage
7. Mr. Pure Pusayapaibul	7,720,000	1.93%
8. Puripanyawanich Family^{1/}		
8.1 Mr. Thanapoom Puripanyawanich	6,697,000	1.67%
8.2 Mrs. Pawarat Puripanyawanich	11,000	0.003%
Total	6,708,000	1.68%
9. Tungpaiboonwanich Family^{1/}		
9.1 Mr. Wiwat Tungpaiboonwanich	3,655,200	0.91%
9.2 Mr. Chinvorn Tungpaiboonwanich	1,200,000	0.30%
9.3 Miss Chayapas Tungpaiboonwanich	1,200,000	0.30%
Total	6,055,200	1.51%
10. Limpikirati Family^{1/}		
10.1 Mr. Jakkrit Limpikirati	2,700,000	0.68%
10.2 Miss Sasipa Limpikirati	2,565,200	0.64%
Total	5,265,200	1.32%
11. Others	86,269,200	21.57%
Grand Total	400,000,000	100%

Remark : ^{1/} Shareholders grouped according to the surname of shareholders above does not be counted as shares held by related persons under Section 258 of Securities and Exchange Act.

Dividend Policy

The Company has established a Dividend Policy to its shareholders not less than 50% of its net profit after deduction of corporate income tax, all reserves subject to applicable laws and other relevant considerations. However, the dividend payout ratio may vary from the rate mentioned which is subject to the necessity to use fund in business operations, expansion plans and other relevant considerations.

The resolution of the Board of Directors to approve dividend payment is subject to the approval of shareholders for annual dividend, except interim dividend payment is subject to the approval of the Board of Directors and shall be reported and acknowledged by the shareholders in the next shareholders' meeting.

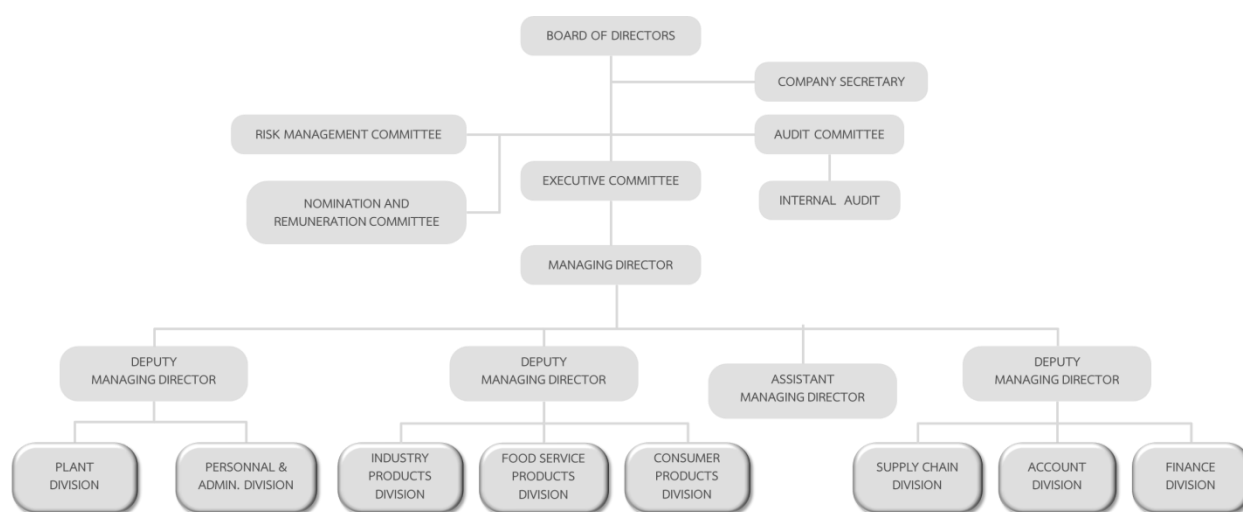
Dividend Payment from the Company's operating results during past 3 years as follows.

Description	2013	2014	2015
Dividend Payment (Baht per share)	0.17	0.16	0.20
- Interim Dividend	0.07	0.07	0.08
- Annual Dividend	0.10	0.09	0.12 ^{1/}
Dividend Payout (DPS/EPS)	81.35%	83.65%	89.91%

Remark : ^{1/} The Board of Directors Meeting No. 1/2016 on February 29, 2016 resolved to propose agenda of Dividend payment for 2015 to Annual General Meeting of Shareholders on April 20, 2016 to consider and approve the final dividend payment which will be 0.12 Baht per share while the interim dividend payment of September 9, 2015, of which 0.08 Baht per share. Total dividend payout for 2015 will be 0.20 Baht per share.

Management Structure

Organization Chart as at February 1, 2016



1. Board and Committee

The Company has 5 committees comprises of Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, and Nomination and Remuneration Committee

• Board of Directors

As of December 31, 2015, the Board of Directors comprised 9 directors. The names and meeting attendance of each member in 2015 were noted as follows:

Name	Type of Directors	Position	Meeting attendance in 2015 ^{1/}	
			Board of Directors	Shareholders
1. Mr. Prakarn Tawisuwan	Independent Director	Chairman of the Board	4/4	1/1
2. Mr. Jane Wongisariyakul	Authorized Director Executive Director	Director	4/4	1/1
3. Mrs. Vannaporn Wongisariyakul	Authorized Director Executive Director	Director	4/4	1/1
4. Ms. Kanokpan Kreangkraikrissada	Authorized Director Executive Director	Director	4/4	1/1
5. Ms. Kanollas Wongisariyakul	Authorized Director Executive Director	Director	4/4	1/1
6. Mrs. Wilaiporn Tantanavivat	Non-executive Director	Director	4/4	1/1
7. Mr. Surapat Rojchanavisart	Non-executive Director	Director	4/4	1/1
8. Dr. Warunee Varanyanond	Independent Director	Director	3/4	1/1
9. Ms. Thipawan Uthaisang	Independent Director	Director	4/4	1/1

Remark: ^{1/} Show the number of times of attendance/number of meetings.

The following table show number of shares held by all directors and the management during 2014 and 2015. These figures include the number of shares held by spouse, immature children and related parties, according to Section 258 of the Securities and Exchange Act B.E. 2535 (1992) as follows.

Name	Number of Shares Holding as of August 29, 2014	Number of Shares Holding as of August 31, 2015	Number of Shares Change Increase / (Decrease)
1. Mr. Prakarn Tawisuwan	-	-	-
2. Mr. Jane Wongisariyakul	136,126,700	137,064,300	937,600
3. Mrs. Vannaporn Wongisariyakul	35,100,000	35,100,000	-
4. Ms. Kanokpan Kreangkraikrissada	11,700,000	11,700,000	-
5. Ms. Kanollas Wongisariyakul	15,600,000	15,600,000	-
6. Mrs. Wilaiporn Tantanavivat	9,688,800	9,688,800	-
7. Mr. Surapat Rojchanavisart	17,100,000	16,600,000	(500,000)
8. Dr. Warunee Varanyanond	-	-	-
9. Ms. Thipawan Uthaisang	-	-	-
10. Mr. Kritsada Sirirojana	-	-	-
11. Mr. Chakrit Srikao	-	-	-
12. Mrs. Suwannee Kongkitkul	-	-	-
13. Ms. Prapasiri Pisitsangkakarn	-	-	-
14. Ms. Pornpimon Thanapothivirat ^{1/}	-	-	-

Remark: ^{1/} Ms. Pornpimon Thanapothivirat has been appointed as Consumer Products Manager since January 12, 2015

Directors with signing authority on behalf of the Company

Two of four from Mr. Jane Wongisariyakul or Mrs. Vannaporn Wongisariyakul or Ms. Kanokpan Kreangkraikrissada or Ms. Kanollas Wongisariyakul have to co-sign company document with a company's seal.

Term of directorship

At every Annual General Meeting, at least one-third (1/3) of the directors, or if their number is not a multiple of three, then the number nearest to one-third (1/3) must retire from office. The director to retire during the first and the second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall retire, however, A retiring director is eligible for re-election.

Authorities and responsibilities of the Board of Directors

The resolution of the Board of Directors' meeting No. 4/ 2014 on November 11, 2014 determined the scope of authority of the Board of Directors as follows;

Authorities and responsibilities of the Chairman of the Board of Directors

1. To act as the chief of the Board of Directors having duties and responsibilities to supervise, follow up and monitor the due performance of the Board of Directors and other sub-committees to achieve the business objective and plans

2. To act as the chairman at the meeting of the Board of Directors and to cast the vote in case of equality of votes;
3. To act as the chairman at the shareholders meetings and conduct the meeting according to the sequence of the agenda stipulated in the notice calling for the meeting;
4. To strengthen corporate governance of the Board of Directors.

Authorities and responsibilities of the Board of Directors

1. To have power and duties and responsibilities in the management of the Company in accordance with the law, the Company's objectives and Articles of Association, and the resolutions of the general meeting of shareholders by the philosophy of "Best Practices for Directors of Listed Companies" according to The Stock Exchange of Thailand (SET).
2. To arrange to have a balance sheet and income statement of the Company as at the end of the accounting period of the company and shall be audited by the auditor and present to the shareholders for approval.
3. To set vision, mission, goals, policies, operations plan, budgets and policies for risk management, adequate system of internal control including review and amend as appropriate at least once every 5 years.
4. To monitor and supervise administration and management of the executive to comply with the set policies, plans and budget efficiently and effectively including fixing remuneration and reviewing the succession plan.
5. To oversee the Company to be in compliance with the law regarding securities and SET, the notification of the Capital Market, and the requirements of SET such as related transaction and the acquisition or disposition of significant assets or the laws relating to the business of the Company.
6. To determine the management structure and use power to appoint the Executive Committee, Managing Director and other committees as appropriate, including defining the scope of authority of the Executive Committee, managing director and various committees appointed. The scope of authority shall not authorize the manner of the Executive Committee, Managing Director and various committees to be able to approve transactions that may have conflict of interests between the Company and other companies or subsidiaries (if any), unless the approval is in accordance with the policies and guidelines and approved by the Board.
7. To prepare an annual report of the board and responsible for the preparation and disclosure of financial statements to reflect the financial position and results of operations of the past year and presented to the shareholders for approval.
8. The Board may authorize one director or more or any other person(s) to act as the Board under the control of the Board of Directors or may delegate to such person to have authority as the Board deems appropriate within the time period under the Board's discretion. The Board may revoke, change or modify the authorization when see appropriate. However, the authorization shall not possess to make such individuals to be able to approve the transaction that the person or other may have conflict or interest and personal gain or may have a conflict of interest in any other way with the Company or its subsidiaries (if any) as defined in the Regulations of the Capital Market

and/or SET and/or any announcement of the entities involved unless the approval is in accordance with the policies and guidelines and approved by the Board.

9. To appoint a company secretary to be responsible for various matters on behalf of the Company or the Directors, such as the register of directors, notice of the Board of Directors Meeting, notice of the Shareholders Meeting.

- **Sub - committees**

As of December 31, 2015, the Company comprised 4 committee. The names and meeting attendance of each member in 2015 were noted as follows:

Name	Position	Meeting Attendance in 2015 ^{1/}			
		Audit Committee ^{2/}	Executive Committee	RMC ^{3/}	NRC ^{4/}
1. Mr. Prakarn Tawisuwan	Chairman of Audit Committee	4/4	-	-	-
2. Mr. Jane Wongisariyakul	Chairman of Executive Committee Chairman of RMC	-	9/9	4/4	-
3. Mrs. Vannaporn Wongisariyakul	Member of Executive Committee Member of RMC	-	9/9	4/4	-
4. Ms. Kanokpan Kreangkraikrissada	Member of Executive Committee Member of RMC	-	9/9	4/4	-
5. Ms. Kanollas Wongisariyakul	Member of Executive Committee Member of RMC	-	9/9	4/4	-
6. Ms. Thipawan Uthaisang ^{5/}	Member of Audit Committee Chairman of NRC	4/4	-	-	1/1
7. Dr. Warunee Varayanond	Member of Audit Committee Member of NRC	3/4	-	-	1/1
8. Mrs. Wilaiorn Tantanavivat	Member of NRC	-	-	-	1/1
9. Ms. Prapasiri Pisitsangkakarn	Member of RMC	-	-	4/4	-

Remark: ^{1/} Meeting attendance / no. of attending meeting

^{2/} All members of the Audit Committee are independent directors. The Secretary of the Audit Committee is Miss Piyamas Ruangsaengrob who is from the third party, Honor Audit and Advisory Co., Ltd. hired by the Company to serve as Secretary of the Audit Committee.

^{3/} RMC refers to Risk Management Committee.

^{4/} NRC refers to Nomination and Remuneration Committee.

^{5/} Ms. Thipawan Uthaisang is an Audit Committee Member with sufficient knowledge and experience to serve on the review of the reliability of the financial statements.

Authorities and responsibilities of the Audit Committee

Approved by the Board of Directors Meeting No. 4/2014 on November 11, 2014 the authorities and responsibilities of the audit committee are as follows:

1. To review financial reports to ensure the accuracy, completeness and reliability including the disclosure of adequate information by coordinating with the external auditors and the executives responsible for the preparation of financial reports quarterly and annual, and disclose information related to the Company sufficiently before submission to the Board of Directors.

2. To review internal control system and internal audit system of the Company to be appropriate and effective, and consider the independence of the internal audit department. As well as to approve the appointment, transfer or dismissal of the chief internal audit unit or any other agency responsible for internal audit, and may suggest the auditor to review or examine any items that are necessary and important during the audit of the Company, and may suggest about how to improve the system of internal control if see important and necessary to the Board of Directors by coordinating with external auditors and head of internal audit or the third party audit company.
3. To ensure legal compliance with the regulations of SEC or SET includes policies, regulations and other laws relating to the Company's business.
4. To consider, select and nominate an independent person to act as auditor of the Company, including the remuneration of the auditors of the Company to propose to the shareholders' meeting for approval. As well as coordinate with the auditors about the purpose of performing audit scope, approach, plans and problems found during the inspection and issue that an auditor may see important, and attend meetings with the external auditors without management in attendance with at least 1 time per year.
5. To consider the disclosure of the Company in case of any transaction or items may have a conflict of interest, to have accurate and complete information in accordance with the laws and regulations of SET including the disclosure of the transaction correctly in order to ensure that they are reasonable and beneficial to the Company.
6. To ensure the Company to have appropriate and efficient risk management system.
7. To reports the performance of the Audit Committee to the Board of Directors at least 4 times a year.
8. To perform duties, the Audit Committee has the authority to request related management or employees of the Company to comments or send documents as relevant or necessary.
9. To have the power or authority to hire independent consultants of the Company to make comments or give advice as necessary.
10. To prepare a report on the Corporate Governance by the Audit Committee and disclose in the annual report of the Company. Such report must be signed by the Chairman of the Audit Committee and must contain at least the following:
 - Comments on the accuracy, completeness and reliability of the financial reports of the Company
 - Comments on the adequacy of internal controls of the Company
 - Comments on compliance with SEC, regulations of SET or any other laws relating to the business of the Company
 - Comments on the suitability of an auditor
 - Comment on the transactions that may have conflict of interests
 - Comments on number of meetings of the Audit Committee and attendance of each Audit Committee member
 - Comments or overall remarks overall that the Audit Committee has performed its duties under the Charter
 - Other items that Shareholders and investors should be notified under the scope of duties and responsibilities assigned by the Board of Directors.

11. To self-evaluate the performance and report the assessment results and operational problems that could cause the operation not to achieve the purpose of the establishment of the Audit Committee to the Board of Directors every year.
12. To perform other tasks as assigned within the scope of duties and responsibilities of the Audit Committee. In order to perform such duties, the Audit Committee is directly responsible to the Board of Directors. And the Board of Directors continues to have responsibility for the operations of the Company to outside parties.
13. When the Audit Committee performs their duties, if there are any questions of transactions or actions that may have significant impact on the financial position and results of operations of the Company, the Audit Committee shall report to the Board of Directors of the Company for rectification within the period the Audit Committee deems appropriate. The transactions or actions that may have significant impact are as follows:
 - Items of a conflict of interest.
 - Fraud or irregularity or significant deficiencies in internal control system.
 - Violation of the regulations of SEC and SET or The laws relating to the business of the Company.
14. If the Board of Directors or management fails to make a rectification within the period above, any member of the Audit Committee may report such transaction or action to SEC or SET.

Authorities and responsibilities of the Executive Committee

Approved by the Board of Directors Meeting No. 4/2014 on November 11, 2014 the authorities and responsibilities of the executive committee are as follows:

1. To run the business and affairs of the Company according to the objectives, articles of association, policies, rules and regulations, orders and resolutions of the Board of Directors and/or resolutions of the shareholders of the Company.
2. To consider proposals of the management, set organizational structure, policy, direction, strategy of business operations of the Company, expansion plan, financial and budget plan, human resource management and Information Technology investment to present to the Board of Directors for consideration and approval.
3. To appoint a subcommittee and/or a working group to be responsible for the operation or management of the Company, and determine the scope of the authority and responsibilities of the subcommittee, and/or working group including supervising the operation of the subcommittee, and/or the appointed working group according to the Company's policies and targets.
4. To monitor the performance of the Company to be in accordance with the Board's policy and targets defined and supervise the implementation of quality and performance
5. To consider the allocation of the annual budget proposed by the administration prior to presentation to the Board for consideration and approval.
6. To have the power to approve the cost of normal business operations of the Company. Each item shall not exceed Baht 40 million, but less than the budget approved by the Board of Directors. To approve major capital expenditures defined in the annual budget according to the Board of Directors or by the Board of Directors has been approved in principle.

7. To have the power to approve any acquisition of credit or loan of the Company, each item shall not exceed Baht 40 million and in case it needs the property of the Company as collateral, it shall be presented for approval by the Board of Directors.
8. To consider contract processing and signing related to the normal business operations of the Company. Each item shall not exceed Baht 40 million, but less than the budget approved by the Board.
9. To determine the organizational structure, the Corporate Management including appointment, hiring, assignment, transferring, employment termination, compensation and remuneration, bonuses for executive staff from the Managing Director or equivalent, except for the Managing Director.
10. To have power to authorize an attorney (s) for an operation under the control of the Executive Committee, or delegate to such persons to be authorized by the Board of Directors deems appropriate within the time period the Executive Committee deems appropriate. The Executive Committee may revoke or amend the attorney or the authorization as see appropriate.
11. To carry out any operations according to the assignment from the Board of Directors from time to time.

Nevertheless, the delegation of the authorization and responsibilities of the Executive Board shall not appear to be the authorization or the Sub-authorization to an attorney that may have conflict of interests or gain with the Company and/or its subsidiaries and/or related companies (As defined by the Notification of the Capital Market and/or related organization). The Executive Committee has no power to authorize such action on the matter and it has to be submitted to the Board of Directors and/or shareholders' Meeting (as applicable) for approval. Unless the approval is in accordance with normal business and normal commercial terms which is required by the Capital Market Supervisory Board and or SET and /or the relevant organizations.

Authorities and responsibilities of the Risk Management Committee

The resolution of the Meeting of the Board of Directors No. 4/ 2014 on November 11, 2014 determines the scope of authority of the Risk Management Committee as follows.

1. To assess any potential risks and effects trends to have on the organization.
2. To determine risk management policies to cover any risks in administration to present to the Board of Directors.
3. To have the power to appoint a risk management team as necessary.
4. To monitor the implementation of risk management as well as analyze, evaluate, track and report systematically.
5. To report risks and suggestions for risks managing to the Board of Directors.
6. To perform other duties assigned by the Board of Directors from time to time.

Authorities and responsibilities of the Nomination and Remuneration Committee

The resolution of the Board of Directors' Meeting No. 4/2014 on November 11, 2014 defining the scope of authority of the Nomination and Remuneration Committee are as follows:

Nomination

1. Setting guidelines of nominating Board of Directors and other Committee members by considering what would be the appropriate structure, number and composition of members and outlining recruitment method as appropriate.
2. Searching, selecting and proposing appropriate persons to assume the position of the Company's Directors, Executive Directors, Senior Executive of the Company and its subsidiaries.
3. Scrutinizing the name list of nominators and checking personal information and qualifications of the nominators according to the laws and the regulations of the organization the nominator is from and present to the Board for consideration.
4. Approaching and interviewing the nominators who are selected by the Board of Directors to ensure that such individuals are willing to accept the position.
5. Considering the performance, qualifications and suitability of directors who retired as the term has ended and deserves the re-election and present to the Board of Directors to consider the approval, and present at a meeting of shareholders to appoint for the re-election as Directors.
6. Considering the appropriateness to be directors of the company in case there are any changes associated with the qualifications of Directors.
7. Providing orientation for new directors and develop knowledge to current directors.
8. Planning for succession of senior management.
9. Performing other duties assigned by the Board of Directors.

Remuneration

1. Formulating and preparing of the remuneration policy in written format.
2. Proposing guidelines and procedures for the payment of remuneration to the Board of Directors and other sub-committees in which the Board of Directors appointed.
3. Approving compensation form, criteria and the value of compensation for both salary and other benefits paid to Directors, Executive Committee, senior management and consultants for Executive level of the Company and its subsidiaries individually.
4. Defining criteria for evaluation of the Managing Director and presenting to the Board for consideration and approval.

2. Management

As of December 31, 2015, the management comprises of 9 members:

Name	Position
1. Mr. Jane Wongisariyakul	Managing Director
2. Mrs. Vannaporn Wongisariyakul	Deputy Managing Director
3. Ms. Kanokpan Kreangkraikrissada ^{1/}	Deputy Managing Director / Acting Food Service Product Manager
4. Ms. Kanollas Wongisariyakul	Deputy Managing Director / Acting Finance Manager
5. Mr. Nitus Tungsangprateep ^{2/}	Assistant Managing Director
6. Mr. Krissada Sirirojana	Personnel & Admin. Manager

Name	Position
7. Mr. Chakrit Srikao	Plant Manager
8. Ms. Wanida San-Aree ^{3/}	Industry Product Manager
9. Mrs. Suwannee Kongkitkul	Industry Product Manager
10. Mr. Kijja Thanadkit ^{4/}	Food Service Product Manager
11. Ms. Pornpimon Thanapothivirat ^{5/}	Consumer Product Manager
12. Ms. Prapasiri Pisitsangkarn	Accounting Manager

Remark: ^{1/} Ms. Kanokpan Kreangkraikrissada acted as Acting Food Service Sales Manager since December 1, 2015

^{2/} Mr. Nitus Tungsangprateep was appointed to Assistant Managing Director on June 16, 2015 and resigned with effective on September 1, 2016.

^{3/} Ms. Wanida San-Aree resigned from Industry Sales Manager with effective on May 1, 2015

^{4/} Mr. Kijja Thanadkit was appointed to Food Service Sales Manager on May 5, 2015 and resigned with effective on December 1, 2015

^{5/} Ms. Pornpimon Thanapothivirat was appointed to Consumer Product Manager on January 12, 2015

Authorities and responsibilities of the Managing Director

The resolutions of the Board of Directors Meeting No. 4/ 2014 on November 11, 2014 determine the scope of authority of the Managing Director as follows:

1. Taking care, managing, and operating normal business operations for the benefit of the Company according to its objectives and articles of association including regulations, resolutions, policies, plans and budgets approved by the Board of Directors and/or the general meeting of shareholders under related laws and the authority assigned by the Board of Directors.
2. Supervising the operations and/or daily administration of the Company.
3. Preparing and presenting business policy, business plans, goals, operational plans, business strategy, annual budget, and annual report and setting the management authority to present to the Executive Committee and the Board of Directors of the Company.
4. Adopting the policies of the Board of Directors to determine the direction, methods, strategies and business goals to define the core mission for management to implement.
5. Monitoring the implementation of the management and offer guidance to fix their problems for the management and operations team to implement according to strategic and business plans in order to comply with company policy.
6. Monitoring and evaluating the implementation of the management and reporting of management performance, implementation progress to the Board of Directors, the Audit Committee and the Board of Directors regularly.
7. Having the authority to approve the cost of the Company's normal business operations, such as purchasing a property, spending an important investment for the benefit of the Company, and processing another transaction for the benefit of the Company. The approval authority is the approval of normal trade. The total amount of each transaction shall not exceed Baht 20 million but not more than the budget approved by the Board.
8. Considering contract signing on normal business operations of the Company. Each transaction shall not exceed Baht 20 million but not more than the budget approved by the Board of Directors.
9. Performing other duties as assigned by the Executive Committee or Board of Directors.

For any action that the Managing Director or appointee of the Managing Director or individuals who may have a conflict (As defined by the Notification of the Capital Market and/or SET and/or associated entities) or have interest or a conflict of interest with the Company and/or its subsidiaries and/or related company, The Managing Director has no authority to act in the matter. The matter will be submitted to the meeting of the Board of Directors and/or shareholder (as applicable) for approval, unless the approval is in accordance with normal business and normal commercial terms which are required by the Capital Market Supervisory Board and/or SET and/or the relevant regulations.

3. Company Secretary

The Board of Directors has appointed Ms. Kavida Wassanaruangdej as the Company Secretary since August 13, 2015. The qualification of the position of Company Secretary is in Enclosure 1 of Form 56-1.

Duties and responsibilities of company secretary

The company secretary shall perform his or her duties in accordance with section 89/15 and section 89/16 of Securities and Exchange Act (No.4) B.E. 2551, which come into force on August 31, 2008. The company secretary shall perform his or her duties with responsibilities, care, honesty and in compliance with laws, Article of Association and Objective of the Company, resolution of the Board of Director, and resolution of the shareholders' meeting. In performing this duty, the Company Secretary has the following duties and responsibilities:

1. Preparing and keeping the following documents of the Company:
 - a. Register of the Company's directors
 - b. Meeting notification letter and minutes of the Board of Directors meeting including annual report
 - c. Meeting notification letter and minutes of the shareholders meeting.
2. Keep reports on stake holding submitted by directors or executives according to section 89/14 and submit to the chairman of the board and chairman of Audit Committee within 7 working days from the date receiving such report by the Company.
3. Perform other duties as specified by the Capital Markets Supervisory Board.

Additionally, the company secretary has duties assigned by the Company (or the board) as follows:

- Provide preliminary advice and recommendations pertaining to legal, regulatory, and governance issues and practices related to the Board and Board Committees.
- Organize the meetings of Shareholders, the Board of Directors.
- Liaise with regulatory agencies such as the Stock Exchange of Thailand and be responsible for the disclosure and report information to the public and regulatory agencies with accuracy, complete and in accordance with laws.
- Arrange new director orientation.
- Perform other duties as assigned by the Company.

4. Remuneration of Directors and Executives

1) Monetary remuneration

The Nomination and Remuneration Committee has considered the remuneration of directors and sub-committees to ensure that it is commensurate with each member's responsibility and aligned with the same industry and companies of a similar size. The remuneration of directors and sub-committees shall be proposed the Shareholders to consider and approve every year.

- **Directors' remuneration**

In 2013 and 2014, the Company has paid remuneration to 5 directors as the meeting attendance allowance for the total amount of Baht 382,500 and Baht 1,006,000 respectively.

In 2015, the Company has paid remuneration to Directors and sub-committees with a total amount of Baht 1,006,000 to non-executive directors only (exclude remuneration of executive directors in the form of salary), which is not exceeding Baht 2,000,000 as per approval by the Annual General Meeting of Shareholder 2015 comprise of annual remuneration and meeting allowance as per the following details:

Details of remuneration of directors and sub-committees

Director	Monetary Remuneration (Baht)	
	Annual Remuneration (Baht/person)	Meeting Allowance (Baht/person/attendance)
Board of Director		
- Chairman	-	15,000
- Executive Director	-	-
- Non-Executive Director	-	7,500
- Independent Director	-	7,500
Audit Committee		
- Chairman	150,000	15,000
- Member	100,000	12,000
Nomination and Remuneration Committee		
- Chairman	-	10,000
- Member	-	7,500

The Remuneration of the Company's Directors in 2015 are as follows:

Name	Position	Remuneration (Baht) ^{1/}			
		Board of Directors	Audit Committee	NRC ^{2/}	Total
1. Mr. Prakarn Tawisuwan	Chairman of the Board Chairman of Audit Committee	60,000	210,000	-	270,000
2. Mr. Jane Wongisariyakul	Executive Director	-	-	-	-
3. Mrs. Vannaporn Wongisariyakul	Executive Director	-	-	-	-
4. Miss Kanokpan Kreangkraikrissada	Executive Director	-	-	-	-
5. Miss Kanollas Wongisariyakul	Executive Director	-	-	-	-
6. Mrs. Wilaiporn Tantanavivat	Non-Executive Director Member of NRC	30,000	-	7,500	37,500
7. Mr. Surapat Rojchanavisart	Non-Executive Director	30,000	-	-	30,000
8. Dr. Warunee Varanyanond	Independent Director Member of Audit Committee Member of NRC	22,500	136,000	7,500	166,000
9. Ms. Thipawan Uthaisang	Independent Director Member of Audit Committee Chairman of NRC	30,000	148,000	10,000	188,000
Total		172,500	494,000	25,000	691,500

Remark: ^{1/} Sub-committees refers to Audit Committee and Nomination and Remuneration Committee which are only applicable to have remuneration

^{2/} NRC refers to Nomination and Remuneration Committee

- **Executives and Management's remuneration**

In 2013 and 2014 the Company has paid remuneration to Directors and Executives with a total amount of Baht 26.8 million and Baht 18.8 million respectively. In 2015 the Company has paid remuneration to 11 Directors and Executives with a total amount of Baht 22.8 million. Such remuneration was paid as compensation in the form of salary and bonus.

2) Other Remuneration

- **Other Remunerations for Directors**

-None-

- **Other Remuneration for Executives**

Executives can attend provident fund that Winners Group Enterprise Public Company Limited established. The Company shall contributed 3-5 percent of salaries of executives into the fund, and the executive shall pay contributions into a fund at the rate of 3-5 percent of the salary of the individual executive. Additionally, the Company offers other benefits to management positions, such as Social Security Fund, vehicles, budget for gas fee and the cost of travel, life insurance premium and phone fee, etc.

5. Personnel and Training

1) Number of employees (excluding executives)

As of December 31, 2013 to 2015, the Company deployed a total of 273 persons, 263 persons and 258 persons respectively. The deployment can be defined as follows:

Division	No. of employees		
	As of December 31, 2013	As of December 31, 2014	As of December 31, 2015
General Management	2	2	2
Factory	82	71	68
HR and Administration	13	13	12
Industry Product	10	11	12
Food Service Product	16	17	22
Consumer Product	54	60	70
Supply chain	49	53	52
Accounting	10	11	11
Finance	9	10	9
Business Development ^{1/}	28	15	-
Total	273	263	258

Remark: ^{1/} In 2015, Delice in Business Development was relocated to under supervision of Consumer Product.

2) Major labor dispute in the past 3 years

-None-

6. Personnel compensation

1) Total employee compensation

In 2013, 2014 and 2015, the Company has paid compensation to employees in many ways including salaries, bonuses, overtime pay and other remuneration totaling Baht 77.4 million, Baht 87.8 million and Baht 90.1 million respectively.

2) Provident fund

The Company has set up the provident fund according to the Provident Fund Act 1987 (including the amendment) in which the Company paid 3-5% of the salaries of the employees who contribute to the provident fund and the employees pay the contributions of 3-5% of each employee's salary starting from April 1, 2006.

3) Personnel Development Policy

The company recognizes that efficient workforce is a key factor to the success of the organization according to the goals of the company that focuses on the development of human resources which are important resources of the Company. The Company has decided to promote the continuous

development of human resources for employees with knowledge, expertise and the increased ability to work, so the employees can maintain and improve their ability to develop the necessary capabilities to create a higher level of performance continuously.

To support employees to be most efficient, the Company has been planning the annual training and field trips (both domestic and international trip) to employees as necessary and appropriate to enhance job skills to meet the responsibility of the each employee level. The Company added extra curriculum to maximize the potential of personnel. The managers of each division shall propose the training plans and budgets to the responsible Executives of line of command which should be Deputy Managing Director. The training that the Company prepares for the employee shall focus on developing the personnel performance effectively and helps encourage employees to have advance opportunity for their careers and continuously grow with the organization in the future.

In 2015, the Company's Executives and staff participated in total of 84 curriculums which classified internal training for 20 curriculums and external training for 64 curriculums. Average of training per hour equaled to 22.92 hours per head per year.

Good Corporate Governance

The Company, through its directors, executives, and staff, commits and adheres to good corporate governance principles in operating the Company, and regards good corporate governance principles as an important factor in promoting the overall success of the Company as a social responsibility organization.

1. Good Corporate Governance Policy

The Board of Directors has adopted the good corporate governance policy since 2012 and reviews the policy and practice annually. In 2014, the Board of Directors revised the policy to comply with the “Principles of Good Corporate Governance for Listed Companies (2012)” by the Stock Exchange of Thailand and criteria of the Thai Institute of Directors Survey.

In 2015, “Chapter 2: Business ethics” is out from “Code of conduct” as the reason of creating more clear description into one book of Code of Conduct, the Board of Directors amended such description.

For “Chapter 1: Good corporate governance policy will classify into 5 categories (previously have 4 categories) as the reason to make relevant context with the “Principles of Good Corporate Governance for Listed Companies (2012)” while main context still be existing. Interest persons are able to view full version of Good Corporate Governance Policy at www.winnergroup.co.th

The policy has been communicated to directors, executives and employees to create awareness of good corporate governance principle and practice. The Board of Directors has also introduced report channels to receive complaints in case of any violation of the laws, regulations, code of conduct and practices of the Company including protective measure for the whistleblower (Whistleblower Policy). In 2015 the Company has implemented and complied with the policy as follows:

Section 1 : Rights of shareholders

- ✓ There was no action taken that may deprive the rights of shareholders either majority and minority shareholders or both Thai and foreign shareholders.
- ✓ The Company complied with the policy on promoting and facilitating the exercise of shareholders' rights as follows.

Before the meeting date

- ▶ The Company allowed the shareholders to propose meeting agenda in advance before the annual general meeting specifying the clear rules and procedures disclosed on the website of the Company and notifying to the Stock Exchange of Thailand from December 23, 2014 to February 17, 2015. but none of the agenda was proposed by a shareholder.
- ▶ The Company disclosed notice of the Shareholders' Meeting and related documents onto the Company's website 32 days prior to the meeting date and delivered the notification to the shareholders 22 days prior to the meeting date.
- ▶ The invitation letter and meeting agenda contain sufficient details.

On the meeting date

- ▶ For the convenience of the shareholders, the Annual General Meeting of Shareholders 1/2015 held on Wednesday, April 22, 2015 during 10.00 - 12.00 hours at Lotus Room, Queen Sirikit National Convention Center. The Company also provided adequate staff and technology.
- ▶ At the beginning of the meeting, the Company explained rules of procedure for the meeting as well as voting process. The registration and vote counting was made by barcode system using ballot tickets in all agenda items. For the appointment of directors, the shareholders can cast their votes for any particular director or for all directors proposed. There were representative from Bunchikij Company Limited and Well-Versed Law Office Limited attended as independent inspectors who observed vote counting, which were announced to the meeting and recorded in the minutes of the meeting.
- ▶ The Company conducted the meeting by each agenda in order as notified in the notice of the meeting without any additional agenda.
- ▶ The Company allowed shareholders to fully make inquiries, express opinions and give recommendations. In this respect, the chairman of the Board, the chairman of the subcommittee and top managements attended the meeting to answer any shareholders questions.
- ▶ The Company allowed shareholders to appoint an independent director or a person as proxy for the meeting

After the meeting

- ▶ The Company disclosed the resolution of the shareholders with voting results in the evening on April 22, 2015 by informing to the Stock Exchange of Thailand and disclosed onto the Company's website.
- ▶ The minutes of the meeting recorded complete information were prepared within 14 days from the meeting date and submitted to the relevant authorities within a time limited and published on the Company's website, to allow shareholder and persons involved to examine.

Section 2 : Equitable treatment of shareholders

- ✓ The Company complied with the policy to promote meeting agenda for shareholders and to protect minority shareholders' rights
 - ▶ Take opportunity to shareholders to propose meeting agenda in advance, clarify on relevant meeting regulation, disclose news to the Stock Exchange of Thailand and post on Company's website.
 - ▶ Produce notification letters for an invitation to Annual General Meeting of Shareholders (AGM) in Thai and English versions to facilitate foreign shareholders by scheduling meeting date, meeting agenda, Board of Directors' opinions as well as disclosure news to the Stock Exchange of Thailand and post on Company's website at least 30 days prior to the AGM meeting date.
 - ▶ Inform shareholders for the meeting procedures and regulation including registration process, proxy and voting. By the agenda of nomination of directors, the Company opens shareholders to nominate each director.

- ▶ Arrange AGM meeting by agenda as informed in the AGM notification letters and no additional agenda to propose in the meeting without informing shareholders in advance, the Company is aware of shareholders to study information prior to making vote decision in the meeting.
- ✓ The Company establishes policy to protect and take care of all shareholders on fundamental equitability rights strictly such as Policy on the Use of Inside Information, policy on conflicts of interest, policy on related party transaction, internal control and internal audit. In 2015, there was no action taken that may violate or not comply with to law and the policies. For full version of Corporate Good Governance Policy, interested person can view on “Good Corporate Governance Policy”, Section 2: Equitable treatment of shareholders.

Section 3 : The role of stakeholders

- ✓ The Board of Directors gives importance to the rights of all stakeholders which are covered by law and under the provision of the agreement such as shareholders, customers, business partners, creditors, competitors, employees, communities, societies and government which can view details in “Code of Conduct”. In 2015, the Company has no significant dispute with stakeholders.

Treatment of shareholders

- ▶ All staff shall have the duty to maintain the Company’s intellectual property works and shall not use or allow any third parties to use the Company’s intellectual property without permission.
- ▶ Prohibit from any act that may cause a conflict of interest.
- ▶ Prohibit from misuse of position, inside information for the personal benefit of oneself or one’s related persons.

Treatment of customers

- ▶ Comply with the terms and conditions regarding customers fairly. In case the Company cannot compliance with the terms and conditions, it must immediately notify the customer to mutually search for solutions and prevent any damage.
- ▶ Satisfying our customers and providing quality service and standards, seeking ways to meet customer needs effectively and efficiently.
- ▶ Revealing news and information of products and services so they are correct and completed.
- ▶ Allowing customers to complain about the imperfections of goods and services and offer a prompt response to rectify the situation.
- ▶ Treating customers fairly for their products and services without any discrimination.
- ▶ Prohibiting the disclosure of customers’ information that the Company has known in which under normal business circumstance the information shall usually be reserved, unless the disclosure as required by law.
- ▶ Not asking for, accepting or offering any benefits which are dishonest with customers.

Treatment of trade partners

- ▶ Comply with the terms and conditions set out in supplier agreements. In the event that the Company is not able to comply with a condition, the Company must inform the supplier in advance in order to mutually search for solutions and prevent any damage.
- ▶ Procurement process must be conduct transparently to prevent disloyalty at every stage.

- ▶ Treat partners equally and on the basis of obtaining a fair return to both parties.
- ▶ Prohibit from asking for, accepting or offering any benefits which are dishonest with trade partners.

Treatment of creditors

- ▶ Strictly comply with the terms and conditions set out in creditor agreements, such as condition of guarantee, quality of the mortgage securities, money management, and financial ratios etc. Prohibit from misuse the loans for other purposes other than what have been stipulated in the loan agreements and notify the creditors in advance should the Company fail to comply with the loan terms in order to acquire solutions.
- ▶ Maintain financial status and debt repayment ability to build confidence among creditors.
- ▶ Regularly report the accurate Company's financial status to the creditors.

Treatment of competitors

- ▶ Practicing under the rules of fair competition.
- ▶ Prohibit from seeking confidential information of the competitors in dishonest or inappropriate ways.
- ▶ Prohibit from destroying the reputation of competitors by a false accusation with no basis in fact.

Treatment of employees

- ▶ Strictly comply with employment-related laws, rules and regulations.
- ▶ Provide employees a suitable compensation, welfare and other benefits such as salary, overtime payment, social security fund etc. for their knowledge, capability, and responsibility together with performance of individuals and operating results of the company both short term and long term.
- ▶ Treat all employees with kindness and fair both appointment and removal. Employees are given reward or imposed penalty equality and honestly.
- ▶ Maintain the working environment consistently in such conditions so as not to pose any danger to life and health or cause any bodily harm or damage the property of employees.
- ▶ Promote participation of employees in determining the direction of work and solving problems of the Company.
- ▶ Treat all employees with politeness and respect their human dignity.
- ▶ Give importance to employees through continuous development to enhance their work performance and career advancement, which includes training both internal and external, seminar, workshop and activities to promote understanding of code of conduct. In 2015, there were 83 curriculums from internal and external staff training. Average staff training equaled to 1.9 hour per head per year.

Treatment of community, society and government

- ▶ Conduct the business which brings benefits to the economy and to society.
- ▶ Promote employee awareness and responsibility to environment and society, as well as support the creative activities for society. In 2015, the Company recognized and tried to instill social consciousness among employees through social activities as follows.
 - The releasing captive offspring of crab into nature and cleaning : The activities took place at Ban Chuen Beach, Mai Rood Sub-district, Klong-yai District, Trad on January 23, 2015. There were 196 employees participated.

- Computers donation to the school needs : The activities took place at Baan Ta Nuek School, Sub-district, Klong-yai District, Trad on January 23, 2015. Sub-district, Klong-yai District, Trad on January 23, 2015. There were 196 employees participated.
 - ▶ Prevent any act may cause damage to the reputation of country, society, environment and public benefit.
 - ▶ Responsible to preserving local culture and tradition in the area that the Company is located.
 - ▶ Strictly practice or comply with rules and regulations issued by regulatory authorities in accordance with the intent of the law.
- ✓ The Company operated business under environmental quality standards, anti-corruption, non-infringement of intellectual property and noninvolvement in human rights violation (view full version in Code of Conduct) as well as communicated with staff to perform and acknowledge on such practice from verbal punishment to law enforcement.

Environmental quality standards

- ▶ Operate the business by taking into consideration of environmental conservation and security standard, and also comply with follow the law and regulations related to environmental.
- ▶ Promote natural resource using effectively such as reduce water, electricity and papers consumption etc., which was set as one of key performance indicators (KPIs).
- ▶ Promote environmental activities and training to raise awareness, knowledge and right understanding of environmental conservation among the Company the employees.
- ▶ In 2015, the Company sent its employees to attend training course regarding environment as follows

No.	Course	Training duration	No. of Participant
1	Waste treatment and Disposal	6 hours	2
2	Chemical control in factory	1 hour	2
3	Industrial waste management	6 hours	4
4	Development of Eco Industrial town	4 hours	2

Anti-corruption

- ▶ The Company conducts risk management plan 2015 comprising compliance risk assessment regarding "operations that do not comply with the law on bribery or support corruption". The result has been reported to the Board of Directors at least once every quarter that none of the violation of laws has been founded.
- ▶ Staffs are prohibited from granting or offering any items or any other benefits to third parties, such as, government officials, agents, representatives, trading partner etc., with the intention of misleading such third parties to take or omit to take any acts in violation of laws or contrary to their positions or functions or in exchange for undue privileges.
- ▶ Staffs are prohibited from demanding or receiving any items or any other benefits for personal gains or others in a manner that persuades them to abuse their duties or neglect to perform their duties.
- ▶ Any business dealings in association with various agencies, such as, government agencies, state enterprises or private sector both local and international, must be transparent, fair and lawful in Thailand and foreign countries where such dealings take place.

Non-infringement of intellectual property

- ▶ Staffs are prohibited from using any information, documents, computer applications, software, books, articles, video tapes, audio records, and works of any other persons in a manner that infringes their intellectual property, regardless of whether such rights are reserved by the owners or rightful beneficiaries of such works.
- ▶ All staff shall have the duty to maintain the Company's intellectual property works and shall not use or allow any third parties to use the Company's intellectual property without permission.
- ▶ All staff shall have the duty to maintain the Company's intellectual property works and shall not use or allow any third parties to use the Company's intellectual property without permission.

Noninvolvement in human rights violation

▶ *Human rights*

Respect employees for their honor, privacy and rights of individuals to be treated on performing their jobs and that no action will be taken to violate or diminish the human rights. The Company adhered complied to The Labour Protection Act B.E. 2541 as amended by the Labour Protection Act (No.2) B.E. 2551 and Labour Relations Act B.E. 2518. In addition, the Company determined that maintain zero case of litigation or dispute is one of its key performance indicators (KPIs).

▶ *Occupational health and safety*

Maintain health, safety and security of employees to promote occupational health and safety work environment. Diminish harmful and take steps to prevent accident and occupational disease. The Company has established a policy on occupational health and safety as published onto the website: www.winnergroup.co.. In 2015, there was no an injury at work.

- ✓ The Board established communication channels for all stakeholders to submit questions, suggestions, complaints or inform about violations, the accuracy of financial reporting, and the deficiency of internal control or unethical business of the Company through the Independent Directors or the Audit Committee. The complaints and violation reports shall be protected and kept confidential. The Independent Directors or Audit Committee will conduct data verification and find solutions (if any) and further report to the Board of Directors of the Company. As for a letter by an anonymous sender, the company will consider only the ones that provide useful information or recommendations for our operations. In 2015, there was no report on violation of law unless approximately 10 shareholders/investors requesting information through our website and all those questions were responded by an investor relation officer. During the past year, there was a minor conflict between employees, which has been reconciled by HR department.
- ✓ The Company sets up an employee's suggestion box called "WINNER BOX" situated at comfortable location for an anonymous employee wishing to submit information or suggestion useful to the Company. In 2015, no staff conflict in the workplace.

Contact

The stakeholders can communicate to the Board of Directors by sending a letter indicating name, address, telephone number, facsimile number and e-mail (if any) and specifying the relation with the Company to executives@winnergroup.co.th or send to the Audit Committee at the address below

Audit Committee

Winner Group Enterprise Plc.

43 Thai CC Tower, 21st Floor, 214-219 Room,

South Sathorn Road, Yannawa,

Sathorn, Bangkok 10120

Section 4 : Disclosure and transparency

- ✓ The Company established a disclosure policy, appointed an authorized spokesperson having authority to disclose or disseminate significant information of the Company. During the past year, there was not any action violation or not comply with laws or any established policies.
- ✓ The Company disclosed material information accurately, completely and timely through the website of the Stock Exchange of Thailand, annual registration statement, annual report, and the Company's website both in Thai and English version.
- ✓ The Company has appointed Ms. Kanollas Wongisariyakul to be responsible for the data service and the disclosure of important information of the company. The contact information is as per the following.

Telephone: (66) 2675 6525 extension 106

Facsimile: (66) 2675 6533

Email: ir@winnergroup.co.th

Website: <http://www.winnergroup.co.th>

- ✓ In 2015, the Company participated in investor relations activities as follows:
 1. Participated in MAI Forum 2015 organized by the Stock Market Alternatives Investment (MAI) and MAI Listed Companies Association
 2. Participated and be invited speaker on seminar RuamPhol Khon Tun Hoon No. 3/2015 organized by the Stock Market Alternatives Investment (MAI)
 3. Attended IR Workshop 4/2015 "Simplifying the IR Message" organized by Investor Relations Club Thailand and Thai Listed Companies Association
 4. Attend IR Professional Training 2015: Good Practices for Analyst Presentation organized by the Stock Exchange of Thailand
 5. Giving interview, giving information and answering question post by shareholders, new reporters, interested persons via email and telephone.

Section 5 : The responsibility of the Board of Directors

- ✓ The Board is composed of 9 directors with diversity of qualification in term of age, gender, experience and education.
- ✓ The Board of Director and all sub-committees performed their duties in compliance with laws, relevant regulations, charters, policies, good corporate governance policy and code of conduct.
- ✓ In the year 2015, the Board of Directors totally held 4 meetings, of which there was a meeting held without participation from executive directors and management in November 12, 2015 and more than 75% of the meeting quorum. The Company has set the meeting schedule of the Board and sub-committee of entire year in advance.

- ✓ The meeting invitation together with agenda and supporting documents were sent to all members at least 7 days prior to the meeting date.
- ✓ The Board rendered the internal control, internal audit, risk management systems and regularly review the efficiency at the Board of Directors' meeting.
- ✓ The Audit Committee expressed an opinion on the sufficient of the Company's internal control in the report of audit committee.
- ✓ The Board regularly reviews the operating results of the management at the Board of Directors' meeting.
- ✓ Annual Board Assessment : The Board of Directors establish a policy on conducting board self-assessment at least once a year to provide a time for the board to review the past year performance, issues, problems and area to improve.

a) Results of the Board of Directors' self-assessment:

Assessment Category	2015 Average Score
1. Structure and qualifications of the Board of Directors	4.00
2. Roles and responsibilities of the Board of Directors	4.00
3. Board of Directors Meeting	4.00
4. Performance as a director	4.00
5. Relationship with the management team	4.00
6. Director's personal development and development of the management	4.00
Total	4.00

Remark: 0 = Very Poor , 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

b) Results of individual directors' self-assessment:

Assessment Category	2015 Average Score
1. Qualifications	3.84
2. Performance as a director	3.67
3. Director's personal development	3.56
Total	3.69

Remark: 0 = Very Poor , 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

- ✓ The Sub-committee's self-assessment : The Company establishes a policy that its sub-committees conduct self-assessment of their performance at least once a year as a monitoring framework to improve their performance during the past year and present the results to the board meeting for acknowledgement.

a) Results of the Board of Directors' self-assessment:

Assessment Category	2015 Average Score
1. Structure, qualifications and term of office	4.00
2. Role, duty and responsibility	4.00
3. Meetings	4.00
4. Auditor and financial report	4.00
5. Internal Control	4.00
6. Compliance	4.00
Total	4.00

Remark: 0 = Very Poor, 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

b) Results of the Nomination and Remuneration Committee's self-assessment:

Assessment Category	2015 Average Score
1. Structure, qualifications and term of office	3.67
2. Role, duty and responsibility	4.00
3. Meetings	3.75
4. Nomination	3.75
5. Remuneration	3.67
Total	3.77

Remark: 0 = Very Poor, 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

c) Results of the Executive Committee's self-assessment:

Assessment Category	2015 Average Score
1. Structure, qualifications and term of office	2.25
2. Role, duty and responsibility	3.00
3. Meetings	3.00
4. Management	2.58
Total	2.71

Remark: 0 = Very Poor, 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

d) Results of the Risk Management Committee's self-assessment:

Assessment Category	2015 Average Score
1. Structure, qualifications and term of office	3.25
2. Role, duty and responsibility	3.20
3. Meetings	4.00
4. Risk Management	3.29
Total	3.44

Remark: 0 = Very Poor, 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

- ✓ The Company establishes a policy to conduct assessment of Managing Director's Performance at least once a year complied with the establish as a monitoring framework to improve their performance during the past year and present the results to the board meeting for acknowledgement.

Assessment Category	Average Score
1. Leadership	3.33
2. Strategy setting	3.17
3. Strategy undertaking	3.17
4. Planning for financial operation	3.83
5. Relationship with the Board of Directors	3.33
6. External engagement	3.40
7. Management and Staff engagement	3.50
8. Succession	3.67
9. Products and Service knowledge	3.75
10. Individual Characteristics	3.17
Total	3.43

Remark: 0 = Very Poor , 1 = Poor, 2 = Moderate, 3 = Good 4 = Excellent

- ✓ Training and development for directors, executives and company secretary were provided to ensure that they can perform their duties efficiently. The details of training and development programs taken were as follows.

Attendee	Date	Program	Facilitator
Audit Committee	Feb 15	Challenge for Audit Committee and role on financial review and non-financial review	The Securities and Exchange Commission (SEC)
Managing Director	Sep 15	CEO Insights: Getting Results - How Senior Executives Create Flawless Execution	PacRim Group
		Building Competitive Enterprise	Center for Building Competitive Enterprises (CBCE)
Executive Committee	Mar 15	MBO for Executives	Internal training
	May 15	Competency Management for Executives	Internal training
		Strategic CSR Management	The Stock Exchange of Thailand (SET)
	Jun 15	Job Profile for Executives	Internal training
		Stakeholder Engagement	The Stock Exchange of Thailand (SET)
	Sep 15	Risk Oversight : High Priority Roles Of the Board (CG Forum 3/2015)	The Stock Exchange of Thailand (SET)
Risk Management Committee	Oct 15	CFO Current Issues	Federation of Accounting Professions under the royal patronage of His Majesty the King
	Mar 15	How to Develop a Risk Management Plan 8/2015 (HRP)	Thai Institute of Directors (IOD)
	Sep 15	M&A : The role of Directors	The Stock Exchange of Thailand (SET)

Attendee	Date	Program	Facilitator
Company Secretary	Jan 15	Financial Instrument Workshop 1/2558	The Stock Exchange of Thailand (SET)
	Jul 15	Professional Company Secretary: important assistant to Good Corporate Governance	The Stock Exchange of Thailand (SET)
	Aug 15	How to improve your CG Practices	The Stock Exchange of Thailand (SET)
	Nov 15	CSR for Corporate Sustainability	The Stock Exchange of Thailand (SET)

The Company has been complying with “Good Corporate Governance” practices during the past year; as a result, the Company has been assessed by various institutions as follows:

✓ **Corporate Governance Report of Thai Listed Companies 2015**

According to the corporate Governance Report (CGR) 20145 by the Thai Institute of Directors, with support from the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) reported the Company was scored “Very Good” with scores 88% or 4 stars. According to the 2015 report, the 588 listed companies made and average score of 75%, or “Good”

✓ **Annual General Meeting Checklist Assessment 2015**

According to the Annual General Meeting Checklist Assessment Report by the Thai Investors Association, the Company was scored 96. While the average score of the total 575 listed companies were 92.68.

2. Sub-committee

The Company has established a sub-committee which has been appointed by the Board of Directors to assist in the management and supervision of the administration of companies, including 4 committees as follows: (1) Executive Committee (2) Audit Committee (3) Risk Management Committee, and (4) Nomination and Remuneration Committee. The information of name list, duties and responsibilities of the mentioned committees are provided in the section of “Management” under the title “Management Structure”.

3. Selection and appointment of directors and executives

(1) Independent director

The independent directors are individuals who are qualified in accordance with the Notification of the Capital Market Supervisory Board and related SET's announcements, as follows;

1. Holding less than 1.0 percent of the total shares with voting rights of the Company, parent company, subsidiaries, associates, major shareholders, or controlling persons of the Company, including the shares held by related persons of the independent director as well.
2. Not being or not having been a director, officer, employee, part-time employee, consultant that receives a salary or controlling person of the Company, parent company, subsidiaries, affiliate, subsidiaries in same tier, major shareholders or controlling person of the Company, unless the foregoing status has ended for more than 2 years prior to being appointed as Independent Director.
3. Not being a person who has a relation by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of the children of directors, executives, major shareholders,

Control authority or persons to be nominated as executive or controlling person of the Company or its subsidiaries.

4. Not having or not having had a business relationship with the Company, Parent company, subsidiaries or associated companies, major shareholders or controlling persons of the Company in a manner that might interfere with his/her independent judgment. Not being or having been a shareholder or authority having control of the business relationship with the Company, parent company, subsidiaries, affiliates, shareholders or controlling person of the Company, unless the foregoing status has ended for more than 2 years prior to being appointed as Independent Director.
5. Not being or not having been an auditor of the Company, parent company, subsidiaries, associates, major shareholders or controlling persons of the Company and not as a significant shareholder, control authority or partner of the audit company which is the auditor of the Company, parent company, subsidiaries, associates, major shareholders or authorized under the control of the Company, unless the foregoing status has ended for more than 2 years prior to being appointed as Independent Director.
6. Not being or not having been a provider of any professional includes serving as legal counsel or financial advisor which has been paid more than 2 million Baht per year from the Company, parent company, subsidiaries, associates, major shareholders or controlling person of the Company, and not as a significant shareholder, control authority or partner of such professional services, unless the foregoing status has ended for more than 2 years prior to being appointed as Independent Director.
7. Not being a director who has been appointed as a representative of the Board, Major shareholders or shareholders who are related to the major shareholders of the Company.
8. Not having or not having had a business with the same nature and in competition to the business of the Company, subsidiaries or not be a partner in a partnership company or director, employee, advisor who receives a regular salary or holds more than 1 percent of the total shares with voting rights of another company which has the same nature and in competition to the business of the Company or its subsidiaries.
9. Not having any other characteristic which make him/her incapable of expressing independent opinions, such as business partners, creditors and suppliers, etc. that may cause any conflict of interest.
10. Having Knowledge and understanding of the nature of business of the Company as well as the knowledge that is beneficial to the business operations of the Company.
11. Independent directors shall report to the Board of Directors immediately if see any incidents that might make them ineligible to independence as independent directors.
12. The Independent Director shall serve for a term of not exceeding 9 years.
13. The Independent Director should not hold directorship in other listed companies more than 5 listed companies.

After an independent director has been appointed in accordance with the characteristics mentioned above, the independent director may be assigned by the Board of Directors to determine on the

operation of the Company, its subsidiaries, affiliates, subsidiaries in same tier, major shareholders or controlling person of the Company. The decision shall be made in the form of collective decision.

(2) Selection and appointment of directors and management

In appointment of directors, the Nomination and Remuneration committee, which consists of three directors and two of whom must be independent directors, is taking into account the diversity in term of structure, size and composition when selecting and screening the candidates who are qualified under the Article of Association and who are not prohibit from qualifying as a candidate specifying by laws before presenting a number of candidates equal to a number of retiring directors to the Board of Directors for consideration and the Board of Director then nominate the candidates to be appointed as directors at the Shareholders' meeting.

In recruiting senior executives of the Company, the Executive Committee will primary seek and screen the qualified persons who have skills, useful experiences for the business operation, well understanding the nature of business, be able to achieve the objective and target set by the board. The committee will propose the suitable candidates to the nomination and remuneration committee for consideration before present to the Board of Directors' meeting for approval.

4. Policy on inside information

The Company has adopted the following policies and practices that prohibit its directors, executive officers and employees and subsidiaries who access to material inside information to use such undisclosed inside information for personal gain:

- ▶ Inform directors and executives concerning their responsibilities to declare the securities holding of themselves , their spouse and minor children to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act of 1992 (include the amendment) and to report the acquisition or disposition of the holding of their spouse and minor children to SEC under Section 246 and the penalty provisions under Section 298 of the Securities and Exchange Act 1992 (include the amendment).
- ▶ Ensure the directors and executive officers of the Company including their spouse and minor children report the holding of securities and report the changes in the Company's securities holdings to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act of 1992 (include the amendment), send copies of this report to the Company the same day that the reports are submitted to SEC and report to the Board every quarter.
- ▶ The Directors, executives and employees of the Company and subsidiaries that received inside information which may affect the stock price are prohibited to trade securities of the Company in the last month before the financial statements or internal information is disclosed to the public. And during 24 hours after the information of the company has disclosed to the public those related to inside information must not disclose it to anyone unless they have indicated that data to the stock market. The penalties for the violation are regarded as a disciplinary offense under the regulations of the Company and the Company will consider sanctions as appropriate such as verbal warning, written warning, probation and expelling, dismissal or removal depending on the case of violation.

- ▶ Prohibit directors, executives and employees of the Company to use the information that hasn't been disclosed of the Company that have or may have an impact on the price of the securities of the Company, which they have learned by their positions or statuses to purchase, sell, offer to buy or sell, persuade others to buy or sell, offer to buy or sell shares or other securities of the Company (if any), whether directly or indirectly, in a manner that is likely to cause damage to the company whether directly or indirectly. And whether such action would benefit themselves or others or would not benefit themselves or others.

5. Remuneration of Auditor

Remuneration of Auditor in 2015 is as follows:

- Audit fee and quarterly Bath 800,000
- Others (Non-audit fee) -None-

Details are attached in Enclosure 6 the form of accuracy and completeness of auditors remuneration as at year-ended December 31, 2015 in the Annual Registration Statement (Form 56-1).

Corporate Social Responsibility (CSR)

Winner Group Enterprises Public Company Limited recognizes that we are a part of Thai society, so we believe it is our duty and a responsibility to strengthen, establish, support and co-ordinate the development of society, community and environment in order to achieve optimum benefits. The Company determines our social responsibility policy as a core policy for management and employees to create awareness and understanding of social responsibility. We hold to the principle that all employees are involved in every process from proposal to decision making process, and encourage employees to have a sense of participation in volunteer activities.

The Company has set guidelines, which respond to stakeholders' needs, in the "Good Corporate Governance" and "Code of Conduct". For more details can be found in the Annual Registration Statement (Form 56-1), section Corporate Governance and in website www.winnergroup.co.th

CSR Activities (after process)

The Company participated in the role-play of social, community, and environmental development consistently, by the Company's policy, taking place of relevant activities and taking care of social communities are being part of our CSR Activities for example CSR-after-Process; activities related to social support while CSR-in-Process related to corporate responsibility in business operating process.

In 2015, the Company participated in CSR Activities as follows.

- *The releasing captive offspring of crab into nature and cleaning:* The activities took place at Ban Chuen Beach, Mai Rood Sub-district, Klong-yai District, Trad on January 23, 2015. There were 196 employees participated.
- *Computers donation to the school needs:* The activities took place at Baan Ta Nuek School, Sub-district, Klong-yai District, Trad on January 23, 2015. Sub-district, Klong-yai District, Trad on January 23, 2015. There were 196 employees participated.



Anti-Corruption

In 2015, the resolution of the Board of Directors No. 3/2015 considered and approved the Company to establish “Anti-Corruption Policy” as result of clarification in roles, responsibilities, guidelines and measurements through communicating in-between managements and between all staff levels.

In addition, the Company established Whistle Blowing Policy as a communication channel to inform, report and audit on misuse or support violation or non-compliance with Anti-Corruption Policy including measurements on protection and damages relief to the Company’s stakeholders; staff, shareholder, investors, customers, trade partners, creditors, government and relevant persons.

For additional information, the Company provides channel of communication for whistleblower to submit request by informing the clue break the law and the accuracy of financial statements, internal control deficiencies or misuse of business ethics. The Company believes that all mentioned channels can assist to acknowledge and resolve problem immediately.

Internal Control and Risk Management

Comments from the Board of Directors towards the Company's Internal Control

Regarding to the Board of Directors' Meeting No. 1/2016 on February 29, 2016, which the Audit Committee also attended, the Board assessed the internal control systems by asking information from managements and considering the internal control evaluation report for the year 2015 on the adequacy of internal control systems of the Company. In accordance with International Standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), the Board of Directors, the Audit Committee and internal auditors concluded that the Company's internal control systems were adequate and appropriate to business, as follows:

1. Internal Environment

The Company set clear and measurable business targets and reviewed periodically. The Company's organization chart showed lines of duties; authority tables in written format; and key business processes manual, which were updated in line with the laws and regulations.

2. Risk Assessment

The audit committee and the risk management committee assessed both internal and external risk factors which would affect each business processes in order to analyze and prioritize the impacts and the probabilities of occurrence; and established the appropriate risk management measures.

3. Control Activities

The Company policies were used as guidelines systematically and effectively in order to achieve the business objectives and business targets. The authority tables clearly defined the authority level and the approval limit for each level of management. Besides, the Company policies were: segregation of duty; the duties of recording and custodian of fixed assets were also segregated; and laws and regulations compliance.

4. Information and Communication

The Company properly operated the information systems and channels of communication both internal and external to provide accurate, complete and timely information for business decisions.

5. Monitoring

The Company evaluated and communicated internal control deficiencies in a timely manner. Staff reported any issue of concern to their immediate supervisor or manager including the responsible person, including senior management or the Board of Directors as required for taking corrective action.

Related Party Transactions

Related transactions with persons who have relationship with the Management and may have conflicts of interest

The Company's transactions with persons who have relationship with the Management and may have conflicts in 2015 can be summarized as follows.

Company / person that may have conflicts of interest	Relationship
Miss Kanokpan Kreangkraikrissada	<ul style="list-style-type: none"> Owns 2.93 percent share in Winner Group Enterprise Public Company Limited A Director and Deputy Managing Director of Winner Group Enterprise Public Company Limited
Spa Plan Company Limited previously named Spa Ovation (Thailand) Company Limited--Beauty Consulting Business	<ul style="list-style-type: none"> Miss Kanollas Wongisariyakul owns 3.90 percent share. She is a director and Deputy Managing Director of Winner Group Enterprise Public Company Limited and owns 30 percent share in Spa Plan Company Limited.

Related party transaction of the Company

The Company's transactions with persons who have relationship with the Management and may have conflicts for the year ended 31 December 2015 can be summarized as follow.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value in 2015	Persons who may have conflicts
Miss Kanokpan Kreangkraikrissada	Transaction with employee's discount	The Company sells its products to directors and/or executives.	Shareholder, director and executive of Winner Group Enterprise PLC	14,400	The purchase price is based on a discount policy of the transaction sold to employees of the Company.
Spa Plan Company Limited previously named Spa Ovation (Thailand) Company Limited	Normal Business	The Company sells products to a person who may have conflicts.	Spa Plan Co., Ltd shares some shareholders, directors and executives with Winner Group Enterprise Public Company Limited.	5,400	The purchase price is the market price of the Company to third parties.

Comments of the Audit Committee on Related Party Transactions

Any transaction occurred between the Company and the Executives, or a person who may have conflicts shall operate according to normal business operations of the Company, shall be reasonable on a condition that is based on general commercial terms and has clear pricing criteria. The transaction shall be able to compare with the market price of transactions with a third party and shall not make the Company lose any benefits

The Audit Committee has considered the above transactions and commented that such transactions are necessary and reasonable and meet the price criteria sold to a third party.

Procedure for approval of related party transaction

The resolution of the meeting of the Board of Directors No. 4/2013 on May 28, 2013 states that in the case of transactions of the Company with persons who may have conflicts of interest, gain or loss, or may have any conflict of interest in the future, The Audit Committee shall consider and comment on the necessity and reasonableness of the transaction and the suitability of the price and conditions of entry to be according to the characteristics of normal business practices in the industry and the price shall be compared with the third party or the market price prior to submission to the Board of Directors or the meeting of the shareholders, as the case may be. If the Audit Committee has no expertise in considering transactions that may occur, the Company will arrange for an independent expert or auditor of the Company to give comments on such transactions and the comments shall be proposed to the Audit Committee, the Board of Directors and/or shareholders' meeting, as the case may be. The Directors or executives that are stakeholders will not be entitled to vote on such transaction. The Company will disclose in its annual statement, annual report and notes to the financial statements audited or reviewed by the auditors of the Company.

In addition, the Company will comply with the law related to the Securities and Exchange Commission and rules and regulations, notifications, orders or requirements of the Securities and Exchange Commission in compliance with requirements on the disclosure of related party transactions of the Company according to the accounting standards set by the Federation of accounting profession of Thailand.

Policy on future transactions

The resolution from the Board of Directors ' Meeting No. 4/2013 dated May 28, 2013 has set a policy of making related party transaction that for any transactions that may occur in the future, the Company shall comply with the laws regarding the Securities and Exchange Commission and rules and regulations, notifications, orders or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, in compliance with requirements on the disclosure of related party transactions of the Company according to the accounting standards set by the Federation of accounting profession of Thailand. The Company has the policy on related party transactions as follows:

- In the case of commercial transactions with general trade conditions, the Company has set the framework for such transactions which was considered and agreed by the Audit Committee prior to submission to the Board of Directors to approve as principle. The management can approve the transaction if the transaction has commercial agreements in the same way that persons of ordinary prudence should be agreed with general contractors in the same situation and with the bargaining

power of trade without the influence of their status as directors, management, related parties of the Company or individuals associated with the company. However, the Company shall prepare a report summarizing related party transactions to report at a meeting of the Audit Committee and the Board of Directors on a quarterly basis. In the case of the Audit Committee and the Board of Directors found that the conduct did not meet the defined policy, the Audit Committee and Board of Directors shall work jointly to find solutions.

- The commercial transactions with general trade conditions must be commercial transactions that the Company normally operates or commercial transactions that similar business to the Company does to support their regular business. The transactions shall have commercial terms and pricing conditions that are fair and do not cause any transfer of interests. The terms and conditions are as follows.
 1. Prices and terms that the Company receives or offers to the public
 2. Prices and terms that related party receives or offers to the public
 3. Prices and terms that the Company can clarify as the price and terms that similar business offers to the public
- If there is any other transaction disassociated with the mentioned terms and conditions, the Company shall present such transactions to the Audit Committee to consider and comment prior to submission to the meetings of the Board of Directors and/or the shareholders to approve. If the committee does not have the expertise to consider the potential transaction, the Company will arrange for an independent expert or auditor to comment on such transactions and the comments shall be proposed to the Audit Committee, the Board of Directors and/or shareholders' meeting, as the case may be, to ensure that the transaction will not migrate or transfer of interests between the Company and individuals who may have conflicts of interest, and the transaction has been done for the optimum benefits of all shareholders.

Management Discussion and Analysis (MD&A)

Analysis of Operating Result

Table 1: Overall Annual Operating Results for the year of 2015 and the year of 2014

(Unit : Thousand Baht)

	2015	2014	Increase (Decrease)	%
Total Revenue	1,449,534	1,444,282	5,252	0.4
Revenue from the sales of goods	1,430,515	1,430,822	(306)	(0.0)
EBITDA	129,571	117,284	12,287	10.5
EBIT	111,925	100,408	11,517	11.5
Profit for the year	88,978	76,513	12,465	16.3
Earnings per share	0.22	0.19	0.03	16.3

For the year of 2015, the Company's revenue totaled Baht 1,449.5 million, increased Baht 5.3 million or increased 0.4 percent was consisted of revenue from the sales of goods Baht 1,430.5 million and other incomes Baht 19.0 million when comparing revenue from the sales of goods with the same period of the year 2014 was slightly decreased Baht 0.3 million. This was mainly due to the economy continues to slow down and intense competition.

However, other income increased Baht 5.6 million or highly increased 41.3% which was mainly due to gain on exchange rate in the amount of Baht 9.4 million and as resulted from the Company had risk management exchange rate from foreign purchase by making foreign forward contract.

For the year of 2015, the Company's EBITDA increased Baht 12.2 million. This was mainly due to higher gross profit margin than comparing with the previous year around Baht 11.5 million which derived from the weaknesses of exchange rate EURO (EUR), Australian Dollar (AUD) and US Dollar (USD) in the 1st quarter of 2015 when comparing with the previous year; however, the Company had capability to provide effective cost management.

For the year of 2015, the increase in Company's gross profit of Baht 12.5 million was mainly due to increase gross profit margin of Baht 11.5 million and other income of Baht 5.6 million. Finance cost was slightly decreased to Baht 2.9 million while selling and administrative expenses as well as income tax was increased Baht 5.5 million and Baht 2.0 million respectively.

1. Analysis of Annual Operating Results

Table 2: Annual Operating Results for the year of 2015 and the year of 2014

(Unit : Thousand Baht)

	2015	2014	Increase (Decrease)	%
Revenues from the sales of goods	1,430,515	1,430,822	(306)	(0.0)
Cost of the sales of goods	1,125,932	1,137,732	(11,800)	(1.0)
Gross profit	304,584	293,090	11,494	3.9
% GP	21.3%	20.5%	0.8%	
Other income	19,018	13,460	5,558	41.3
Profit before expenses	323,602	306,550	17,052	5.6
Selling expenses	109,368	102,596	6,772	6.6
Administrative expenses	102,308	103,546	(1,237)	(1.2)
Selling and administrative expenses	211,677	206,142	5,535	2.7
Profit before finance costs and income	111,925	100,408	11,517	11.5
Finance costs	952	3,879	(2,928)	(75.5)
Profit before income tax	110,973	96,529	14,445	15.0
Income tax	21,996	20,016	1,980	9.9
Profit for the year	88,978	76,513	12,465	16.3

1.1 Revenue from the sales of goods

For the year of 2015, the Company's revenue from the sales of goods totaled Baht 1,430.5 million, slightly decreased Baht 0.3 million when comparing with the same period of the year 2014. This was mainly due to the economy continues to slow down and intense competition.

Table 3 : Sales by Product Type for the year of 2015 and the year of 2014

(Unit: Thousand Baht)

	2015		2014		Increase (Decrease)	%
	Thousand Baht	%	Thousand Baht	%		
Consumer Products	841,258	58.8	794,758	55.5	46,500	5.9
Industry Products	589,257	41.2	636,064	44.5	(46,807)	(7.4)
Total	1,430,515	100.0	1,430,822	100.0	(307)	(0.0)

Comparing by product type, revenue from sales of industry products decreased Baht 46.8 million or decreased 7.4 percent. Whereas revenue from sales of consumer products increased Baht 46.5 million or increased 5.9 percent from the same period of the previous year.

1.2 Cost of sales

Cost of sales for the year of 2015 totaled Baht 1,125.9 million, decreased Baht 11.8 million when comparing with the same period of the year 2014.

1.3 Gross Profit

For the year of 2015, the Company had gross profit of Baht 304.6 million or increased Baht 11.5 million while gross profit margin increased 21.8 percent when comparing with the same period of the year 2014 or increased 0.8 percent. The main reason resulted from the weaknesses of exchange rate EURO (EUR), Australian Dollar (AUD) and US Dollar (USD) in the 1st quarter of 2015 when comparing with the previous year; however, the Company had capability to provide effective cost management as well as cost of goods was adjusted and carried high cost which derived from USD's strength since mid of this year. Proportion of selling goods was high gross profit margin when comparing with the same period of the year 2014 while proportion of low gross profit margin was decreased but slightly impact with gross profit margin. As the result, gross profit margin of the year 2015 was higher than the same period of the previous year

1.4 Other Income

For the year of 2015, the Company had other income totaled Baht 19.0 million which increased Baht 5.6 million or increased 41.3 percent. The main reason was due to the Company gained on exchange rate in the amount of Baht 10.1 million and mostly derived from the Company had risk management on exchange rate from foreign purchase by making foreign forward contract. However, the interest receivable from fixed deposit decreased Baht 2.2 million due to no fixed deposit in this year, incentive decreased Baht 1.8 million and any other income decreased Baht 0.5 million.

1.5 Selling and Administrative Expenses

- Selling expenses

Selling expenses for the year of 2015 totaled Baht 109.4 million, when comparing with the same period of the year 2014 or 6.6 percent. This was mainly due to TV and online advertisement of Pop Secret on aired approximately of Baht 6 million.

- Administration expenses

Administrative expenses for the year of 2015 totaled Baht 102.3 million, decreased Baht 1.2 million or decreased 1.2 percent when comparing with the same period of the year 2014. The decrease in administrative expenses was mainly due to the decrease of impairment assets Baht 2.2 million and derived from the previous year reserved impairment assets from closed 3 branches of Delice in the amount of Baht 1.8 million while this year some items was reversed to impairment Baht 0.4 million as well as loss on exchange rate decreased Baht 1.2 million from loss on exchange rate of Baht 1.2 million in the previous year which was classified as other income in the amount of Baht 10.1 million. Provision for obsolete stock decreased Baht 0.7 million, doubtful debts decreased Baht 0.5 million; however, personnel expenses was increased Baht 3.2 million as well as service and rental expenses increased Baht 0.7 million due to the increase of outsourced warehousing.

1.6 Finance costs

Finance costs for the year of 2015 totaled Baht 1.0 million, decreased Baht 2.9 million or sharply decreased 75.5 percent when comparing with the same period of the year 2014. This was resulted from the repayment of short-term loans from financial institutions which were in the form of trust receipt creditors to reduce finance costs.

1.7 Total comprehensive income

Total comprehensive for the year of 2015 was Baht 89.0 million which increased from the same period of the previous year at Baht 12.5 million or increased 16.3%. The main cause resulted from the Company had higher gross profit at Baht 11.55 million and other income increased Baht 5.6 million while finance costs decreased Baht 2.9 million. However, selling and administrative expenses increased at Baht 5.5 million and income tax increased Baht 2.2 million.

2. Financial Position Analysis

Table 4 : Overall Financial Position Result as at the year-ended December 31, 2015 and 2014

(Unit : Thousand Baht)

	2015		2014		Increase (Decrease)	%
	Thousand Baht	%	Thousand Baht	%		
Current assets	662,621	72.1	577,973	69.3	84,648	14.6
Non-current assets	256,632	27.9	256,406	30.7	226	0.1
Total assets	919,253	100.0	834,379	100.0	84,874	10.2
Current liabilities	323,663	35.2	263,387	31.6	60,276	22.9
Non-current liabilities	10,918	1.2	7,298	0.9	3,620	49.6
Total liabilities	334,581	36.4	270,685	32.4	63,896	23.6
Shareholders' equity	584,672	63.6	563,694	67.6	20,978	3.7
Total liabilities and shareholders' equity	919,253	100.0	834,379	100.0	84,874	10.2

2.1 Assets

As at December 31, 2015, the Company's total assets amounted to Baht 919.3 million. The main assets were current assets totaled Baht 662.6 million, representing 72.1 percent of total assets. Comparing with the same period of the year 2014, current assets increased 84.6 million. The main cause resulted from the increase of inventories of Baht 62 million to carry cost of sales in Q4 as well as trade receivables increased to Baht 16.6 million due to cost of sales in Q4 was higher than the previous year when comparing with the same period Baht 22.5 million. However, deposit increased Baht 5.8 million.

2.2 Liabilities

As at December 31, 2015, the Company's total liabilities amounted to Baht 334.6 million. The main liabilities were current liabilities totaled 323.7 million which was 96.7 percent of total liabilities. Most of

current liabilities were trade payable and other payable amounted to Baht 219.4 million or 67.8 percent of total liabilities as well as short-term loans from financial institutions amounted Baht 79.6 million or 24.6 of total liabilities.

Current liabilities increased Baht 60.3 million or increased 22.9 percent which mainly resulted from trade and other receivable increased Baht 54.8 million, including short-term loans from financial institutions increased which were in the form of trust receipt creditors increased Baht 3.7 million when comparing with the same period of the year-ended as at December, 31, 2014

2.3 Shareholders' Equity

The shareholders' equity as at December 31, 2015 amounted to Baht 584.7 million when comparing with the same period of the year 2014 resulted from the increase in the Company's retained earnings from net profit for the year-ended of 2015 totaled to Baht 89 million as well as interim dividend payment amounted to Baht 68 million.

3. Statement of Cash Flows

Table 5 : Overall of Cash Flows

(Unit : Thousand Baht)

	2015	2014	Increase (Decrease)	%
Cash flows from operating activities	33,355	61,969	(28,614.0)	(46.2)
Cash flows from investing activities	(14,298)	(54,930)	40,632.0	(74.0)
Cash flows from financing activities	(13,247)	(162,910)	149,663.0	(91.9)
Increase (Decrease) in cash and cash equivalents, net	5,810	(155,870)	161,680.0	(103.7)
Cash and cash equivalents as at January 1	21,119	176,989	(155,870.0)	(88.1)
Cash and cash equivalents as at December 31,	26,928	21,119	5,809.0	27.5

- Net cash flow from operating activities in the amount of Baht 33.3 million consisted of Net profit amounted to Baht 110.0 million plus reversed by non-cash items amounted to Baht 21.3 million and significant payment items included the increase were as follows; trade receivables increased Baht 16.7 million, inventories increased Baht 65.0 million due to the increase of inventories to carry cost of sales in Q4 while cost of sales in Q4 increased Baht 22.5 million when comparing with the same period of the previous year as well as interest payment and income tax in between the year of 2015 amounted Baht 0.9 million and Baht 21.9 million respectively. However, trade payables and other payables increased Baht 4.0 million as well as current liabilities also increased Baht 0.5 million
- Net cash flow from investing activities in the amount of Baht 14.3 million which referred to The main cause derived from the purchase of fixed assets amounted Baht 14.1 million and the purchase of intangible assets amounted Baht 1.3 million while profit from temporary investment amounted Baht 0.8 million.

- Net cash flow from financing activities in the amount of Baht 13.2 million which referred to During the year of 2015, the dividend payments were paid Baht 68 million while trust receipt creditors increased Baht 54.8 million from purchasing goods in the end of the year 2015

The above-mentioned information was resulted cash and cash equivalents in between the year of 2015 amounted Baht 5.8 million which included cash and cash equivalents as at January 1, 2015 in the amount of Baht 21.1 million therefore cash and cash equivalents as at December 31, 2015 amounted Baht 26.9 million.

4. Financial Ratio Analysis

Table 6 : Significant Financial Ratio

Financial Ratio		2013	2014	2015
Gross Profit Margin	%	21.8	20.5	21.3
Net Profit Margin	%	6.0	5.3	6.1
Return of Equity (ROE)	%	18.2	13.7	15.5
Return of Assets (ROA)	%	10.1	8.7	10.1
Debt to Equity Ratio	time	0.7	0.5	0.6
(Interest) Debt to Equity Ratio	time	0.2	0.0	0.1

In 2015, the Company had good profitability ratio. Gross profit margin was 21.3 percent of revenue from sales and net profit margin was 6.1 percent of total revenue. Return on Equity (ROE) was 15.5 percent and Return of Assets was 10.1 percent. Both ratios increased from the previous year because of the increase in net profit for the year. Debt to equity ratio and interest-bearing debt to equity ratio was 0.6 times and 0.1 time, increasing from the year 2014 because of increase in debt.

Factors that might have impacts on financial status or future operating results

The Company is an importer and distributor of raw materials, ingredients and food chemicals and also consumer products. More than 90% of the Company's products are imported products. So that most of product cost is depend on the exchange rate, especially US Dollar (USD) and Yen (JPY) which are the main currencies for the Company's imported products. In the 1st half year of 2015, the Company had capability to manage product cost efficiently than the previous year as increasing selling price in proportion to the increase in cost. The Company was able to maintain higher gross profit margin than the previous year.

In 2015, raw materials , food ingredient and food chemicals (Industry Product) for distribution to the food processing industry had been directly affected by the global economic slowdown. As a result, sales of raw materials to the manufacturer exporter in 2015 decreased. Moreover, the economic in the country was in a recession resulting in no growth as expected in sales of the raw material used to produce food for local consumption. As usual operating business with distributors, the raw material and food ingredient distributed to both domestics and international distributors, experienced price competition and allocated period of goods which may affect customers' buying behavior. Factors to corporate growth strategy, the Company considered to maintain profitability ratio by each main product and undertook strategy to propose quality of

good to meet customers' requirements or source of substitute products to serve customers' needs regularly as well as maintain good relationship and customer access ceaselessly.

Consumer products were distributed through service customers (HoReCa) - including hotels, restaurants, bakeries and airline caterings and end consumers through modern trade and traditional trade. In 2015, consumer products sales increased 5.9% YOY, although it had been affected by the economy as aforementioned. The growth of sales in this distribution channel mainly resulted from the Company had a proactive marketing strategy to increase in the variety of product by selecting new high-quality products to meet the needs of customers including marketing activities to promote products in various forms and also advertising and public relations to create awareness of the brand and expand target group customers.

Report of the Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the financial statements of Winner Group Enterprise Public Company Limited as well as financial information presented in the Annual Reports. The said financial statements were prepared in accordance with the financial reporting standards, where an appropriate accounting policy has been selected and implemented on a regular basis and that important information is adequately disclosed in notes to the financial statements.

The Board of Directors appointed the Audit Committee consisting of independent directors to take responsibility for the quality of financial statements and assessment of the internal control system to ensure that the record of accounting is sufficiently accurate, complete and timely, and also to prevent the occurrence of corruption or irregular operations. The Audit Committee's opinion on these matters has been stated in the Audit Committee's report published in this Annual Report.

The Board of Directors is of the opinion that the Company's internal control system on the whole is satisfactory and able to ensure that the Company's financial statements as of December 31, 2015 present fairly, in all material aspects and in accordance with Thai Financial Reporting Standards, all applicable laws and regulations.



(Mr. Prakarn Tawisuwan)
Chairman of the Board of Directors



Mr. Jane Wongisariyakul
Chairman of Executive Committee and
Managing Director

Report of the Audit Committee

The Board of Directors of Winner Group Enterprise Public Company Limited consists of 3 independent directors. The qualifications of all the three members meet with the regulations of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand, one of which is competent and has experience in accounting.

The Audit Committee has performed duties as assigned by the Board of Directors, which is in accordance with the Charter and in accordance with the Notification of the Stock Exchange of Thailand. In 2015, the Audit Committee held a total 4 meetings, each committee member attended the meetings as shown in the following details.

1. Mr. Prakarn Tawisuwan	Chairman of Audit Committee	attended 4/4 meetings
2. Dr. Warunee Varayanond	Member of Audit Committee	attended 3/4 meetings
3. Miss Thipawan Uthaisang	Member of Audit Committee	attended 4/4 meetings

The Audit Committee also has meetings with the Company's management and both external and internal auditors, which could be summarized as the followings.

1. Quarterly reviewed the financial statements and annual financial statements already examined and verified by the external auditor, by reviewing them together with the executives and external auditor regarding the accuracy and completeness of the documents as well as the sufficiency of disclosure. For 2015, the Audit Committee members gave their opinions in compliance with the external auditor that the Company's financial statements were appropriately accurate according to Thai Financial Reporting Standards. The Committee also met among themselves without the management team once this year.
2. Considered the connected transactions and transactions which may cause conflicts of interest, in compliance with the laws and regulations of the Stock Exchange. The external auditor reviewed these items and found that they had all been sufficiently disclosed in the Company's financial statements. The Audit Committee was of the opinion with the external auditor, and agreed that the disclosures was reasonable and benefit to the Company.
3. Reviewed the Company's internal audit and internal control to ensure the independency and efficiency. Reviewed annual internal audit plan, advised and followed up corrective actions on significant audit findings so as to improve good governance and adequate internal control. The Audit Committee's opinions were consistent with the internal audit; that the Company has adequate internal control and appropriate to the nature of the Company's business.
4. Reviewed and monitored the Company's corporate governance policy, charter of the Board of Director, charters of sub-committees and code of conduct as well as performing duties assigned by the Board regarding the policy on communication with the board of directors and whistle-blowing.
5. Reviewed the appropriateness and adequacy of risk management, by monitoring the risk management plans of 2015 and evaluating the risk management measures.

6. Considered, selected and recommended the nomination of external auditors and their remuneration by considering their past performance. Having evaluated their independence, quality of audit work, the remuneration, they are qualified with the requirements of the Stock Exchange of Thailand.
7. Considered, selected and recommended the nomination of internal auditors and their remuneration by considering their past performance. Having evaluated their independence, quality of audit work, the remuneration, they are qualified with the requirements.
8. Reported the committee's performance to the Board every quarter and made recommendations beneficial for the administration of the management.

The Audit Committee is of the opinion that the Company had proper risk management, internal control system under good corporate governance abiding to all related laws and regulations. The Company's financial reports and disclosure of information were complete and reliable according to Thai Financial Reporting Standards.



(Mr. Prakarn Tawisuwan)

Chairman of the Audit Committee

February 29, 2016

WINNER GROUP ENTERPRISE PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

JANUARY 1, 2015 TO DECEMBER 31, 2015

Independent Auditor's Report

To the Shareholders and Board of Directors of WINNER GROUP ENTERPRISE PLC.

I have audited the accompanying financial statements of WINNER GROUP ENTERPRISE PLC., which comprise the statements of financial position as at December 31,2015, the statements of comprehensive income changes in equity and cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of theses financial statements in accordance with Thai Financial Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effusiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position as at December 31,2015 and the financial performance and cash flows for the year ended of WINNER GROUP ENTERPRISE PLC., in accordance with Thai Financial Reporting Standards.



(Mr. Pornchai Kittipanya-ngam)

Certified Public Accountant Registration No. 2778

Bunchikit Co.,Ltd.

Bangkok

February 29,2016

Financial Statements

Statement of financial position

As at December 31, 2015

Assets

Unit : Baht

	Note	2015	2014
Current Assets			
Cash and cash equivalents	5, 26	26,928,195	21,118,516
Current investments	6, 26	50,807,677	50,246,658
Trade and other receivables	7	303,880,774	287,235,181
Inventories	8	278,951,780	216,942,723
Other current assets		2,052,554	2,429,531
Total current assets		662,620,980	577,972,609
Non-current assets			
Property, plant and equipment	9	248,278,943	248,702,821
Intangible assets	10	2,258,479	1,569,268
Deferred tax assets	11	3,286,983	2,741,880
Other non-current assets		2,807,847	3,392,109
Total non-current assets		256,632,252	256,406,078
Total assets		919,253,232	834,378,687

Notes to financial statements are integral part of these statements.

Statement of financial position (Continued)

As at December 31, 2015

Liabilities and shareholders' equity

Unit : Baht

	Note	2015	2014
Current liabilities			
Short-term loan from financial institutions	12	79,586,302	24,834,415
Trade and other payables	13	219,386,792	215,648,340
Current portion of obligation under finance leases	14	346,120	-
Accrued income tax	20	12,141,374	11,453,733
Other current liabilities	15	12,202,862	11,450,341
Total current liabilities		323,663,450	263,386,829
Non-current liabilities			
Obligation under finance leases	14	1,494,225	-
Employee benefit obligations	16	9,423,338	7,297,466
Total non-current liabilities		10,917,563	7,297,466
Total liabilities		334,581,013	270,684,295
Shareholders' equity			
Share capital			
Authorized share capital			
400,000,000 Ordinary shares of Baht 0.25 each,		100,000,000	100,000,000
Issued and fully paid-up share capital			
400,000,000 Ordinary shares of Baht 0.25 each,		100,000,000	100,000,000
Premium on share capital	17.3	147,706,160	147,706,160
Retained earnings			
Appropriated			
Legal reserve	17.2	10,000,000	10,000,000
Unappropriated		326,966,059	305,988,232
Total shareholders' equity		584,672,219	563,694,392
Total liabilities and shareholders' equity		919,253,232	834,378,687

Notes to financial statements are integral part of these statements.

Statement of comprehensive income

As at December 31, 2015

Unit : Baht

	Note	2015	2014
Revenues			
Revenues from sales and service		1,430,515,444	1,430,821,625
Other incomes		19,018,148	13,460,029
Total revenue		1,449,533,592	1,444,281,654
Expenses			
Cost of sales and service		1,125,931,806	1,137,731,731
Selling expenses		109,368,300	102,596,241
Administrative expenses		102,308,230	103,545,564
Total expenses		1,337,608,336	1,343,873,536
Profit before finance costs and income tax expenses		111,925,256	100,408,118
Finance costs		951,859	3,879,453
Profit before income tax expenses		110,973,397	96,528,665
Income tax expenses	20	21,995,570	20,015,931
Total comprehensive income for the years		88,977,827	76,512,734
Basic earning per share	22	0.22	0.19

Notes to financial statements are integral part of these statements

Statement of changes in shareholders' equity

As at December 31, 2015

Unit : Baht

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
				Legal reserve	Unappropriated	
Balance as at January 1, 2014		100,000,000	147,706,160	10,000,000	297,475,498	555,181,658
Dividend paid	17.1	-	-	-	(68,000,000)	(68,000,000)
Total comprehensive income for 2014		-	-	-	76,512,734	76,512,734
Balance as at December 31, 2014		100,000,000	147,706,160	10,000,000	305,988,232	563,694,392
Balance as at January 1, 2015		100,000,000	147,706,160	10,000,000	305,988,232	563,694,392
Dividend paid	17.1	-	-	-	(68,000,000)	(68,000,000)
Total comprehensive income for 2015		-	-	-	88,977,827	88,977,827
Balance as at December 31, 2015		100,000,000	147,706,160	10,000,000	326,966,059	584,672,219

Notes to financial statements are integral part of these statements.

Statement of cash flows

As at December 31, 2015

Unit : Baht

	Note	2015	2014
Cash flows from operating activities			
Profit before income tax		110,973,397	96,528,665
Adjustments to reconcile net profit to net cash provided by operating activities			
Doubtful accounts (Reversal)		(7,236)	471,574
Recovery of bad debts		(1,187)	-
Bad debts		85,277	-
Impairment loss on assets (Reversal)		(418,171)	1,798,524
Provision for sales returns		214,049	1,588,682
Depreciation	9	17,032,510	16,314,584
Amortization	10	613,689	561,260
Loss on written-off stocks		3,169,251	3,125,315
Loss on obsoleted goods (Reversal)		(199,642)	527,569
(Gain) loss on sale of fixed assets		(196,508)	471,619
Loss from written-off assets		12,448	120,061
Unrealized (gain) loss on exchange rate		(602,095)	883,527
Unrealized gain on change in value of current investment	6	(1,197,061)	(246,658)
Gain on disposal of current investment		(139,841)	(574,071)
Employee benefit expenses	16	2,125,872	1,633,040
Interest income		(81,963)	(2,316,179)
Interest expenses		951,859	3,879,453
		132,334,648	124,766,965
Change in operating assets and liabilities			
(Increase) decrease in assets			
Trade and other receivables		(16,680,407)	(5,834,694)
Inventories		(64,994,708)	(27,858,750)
Other current assets		337,546	(351,491)
Other non-current assets		584,261	(142,964)

Notes to financial statements are integral part of these statements.

Statement of cash flows (Continued)

As at December 31, 2015

Unit : Baht

	Note	2015	2014
Cash flows from operating activities (Continued)			
Change in operating assets and liabilities (Continued)			
Increase (decrease) in liabilities			
Trade and other payables		3,980,788	(4,651,351)
Other current liabilities		537,482	952,739
Employee benefit obligation		-	(2,450,000)
Cash received from operating activities		56,099,610	84,430,454
Interest paid		(891,962)	(4,093,001)
Income taxes paid		(21,853,031)	(18,368,239)
Net cash provided by operating activities		33,354,617	61,969,214
Cash flows from investing activities			
Redemption of current investment		80,775,882	150,574,071
Investment in current investment		(80,000,000)	(200,000,000)
Interest received		81,963	2,316,179
Sale of fixed assets		242,991	285,234
Purchase of fixed assets		(14,095,751)	(7,728,742)
Purchase of intangible assets		(1,302,900)	(376,300)
Net cash used investing activities		(14,297,815)	(54,929,558)
Cash flows from financing activities			
Increase (decrease) in loans from financial institutions		54,751,887	(94,760,459)
Repayment for lease contract liabilities		-	(152,227)
Dividend paid	17.1	(67,999,010)	(67,997,430)
Net cash used in financing activities		(13,247,123)	(162,910,116)
Increase (Decrease) in cash and cash equivalents, net		5,809,679	(155,870,460)
Cash and cash equivalents as at January 1,		21,118,516	176,988,976
Cash and cash equivalents as at December 31,		26,928,195	21,118,516

Notes to financial statements are integral part of these statements.

Notes to Financial Statements for the year ended December 31, 2015

1. General Information

- 1.1 Winner Group Enterprise Public Company Limited, The Company was incorporated in Thailand on January 18, 1983 The Company's shares were approved for trading in the MAI under the Stock Exchange of Thailand on October 3, 2013.

The Company is engaged in manufacturer, import and distributor of the raw material, ingredient, food chemicals and consumer products.

- 1.2 The address of the Company is THAI CC TOWER 21st floor, room no. 214-219, 43 South Sathorn Road, Yannawa, Sathorn, Bangkok and have branched are as follows:

Plant location	259 Bang-Pa-In Industrial Estate, Moo 2 , Kong-Jik, Bang-Pa-In, Ayuthaya.
Warehouse	W/H1 60, Soi Bangna-Trad 26, Bangna, Bangkok.
	W/H2 23, Soi Bangna-Trad 26, Bangna, Bangkok.
Delice	Branch 1 43 THAI CC TOWER, G floor, unit 2, South Sathorn Road, Yannawa, Sathorn, Bangkok
	Branch 2 18, Soi Sukhumvit 61, Sukhumvit Road, Khlongtan-nua, Wattana, Bangkok.

- 1.3 The major shareholders are Mr. Jane Wongisariyalul (34.27% shareholding) and other members in Wongisariyakul family (16.58% shareholding).

2. Basis for preparation and presentation of financial statements

- 2.1 The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

- 2.2 The financial statements are presented in Thai currency reporting purpose, and presented 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 New Financial Reporting Standards

The Federation of Accounting Professions has notification of applying the revised and new financial reporting standards are as follows:

- 2.3.1 The Financial Reporting Standards that became effective in the current accounting period

The Company has adopted the Thai Financial Reporting Standards that are effective for annual periods beginning on or after January 1, 2015. The adoption of these Thai Financial Reporting Standards does not have any significant impact on the Company's financial statements.

2.3.2 The Financial Reporting Standards that will become effective in the future

The Financial Reporting Standards which are effective for accounting periods beginning on or after January 1, 2016, as follows:

Conceptual Framework for Financial Reporting (revised 2015)

Financial Reporting Standards

TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contract
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement

Accounting Standards

TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flow
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Cost
TAS 24 (revised 2015)	Related Party Disclosure
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separated Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets

TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture

Financial Reporting Standards Interpretations

TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether and Arrangement contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmers
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) Employee Benefits - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customer
TFRIC 20 (revised 2015)	Stripping Cost in the Production Phase of a Surface Mine
TFRIC 21	Levies

Accounting Standard Interpretations

TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2015)	Disclosure - Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue- Barter Transaction Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs

Accounting Treatment Guidance	Accounting Treatment Guidance for Measurement and Recognition for Bearer Plant
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The Company would not yet adopt the above standards before the effective date. The management of the Company and its subsidiaries assess that there will have no material the impact on the financial statements in the year when they are initially applied.

2.4 The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

3. Summary of significant accounting policies

3.1 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.

3.2 Cash and cash equivalent

Cash represents cash on hand and demand deposits with bank.

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 investment.

3.3 Trade receivables

Trade receivables are stated at net realizable value which is the amount of invoices netted from 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 receivables.

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

3.4 Inventory

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 goods and work in process comprise from raw material, labor and manufacturing overhead. The cost of inventories is calculated as follows:

Finished goods:

Purchase	Valued at cost prices under First-in, First-out (FIFO) method
Produce	Valued at cost prices under First-in, First-out (FIFO) method
Work in process	Valued at cost prices under First-in, First-out (FIFO) method
Raw materials	Valued at cost prices under First-in, First-out (FIFO) method
Packaging supplies	Valued at cost prices under First-in, First-out (FIFO) method

The company provided the allowance for expired goods from the goods which are expired and damaged.

3.5 Property, plant and equipment

Land is stated at cost less allowance for loss on impairment (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment (if any). Depreciation is calculated by the straight-line method, based on the estimated useful lives of assets as follows:

Land and building improvement	8-10	years
Building construction	15-30	years
Machinery and equipment	2-10	years
Tools and equipment	5-10	years
Furniture and fixtures	5	years
Vehicles and labor-saving equipment	5-7	years

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

Cost of addition, improvement, repairing or extensions of lease agreement which contributes economic benefit is capitalized.

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

Depreciation is recognized as expense for each accounting period.

3.6 Intangible asset

Intangible assets are stated at cost less accumulated amortization and allowance for loss on impairment (if any). Amortization is calculated by the straight-line method form the date that intangible assets are available for use over the estimated useful lives 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 stamen of financial position date. The estimated useful lives are as follow:

Computer software	5	Years
Copyright	5	Years

The company recorded the amortization as expenses for each accounting periods.

3.7 Impairment of assets

The Company 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 recognizes the impairment loss in the statement of comprehensive income.

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

3.8 Lease agreements

3.8.1 Lease agreements

The leases of assets, which all the substantial 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 agreements, are classified as finance lease. The lessee records the finance 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 statements of comprehensive income over the lease period. The leased asset is depreciated over the useful life of the asset.

3.8.2 Operating leases

The leases of assets, which all the substantial 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 statement of comprehensive income on the straight-line method over the period of the lease agreement.

3.9 Liabilities, provisions and expenses

The Company 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.

3.10 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 of goods return (if any).

3.11 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.

Post – employment benefits

The Company and its employees have jointly established a provident fund for the employee. The fund composed of contributions from employees which are deducted from their monthly salaries and contributions made by the Company. The fund's assets are held in a separate trust fund and the Company contribution are recognized as expenses when incurred.

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

The Company recognized the actuarial gain and losses arising from defined benefit plans in other comprehensive income and recognize all expense related to post – employment benefit plans in profit and losses.

3.12 Translation of foreign currency

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 rates of that date. Exchange differences are accounted for as profit or loss in the statement of comprehensive income.

3.13 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax is recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the years, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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

3.14 Basic earnings per share

Basic earnings per share are computed by dividing the profit for the years attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

4. Related party transactions

4.1 The company's policy about the price change to the related parties are as follows:

Type of transactions	Policies of price setting
Sale goods to person or related party	Market price

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

4.2 The relationship of person or related parties.

Unit : Baht

	Relationship	2015	2014
Income and expenses for the year			
Revenues from the sales of goods	Director and shareholder and related parties	19,800	32,609
Key management personnel remuneration	Director and shareholder or key management		
- Short-term employee benefits		24,658,485	20,436,057
- Postemployment benefits		977,955	741,900
Total		25,636,440	21,177,957

Key management personnel represent persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

5. Cash and cash equivalent

Unit : Baht

Consist of:	2015	2014
Cash	102,500	95,059
Cheque on hand	1,265,913	1,287,388
Demand deposits	25,559,782	19,736,069
Total Cash and cash equivalent	26,928,195	21,118,516

6. Current investment

Unit : Baht

Consist of:	2015	2014
Current Investment		
- Krungsri Star Plus Fund (KFSPLUS)	-	50,000,000
- LH Enhanced Fixed Income Fund 3M3 (LHEFI3M3)	49,610,616	-
	49,610,616	50,000,000
Add Unrealized gain on change in value of current investment	1,197,061	246,658
Total current investment	50,807,677	50,246,658

During the year ended December 31, 2015, the Company invested in the units fund in the amount of Baht 80 million (2014: Baht 200 million) and redemption of investments amounting to Baht 80.4 million (2014: Baht 150 million).

Current investments of the Company as at December 31, 2015 and 2014 as the baht currency.

7. Trade and other receivables

Unit : Baht

Consist of:	2015	2014
Trade receivables		
- Trade receivables	286,039,648	270,347,098
- Note receivables	7,985,736	8,936,986
	294,025,384	279,284,084
Less Allowance for doubtful accounts	(1,353,933)	(1,361,169)
Total trade receivables	292,671,451	277,922,915
Other receivables		
- Other receivables	303,339	320,220
- Cash advance for inventories	4,348,926	1,834,728
- Prepaid expenses	1,307,087	2,009,887
- Advance to employees	6,454	-
- Accrued income	5,243,517	5,147,431
Total other receivables	11,209,323	9,312,266
Total trade and other receivables	303,880,774	287,235,181

The aging of the past due trade account receivables are as follows:

Unit : Baht

Consist of:	2015	2014
Not yet due	226,525,662	217,638,961
Overdue 1 - 30 days	46,039,611	43,670,865
Overdue 31 - 90 days	12,021,206	7,230,402
Overdue 91- 180 days	99,236	435,701
Overdue over 180 days	1,353,933	1,371,169
Total	286,039,648	270,347,098

8. Inventories

Unit : Baht

Consist of:	2015	2014
Finished goods		
Purchase	183,244,803	126,543,430
Produce	4,099,431	5,952,382
Total finished goods	187,344,234	132,495,812
Work in process	37,915	36,670
Raw materials	2,338,872	4,016,952
Packaging supplies	1,037,110	1,428,249
Total	190,758,131	137,977,683
Less Allowance for obsolete goods	(1,324,605)	(1,524,247)
Total	189,433,526	136,453,436
Add Goods in transits	89,518,254	80,489,287
Total inventories	278,951,780	216,942,723

Loss (reversal) from obsolete stock for the year ended December 31, 2015 was Baht (0.2) million (2014: Baht 0.53 million).

9. Property, plant and equipment

Unit : Baht

Consist of:	2014	Increase (Decrease) in the period			2015
		Increase	Decrease	Transfer	
Cost price					
Land	114,250,000	-	-	-	114,250,000
Land and building improvement	14,408,587	390,000	-	-	14,798,587
Building construction	94,576,291	-	-	-	94,576,291
Machinery and equipment	26,488,153	1,763,173	(96,500)	8,523,410	36,678,236
Tools and equipment	11,134,964	1,131,984	(439,938)	202,740	12,029,750
Furniture and fixtures	31,356,400	1,755,190	(1,910,118)	242,162	31,443,634
Vehicles and labor-saving equipment	25,460,433	2,709,364	(3,321,617)	3,964,890	28,813,070
Total	317,674,828	7,749,711	(5,768,173)	12,933,202	332,589,568
Accumulated depreciation					
Land and building improvement	(3,953,354)	(1,447,430)	-	-	(5,400,784)
Building construction	(28,031,977)	(3,639,721)	-	-	(31,671,698)
Machinery and equipment	(8,498,775)	(3,841,752)	-	-	(12,340,527)
Tools and equipment	(4,909,614)	(1,663,411)	-	439,502	(6,133,523)
Furniture and fixtures	(18,161,186)	(4,683,860)	-	1,898,116	(20,946,930)
Vehicles and labor-saving equipment	(12,421,987)	(1,756,336)	-	3,275,125	(10,903,198)
Total	(75,976,893)	(17,032,510)	-	5,612,743	(87,396,660)
Add Work in progress	241,697,935				245,192,908
	8,803,411	9,021,174	-	(13,358,196)	4,466,389
Property, plant and equipment, net	250,501,346				249,659,297
Less Impairment Loss	(1,798,525)	-	418,171	-	(1,380,354)
Property, plant and equipment, net	248,702,821				248,278,943

Land and building of the Company (Book value as at December 31, 2015: Baht 161.60 million) are used as collateral to bank overdraft and short term loan facilities as mentioned in note 12.

The cost of plant and equipment, which were depreciated in fully amount are as follows:

Year 2015 in amount of Baht 22.15 million

Year 2014 in amount of Baht 17.81 million

10. Intangible assets

Unit : Baht

Consist of :	2014	Increase (Decrease) in the period			2015
		Increase	Decrease	Transfer	
Cost					
Computer software	3,528,710	302,900	-	-	3,831,610
The copyright in the country	-	1,000,000	-	-	1,000,000
Total	3,528,710	1,302,900	-	-	4,831,610
Accumulated amortization					
Computer software	(1,959,442)	(580,264)	-	-	(2,539,706)
The copyright in the country	-	(33,425)	-	-	(33,425)
Total	(1,959,442)	(613,689)	-	-	(2,573,131)
Intangible assets, net	1,569,268	689,211	-	-	2,258,479

11. Deferred tax assets

Unit : Baht

Consist of :	2015	2014
Deferred tax assets	3,678,964	2,845,772
Deferred tax liabilities	(391,981)	(103,892)
Net	3,286,983	2,741,880

Movements in total deferred tax assets and liabilities during the year ended December 31, 2015 and 2014 were as follows:

Unit : Baht

Consist of :	January 1, 2015	(Charged) / Credited to :		December 31, 2015
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Accounts receivable	272,234	(1,448)	-	270,786
Inventories	304,849	(39,928)	-	264,921
Employee benefit obligations	1,459,493	425,175	-	1,884,668
Goods return provision	1,049,196	42,810	-	1,092,006
Finance lease	(240,000)	406,583	-	166,583
Total	2,845,772	833,192	-	3,678,964
Deferred tax liabilities				
Property, plant and equipment	(103,892)	(288,089)	-	(391,981)
Total	(103,892)	(288,089)	-	(391,981)
Net	2,741,880	545,103	-	3,286,983

Unit : Baht

Consist of :	January 1, 2014	(Charged) / Credited to :		December 31, 2014
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Accounts receivable	177,919	94,315	-	272,234
Inventories	199,335	105,514	-	304,849
Employee benefit obligations	1,132,885	326,608	-	1,459,493
Goods return provision	731,460	317,736	-	1,049,196
Finance lease	(211,948)	(28,052)	-	(240,000)
Total	2,029,651	816,121	-	2,845,772
Deferred tax liabilities				
Property, plant and equipment	(90,251)	(13,641)	-	(103,892)
Total	(90,251)	(13,641)	-	(103,892)
Net	1,939,400	802,480	-	2,741,880

12. Loans from financial institutions

Loans from financial institutions are in the form of trust receipts with the interest rate at MMR (Money Market Rate) per annual. The Company has 6 facilities of trust receipts and bank overdrafts. Such loans are guaranteed by part of its land and building.

As at December 31, 2015, The company had unutilized credit line totaling baht 570.4 million.

13. Trade and other payables

Unit : Baht

Consist of :	2015	2014
Trade payables		
Domestic	8,851,694	7,286,253
Foreign	182,153,324	169,140,244
Note payables	263,662	1,019,030
Total trade payables	191,268,680	177,445,527
Other payables		
Other payables	922,465	4,875,677
Accrued expenses	26,923,529	26,350,855
Advance received	272,118	6,976,281
Total other payables	28,118,112	38,202,813
Total trade and other payables	219,386,792	215,648,340

14. Obligation under finance leases

Unit : Baht

	2015			2014		
	Future value of minimum lease payments	Interest	Present value of minimum lease payments	Future value of minimum lease payments	Interest	Present value of minimum lease payments
Within one year	432,000	85,880	346,120			
After one year but within five years	1,728,000	233,775	1,494,225			
Total	2,160,000	319,655	1,840,345			

15. Other current liabilities

Unit : Baht

Consist of :	2015	2014
Revenue Department	6,282,556	5,727,716
Allowance for goods return	5,460,030	5,245,981
Others	460,276	476,644
Total current liabilities	12,202,862	11,450,341

16. Employee benefit obligations

16.1 Movement in the present value of the employee benefit obligations are as follows:

Unit : Baht

Consist of :	2015	2014
Defined benefit obligations at beginning	7,297,466	8,114,426
Current service costs	1,878,172	1,440,788
Interest costs	247,700	192,252
Benefit costs	-	(2,450,000)
Defined benefit obligations at ending	9,423,338	7,297,466

16.2 Expenses recognized in profit or loss are as follows:

Unit : Baht

Consist of :	2015	2014
Current service cost	1,878,172	1,440,788
Interest cost	247,700	192,252
Total	2,125,872	1,633,040

As at December 31, 2015 weighted average duration to retire is 8.08 years.

16.3 Principal actuarial assumptions at the reporting date

% per annum

Consist of :	2015	2014
Discount rate (% per annual)	3.39	3.39
Future salary increase rate (% per annual)	6.87	6.87
Employee turnover rate (variance base voluntary resignation (%))	0 - 25	0 - 25

Assumptions regarding future mortality are based on published statistics and mortality tables in 2008.

17. Equity

17.1 Dividend Payment

Year 2015

The Board of directors' meeting, held on August 13, 2015 had a resolution to pay the interim dividend payment to the shareholders in the amount of Baht 32 million, Baht 0.08 per share of 400 million outstanding common shares.

The Shareholders' meeting, held on April 22, 2015 to declare the dividend payment in the amount of Baht 64 million, Baht 0.16 per share. The Company has already paid an interim dividend of Baht 28 million, Baht 0.07 per share. Accordingly, the remaining dividend should be paid in the amount of Baht 36 million, Baht 0.09 per share.

Year 2014

The Board of director meeting, held on August 13, 2014 had a resolution to declare the interim dividend payment to the shareholders of Baht 28 million, Baht 0.07 per share of 400 million outstanding common shares.

The Shareholders' meeting, hold on April 23, 2014 to declare the dividend payment in the amount of Baht 68 million, baht 0.17 per share. The Company had already paid an interim dividend of Baht 28 million, baht 0.07 per share. Accordingly, there was the remaining dividend of Baht 40 million, Baht 0.10 per share.

17.2 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

17.3 Managing Capital

The Company has no regulation to maintain the debt to equity ratio with outside party. The company has policy to manage the capital by maintaining the Company's ability to continue the business as a going concern and providing the appropriate returns to the shareholders.

18.Provident fund

The Company 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.

19.Classification of expenses by nature

Unit : Baht

Consist of :	2015	2014
Change in finished goods and goods in process	(68,041,349)	(19,624,845)
Raw material and supply used	68,740,765	71,803,266
Purchase for goods	990,281,771	944,152,173
Employee expenses	93,030,616	90,462,256
Key management expenses	25,636,441	21,177,957
Marketing expenses	44,761,257	40,353,018
Depreciation	17,032,510	16,314,584
Amortization	613,689	561,260
Finance cost	951,859	3,879,453
Others expenses	165,552,636	178,673,867
Total	1,338,560,195	1,347,752,989

20.Income tax expenses

Unit : Baht

Consist of :	2015	2014
Current tax expense	22,540,673	20,818,411
Deferred tax expense	(545,103)	(802,480)
Total	21,995,570	20,015,931

Reconciliation of effective tax rate

Consist of :	2015		2014	
	Rate	Unit : Baht	Rate	Unit : Baht
Profit (loss) for the year		88,977,827		76,512,734
Total income tax expense		21,995,570		20,015,931
Profit (loss) before income tax expense		110,973,397		96,528,665
Income tax using the Thai corporation tax rate	20.00	22,194,679	20.00	19,305,733
Income tax reduction – deferred		(545,103)		(802,480)
Income not subject to tax		-		-
Expenses not deductible for tax purposes		345,994		1,512,678
Total	19.82	21,995,570	20.74	20,015,931

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Company has applied the tax rate of 20% in measuring deferred tax assets as 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

21. Segment information

The Company business operations involve two principal segments: (1) Industry Product (2) Consumer Product. The determined main segment considers management factor distribution channels and categories of products and services. The company operate its business in the main geographical areas in Thailand. The below, segment information consists of:

Unit : Thousand Baht

Consist of :	Industry Product		Consumer Product		Total	
	2015	2014	2015	2014	2015	2014
External revenue	589,257	636,064	841,258	794,758	1,430,515	1,430,822
Segment profit	96,462	86,475	102,955	89,387	199,417	175,862

Reconciliation of reportable segment profit or loss and assets

Unit : Thousand Baht

Profit or loss	2015	2014
Total profit for reportable segments	199,417	175,862
Other income	1,841	3,559
Unallocated amounts - Other corporate expenses	(90,285)	(82,892)
Profit before tax for the year ended December 31	110,973	96,529

22. Basic earnings per share

Unit : Baht/share

Consist of :	2015	2014
Profit for the year attributable to ordinary shareholders of the Company (Basic)	88,977,827	76,512,734
Weighted average ordinary shares (Basic)	400,000,000	400,000,000
Earnings per share (Basic)	0.22	0.19

23. Commitments and contingent liabilities

23.1 There are outstanding commitments with banks as follows :

Unit : Baht

Consist of :	2015	2014
Letter of guarantee	1,324,267	1,161,900

23.2 Forwarding exchange contract

The outstanding balance forward exchange contract is as follow :

Consist of:	Currency	2015	2014
The exchange forward contract – Bought	(USD)	7,299,252	5,097,172
	(EUR)	315,143	-

23.3 Operating lease obligation

The Company has operating lease obligations, which is consist of vehicle and related rental, and equipment rental (copiers). The periods of operating lease obligations are approximately 1-5 years.

As at December 31, 2015, the minimum lease payments in the operating lease contracts with the present value of future minimum lease payments are as follows:

Unit : Baht

Item of lease	Terms	2015	2014
Office Building and Ware House	Within one year	7,161,967	6,748,781
	Two-five years	1,604,375	5,233,725
Service	Within one year	125,751	122,652
	Two-five years	34,675	112,026
Office equipment (Copier)	Within one year	136,800	145,300
	Two-five years	299,200	99,000

23.4 Technical Service and Royalty agreements

On May 4, 1993, The Company entered into the License agreement with a company, in USA, which the company has a right to be the exclusive independent sales distributor in the Territory of Thailand. Under the agreement, the company has to pay royalty of purchase price of such product

for the period of 5 years from the date of agreement. After such initial term and in the absence of any notice of termination, this agreement shall be automatically extended on a year to year basis.

24. Financial instruments

24.1 Risk management policies

24.1.1 Credit risk

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

Credit risk which arises from trade accounts receivables 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.

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

24.1.2 Interest rate risk

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

As at December 31, 2015 and 2014, the company has 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:

Unit : Million Baht

Consist of :	2015				
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total
	Within 1 year	Over 1 - 5 year			
Financial Assets					
Cash and cash equivalents	25.56	-	-	1.37	26.93
Current investments	-	-	50.81	-	50.81
Trade and other receivable	-	-	-	303.88	303.88
Financial liabilities					
Loans from financial institutions	-	-	79.59	-	79.59
Trade and other payable	-	-	-	219.39	219.39

Consist of :	2014				
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total
	Within 1 year	Over 1 - 5 year			
Financial Assets					
Cash and cash equivalents	19.74	-	-	1.38	21.12
Current investments	-	-	50.25	-	50.25
Trade and other receivable	-	-	-	287.24	287.24
Financial liabilities					
Loans from financial institutions	-	-	24.83	-	24.83
Trade and other payable	-	-	-	215.65	215.65

24.1.3 Foreign exchange rate risk

The Company exposure to foreign currency risk mainly relating to purchase of goods which is denominated in foreign currencies. The Company hedged against currency risk by entering into forward exchange contracts with maturities of less than 1 year.

Consist of :	Currency	Amount of Contract		Fair Value (Baht)
		Foreign currency	Baht	
Forward Contract Foreign	(USD)	5,837,698	210,376,222	808,774
	(EUR)	315,143	12,243,938	206,811

As at December 31, 2014, the Company has the balances of forward contract as follows:

Consist of :	Currency	Amount of Contract		Fair Value (Baht)
		Foreign currency	Baht	
Forward Contract Foreign	(USD)	5,155,012	169,770,448	1,055,016

24.2 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 in estimating fair value of financial instruments is as follows:

- Financial assets and financial liabilities held for the short-term maturities, such as cash on hand and deposits at financial institutions, current investment, accounts receivable and payable, and short-term loans, the carrying amounts in the statements of financial position approximate at the fair value.
- Fair value of obligation under finance leases is determined based on the present value of future cash flows, discounted at the market interest rate at the date of the statement of financial position.

24.3 Fair Value Measurement

24.3.1 The financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as price) or indirectly (that is, derived from prices).
- Level 3 Inputs for the asset or liability these are not based on observable market data (that is, unobservable input).

The Financial assets and liabilities those are measured at fair value at December 31, 2015

Unit : Baht

	Level 1	Level 2	Level 3	Total
Asset				
Current investment	-	50,807,677	-	50,807,677
Forward foreign exchange contract	-	1,015,585	-	1,015,585
Total Asset	-	51,823,262	-	51,823,262

In this accounting period, there are no transfers within the fair value level.

24.3.2 Valuation method of fair value for Level 2 input.

Investments in units trust are fair valued using unit price base on Net Asset Value (NAV) of the funds that are publicized by the Fund Manager.

The forward foreign exchange contracts have been fair valued using exchange rates that are calculated by the commercial bank. The input data in its valuation is mostly extracted from observable market data such as spot rate, future rate and yield curves.

25.Events after the reporting period

The board of directors' meeting, held on February 29, 2016 has raised the agenda of shareholders' meeting as follow:

- To declare the dividend payment from the operation results for the year ended December 31, 2015 in the amount of Baht 80 million, Baht 0.20 per share. The Company has already paid an interim dividend of Baht 32 million, Baht 0.08 per share. Accordingly, the remaining dividend of Baht 48 million, Baht 0.12 per share, will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

26. Reclassification of accounts

Certain accounts in the 2014 financial statements have been reclassified to conform the presentation in the 2015 interim financial statements. Significant reclassifications were as follows:

	Unit : Baht		
	2014		
	Before reclass	Reclass	After reclass
Statement of financial position			
As at 31 December 2014			
Current assets			
Cash and cash equivalents	71,365,174	(50,246,658)	21,118,516
Current Investment	-	50,246,658	50,246,658
		<u>-</u>	

27. Approval of financial statements

These financial statements were approved for issue by the Company's Board of Directors on February 29, 2016.

