

Annual Registration Statement

**ANNUAL
REPORT**

2022

(56-1 One Report)



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Message from the Board of Directors



Mr. Prakarn Tawisuwan
Chairman of the Board of Director

Dear Shareholders,

2022 continued to be a year in which the global economy continued to face many uncertainties and challenges. Although the situation of the COVID-19 epidemic has started to ease back into normal, it has left a large scar that takes time to heal. There are also other important factors that aggravate the economic recovery, including the impacts of the war between Russia and Ukraine, the climate crisis, inflation, supply chain disruption, and COVID control measures in China. These factors resulted in the economic performance of many countries not growing as well as expected.

For the Thai economy, although the economic overview performed better than the previous year, it is still poorer than expected. That is because, in the first half of the year, the Thai economy faced severe pressure from inflation, and exports that used to be a major driver were slowed down in the second half of the year. Nevertheless, the Thai economy was supported by the recovery of private consumption and tourism after the country fully opened up. As a result, the Thai economy in 2022 grew by 2.6 percent after increasing only 1.6 percent in 2021.

In a situation where the economy was recovering and fragile, Winner Group Enterprise Public Company Limited was still able to maintain its gross income level. In 2022, the company and its subsidiaries had a total gross income of 2,040 million baht, an increase of 12.8 percent from the previous year, due to the recovery of the tourism sector as aforementioned, and the strategic direction that focused on developing and providing a one-stop food service, together with the launch of the Innovation Center at the end of last year.

Finally, on behalf of the Board of Directors, executives, and all employees, we would like to thank our shareholders, business partners, customers, patrons, business partners, and stakeholders who trust, believe, and support the company's business. Please be confident that the company will strive to operate the business creatively and generate returns sustainably for all shareholders and stakeholders forever.

The Board of Directors and Executives



Mr. Prakarn Tawisuwan

Chairman of the Board of Director
Independent Director
Chairman of the Audit Committee



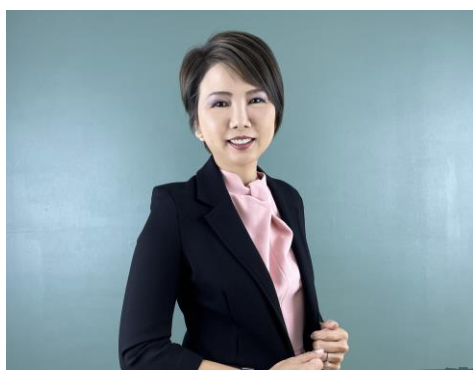
Mr. Jane Wongisariyakul

Director
Chairman of Executive Committee
Chairman of Risk Management Committee
CEO
(Authorized Director)



Mrs. Vannaporn Wongisariyakul

Director
Member of Executive Committee
Member of Risk Management Committee
(Authorized Director)



Miss Kanokpan Kreangkraikrissada

Director
Member of Executive Committee
Member of Risk Management Committee
(Authorized Director)

The Board of Directors and Executives



Miss Kanollas Wongisariyakul

Director

Member of Executive Committee

Member of Risk Management Committee

Managing Director

CFO

(Authorized Director)



Miss Thipawan Uthaisang

Independent Director

Member of the Audit Committee

Chairman of Nomination Remuneration
and Corporate Governance Committee



Dr. Warunee Varayanond

Independent Director

Member of the Audit Committee

Member of Nomination Remuneration
and Corporate Governance Committee



Mr. Surapat Rojchanavisart

Director

Member of Nomination Remuneration
and Corporate Governance Committee



Section 1

Business Operation and Operating Results



1. Structure and operation of the group of the companies

Winner Group Enterprise Public Company Limited operated 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, seasoned laver, pasta, olive oil, fruit jams, juices, etc.

1.1 Policy and Business Overview

Winner Group Company Enterprise Public Company Limited (“the Company” or “Winner”) operates as an importer, manufactures and distributes raw materials, ingredients and food chemicals used in food processing, such as raw materials, ingredients used in food processing (Food Ingredients) and food additives and additives (Food Additive) from leading sources around the world.

In addition, the company has expanded the range of products distributed to food products for consumption under world-class brands. by delivering products through modern trade and traditional trade as well as expanding the customer base to food service providers such as hotel, restaurant, and catering (HoReCa) including other retailers and online customers under online selling websites www.winnerandco.com

In addition to quality products, the company also adheres to efficient and reliable service. by maintaining a base of experienced salespeople proficient and understand the customer's business very well to find the right products and meet the needs of customers as well as adapting and preparing to cope with the change of business model towards a cashless society. Consumer behavior that focuses on the perception of goods and services via social media in order to be able to respond to the needs of customers in a more comprehensive and comprehensive manner.



1.1.1 Vision, Mission and Business Objectives



Core business: Importing, manufacturing and distributing

- Raw material, ingredients and food additives for food industry (Industry Products)
- Consumer Food Products (Consumer Products)

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 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 including OEM premix products and packaging filling services. Also, we aim to export our own products such as icing sugar, baking powder and wheat flour to neighboring countries. To increase the plant's production to reach 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 cover 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), Quick Service Restaurant "QSR" and end consumers. 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 develop corporate resources planning and increase work efficiency on service delivery.
6. The Company will develop a business development plan to create brand awareness of newly acquired OEM cosmetic business and expand broader opportunity into ASEAN countries.

**Business: OEM**

- Skincare & Cosmeceutical
- Makeup
- Food Supplement
- Herb

Mission

To become the leading OEM company in ASEAN with creativity excellence and innovation in health and beauty.

Mission

To aim to be company that continues research and development of health and beauty products, product research and development processes, manufacturing process that meet international standards along with services that focus on customer satisfaction.

The Subsidiary company sets business objectives as follows:

1. A profitable organization which aims to legally and ethically earn profit.
2. A sustainable organization which aims to create better work life balance to employees and CSR commitment.
3. A leading OEM cosmetics business in country with excellence service.
4. Product customization that serves customers' requirements and consumers product safety.
5. Feature of swift quality products, effective response to customers and remains competitive in the same industry level.
6. Strong strategic marketing penetration to maximize market share in domestic and international appearance.
7. Guarantee of product quality, manufacturing process, logistics and transportation, environmental management system standards as well as leveraging business capabilities.
8. Committed to provide effective procurement both raw material, packaging, machine and various services to minimize trade monopoly.

1.1.2 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 with fully-paid registered capital of 1 million baht. 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, 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 (HoReCa) and other retail traders including E-marketing tools (E-commerce) to expand new customers in online segment.

In 2018, The company acquired the business Aesthetic Zecret (AT-ZE) Company Limited which is an OEM business for skincare and cosmetic, makeup, supplementary food and herb. The propose is to strengthen the business expansion from food distributors to the OEM business for skincare and cosmetic, makeup, supplementary food and herb.

In 2021. The company has purchased ordinary share of Winner Agro Innovation Co., Ltd. 45% of Registered capital which operate business to production and distribution of raw materials, seedling varieties, hemp extract and the kind of agricultural products.

Key Milestones in 2022

1. In 2022, the Company selected new products from various sources including to develop product for requirement of customer and expand customer base both industry food and food service provider which import and distribution new products as follows:

Industry Products

- Konjac Gum
- Pea Protein



Consumer Products

- **Krip Krip:** Tortilla chip (Roasted corn and Nacho cheese flavor)
- **Sudus:** Shiitake mushroom crisp (Original flavor)
- **Harvey Fresh:** Apple juice and Orange juice 250 ml.
- **Lilly:** Sunflower seeds and Pumpkin seeds
- **Lilly:** Fudge brownie mix and Muffin mix
- **Baifern:** Dark chocolate compound disc, Dark chocolate couverture and Dark chocolate chips
- **Hanchef:** Korean fried chicken sauce, Tteokbokki sauce and Chuncheon Dakgalbi sauce
- Frozen Wagyu Beef
- Straw mushrooms in brine

2. On June 8, 2022, Thaipat Institute announced that “WINNER” is one of the 2022 ESG 100 listed companies with having outstanding in Environmental, Social and Governance (6-year continuance since 2017).
3. In July 2022, the Company participated in the Sustainable Development Journey 2022 Project, “Business Sustainability Strategies” course, organized by the Stock Exchange of Thailand to initiate and prepare for Thailand Sustainability Investment (THSI).
4. On August 11, 2022, Thai Investors Association announced Annual General Meeting of Shareholders in 2022 that resulted the AGM Level 100 scores (5-year continuance since 2017). The propose is to increase awareness of the AGM as essential leverage element of good corporate governance.
5. On October 27, 2022, the Stock Exchange of Thailand and Thai Institute of Directors announced “the examination result on Corporate Governance Report of Thai Listed in 2022”. The Company was classified into “excellent” or CG 5-star score range of 90-100 scores (5 consecutive years since 2017) which was higher than the average scores of all Thai Listed in 2022.
6. On November 21, 2022, the Company received the "Sustainability Award in the Thai Capital Market for Supporting Persons with Disabilities of the Year 2022 in the Outstanding Award category" from the Securities and Exchange Commission (SEC) together with partnering organizations, namely the Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment and Development of the Life of Persons with Disabilities, Thai Listed Companies Association, and the Association of Disabled Persons Council of Thailand. This award was given to organizations that support and promote employment and careers for people with disabilities in accordance with Section 33 and Section 35 of the Persons with Disabilities Empowerment Act B.E. 2550.
7. On December 17, 2022, the Company launched the Innovation Center at the Bangna warehouse to enhance the company's product development and research capabilities for savory foods, sweet foods, and supplements, and to be the center for learning, training, and exchanging knowledge among stakeholders, employees, customers, and partners.

1.2 Nature of Business

1.2.1 Revenue Structure

The Company and its subsidiary's revenue structure were divided into product group in 2020 - 2022 as follows.

Type of Revenue	By	2020		201		2022	
		MB	%	MB	%	MB	%
1. Sale Revenue							
1.1 Industry Products	The Company	697.0	41.0	729.4	40.3	813.9	39.9
1.2 Consumer Products	The Company	939.9	55.4	1,011.3	55.9	1,173.9	57.5
1.3 Manufacture of skincare, cosmetic, food supplement and pharmaceuticals	The Company and The Subsidiary	50.1	2.9	44.2	2.4	38.7	1.9
2. Other Income^{1/}	The Company and The Subsidiary	11.3	0.7	24.3	1.4	13.7	0.7
Total		1,698.3	100.0	1,809.2	100.0	2,040.2	100.0

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

1.2.2 Information of Products

Importing, manufacturing and distributing business

1) Product

The Winner Group Enterprise Public Company Limited's products are divided into two groups which are industry products and consumer food products. In 2022, The proportion of revenue from industry products was 39.9 percent of total revenues and the proportion of revenue from consumer food products was 57.5 percent of total revenues shown as follows:

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

Industry products can be divided into Food ingredient and Food additive. These 2 groups are imported from worldwide manufacturers with high quality standard and from our own plant under a modernized production process and GHP standard to meet a wide range of requirement of the customers in food industry, which need their own specific formula. Our Company products are used as raw materials, ingredients and intermediate substances in food processing by various types of food manufacturers and bakeries.

- **Food Ingredient**

Raw materials and ingredients used in food processing. A mostly, used as the main ingredient in food production. Bakery or processed into products of entrepreneurs in the food and bakery industry divided into product groups as follows:

Flour Products

Starch products that the Company distributes are wheat flour, potato starch, modified starch from potatoes and corn starch. The company imports this group of products from origins around the world, namely the Netherlands, Germany, Australia, Singapore and China, which are products from the processing of agricultural products such as wheat, potatoes, and maize. The brand of each manufacturer that is import, namely Avebe, Prima, Prima Ceylon and Manildra which is a selection of quality products from the origin and has a brand that is recognized by operators in the food industry around the world.

The company's starch products They are mainly used as raw materials and ingredients in the food processing industry and bakery such as meat processing such as meatballs, sausages, processing of products made from rice and carbohydrates such as noodles, vermicelli, production of snacks and bakery products such as cakes, biscuits, cookies, seafood processing such as surimi, crab stick Frozen Seafood semi-finished food processing such as fried chicken Battered shrimp, etc. Customers in the aforementioned food industry are customers in the group that produce products for sale in the country. and produce products for export to foreign countries This requires a great deal of importance on the quality of raw materials and ingredients used in the production and processing of goods.

In addition, the company has developed and distributed products in the instant flour group, such as crispy fried dough and instant pancake batter. Under the brand "Lilly" to be sold to customers in hotels, restaurants and wholesale stores for resale to end-user customers.

Cocoa and Chocolate Products

Cocoa products that the company distribute that It is a product that comes from the processing of cocoa beans. both untreated and chemically processed by adding alkalinity additives to adjust the acidity - alkalinity, color and smell as needed. and extracted some of the fat and made into cocoa powder which there are various types of sales such as

- Cocoa products that do not use alkali in the production process such as Natural Cocoa Powder, Cocoa Mass and Cocoa Butter
- Cocoa products that use alkali in the production process such as Alkalized Cocoa Powder

for chocolate products It is a chocolate product with outstanding properties. Easy to use thanks to good shrinkage properties It is strong and gives luster. There are 2 types of chocolate products that the Company distributes, namely Chocolate Compound and Chocolate Couverture, in various forms

such as lump, button, chip, and paste. which can be used in a variety of applications in the food industry.

The Company distributes cocoa products under the brand “JB Cocoa” imported from Malaysia, one of the largest cocoa producers in Asia. For chocolate products, the company distributes them under the brand “Barry Callebaut” imported from Singapore. Cocoa and chocolate products are mainly used as raw materials and ingredients for processing products in the bakery industry such as biscuits, wafers, cookies, or mainly in the dairy and dairy-related industries.

Egg Powder Products

Egg powder products are divided into 3 types, namely egg white powder, egg yolk powder, and egg mix powder. The main egg powder product that is commonly used in the food industry is egg white powder, which is an egg protein that has the property of helping to increase adhesion and increase the texture of the product. food Egg white powder can therefore be used in a variety of food industries such as Batter Mix, seafood products, surimi, crab sticks, bakery products, etc.

The company distributes egg powder. Under the brand "IGRECA" imported from France. which is the largest source of chicken eggs in Europe and under the brand “EGGWAY” imported from India.

Sugar and sweetener products

Sugar and sweetener products that the Company distributes are divided into imported products. and products that the company produce for sale by sweetening the company There are various types of imports for sale, including:

- Maltodextrin is a product of starch digestion from plants such as cassava starch, corn starch, which looks like a white powder without taste or slightly sweet, can dissolve well in water.
- Dextrose
- Sweeteners instead of sugar include: Aspartame and Acesulfame K

The characteristics of the use of the sweetener mentioned above. It will be used in the production of healthy food products. Food products for those who want to control weight. Powdered food products such as powdered beverages and powdered seasonings Most of the company will import sweeteners from China.

For products produced by the company's factory The products for distribution include Icing Sugar, Ground Sugar, Glazing Sugar, Donut Sugar, and Sugar for the food industry. which can be used as raw materials for various types of food such as

- Bakery products such as bread, cakes, cookies, donuts
- Processed meat products such as shredded pork, pork cutlets
- Mixed flour products such as fried flour, various seasonings

which products in this group, the company It is distributed under the brand "Bamboo Tree", which is the company's own brand. In addition, the company also produces various grades of sugar for the food industry. with special characteristics or specifications according to the needs of each industrial customer in the form of products manufactured according to customer requirements (Customized)

Food flavoring agents and spices

Food additives that the Company distributes are monosodium glutamate. and various spices Which is used in the production of seasonings and instant food. The company imports spices from Spain, which is the world famous origin.

• Food Additive

Food Additives are components in food production. which is a product that requires chemical properties to create properties and specific use characteristics of products that food entrepreneurs will process into semi-finished food and instant food. Products in this group can be divided into 3 types as follows:

Stabilizers, Thickeners and Gelling Agent

This group of products is divided into two categories:

- Bio Gum such as Xanthan Gum, Gellan Gum
- Substances obtained by extracting from plants such as Carboxymethyl Cellulose (CMC), Carrageenan, Pectin

which this group of substances are Polysaccharides has stability properties provide thickeners and Gelling Agent Therefore, it is used in the food industry that requires specific properties such as oyster sauce, chili sauce, ketchup, chicken sauce, beverage products, fruit juices, dairy products, flour products for deep-frying. canned food products instant noodle products which most of the company Import and distribute this group of products under "CP Kelco" brand from the United States and "Nouryon" brand from Netherlands.

Leavening Agent

This group of products is divided into 2 categories:

- Yeast which the company imported from Turkey under the brand "PAKMAYA", yeast powder causes rise in bread products.
- Baking powder, which developed and produced by the company under the brand "Panda Kid", baking powder causes a rise in products such as cakes, egg snacks, cookies, biscuits and various deep-frying mixes, which the company has developed a variety of formulas in order to qualify for use. of each product This includes the development of specific formulas for specific customers with specific needs.

Preservatives and other additives

The Company imports and distributes Sodium Benzoate and Potassium Sorbate preservatives from China for use in various food industries such as meat products, meatballs, sausages, seasoning products, fish sauces, sauces, soy sauce, beverage products and fruit juices.

In addition, the company also imports and distributes other additives such as phosphate. which has the property to improve the texture of food products such as meatballs, sausages, frozen seafood products.

1.2) Consumer Products

Consumer food products consist of 4 main groups which are:

- (1) Snacks
- (2) Semi-processed raw materials and frozen products
- (3) Gourmet foods and bakeries
- (4) Beverages and drinks

The aforementioned products are imported from various countries such as the United States, Spain, Italy, Germany, France, Australia, Singapore, China, Japan, South Korea, etc. The details of the products are as follows.

- **Snacks**

Snacks which the company distributed are under the brand of famous manufacturers from various sources around the world, including:

- Products imported from the United States, such as microwave popcorn “Pop Secret” brand
- Products imported from South Korea such as seasoned seaweed “Sea Friend” brand and “Kimnori” brand
- Products imported from Japan such as cheese sandwiches “Ohgiya” brand
- Products imported from Indonesia such as flavored crispy noodles “Gemez Suki” brand, tortilla chips “Krip Krip” brand
- Products imported from Malaysia such as cream biscuits, Samudra brand
- Products imported from China such as shiitake mushroom crisp “Sudus” brand

- **Semi-finished raw materials and frozen products**

Products in the category of raw materials, semi-finished products and frozen food products that the Company Distributed under the brand of the manufacturer, including semi-finished baked corn, cheese, frozen french fries, frozen fruits and vegetables, frozen seafood, and frozen wagyu beef imported from many countries such as New Zealand, China, Vietnam, Holland, Japan. Most of which are distributed

to customers of food service operators (Food Service/HoReCa), such as hotels and restaurants, to produce and process food for distribution to consumers.

- **Gourmet foods and bakeries**

The company distributes products used for cooking and baking under imported brands of famous manufacturers from various sources around the world, including:

- Products imported from the United States such as raisins “Mariani” brand, Maraschino cherry “Olivia” brand.
- Products imported from Italy such as pasta “Campagna” brand, lemon juice “Ital lemon” brand, whipping cream and chocolate couverture “Master Martini” brand.
- Products imported from Spain such as olive oil “Romulo” brand, olives in brine “La Espanola” brand, spices “El Avion” brand, stuffed olives and pickles in brine “Serpis” brand.
- Products imported from Singapore such as sesame oil “Oh Aik Guan” brand.
- Products imported from Poland such as fruit jam “Streamline” brand.
- Products imported from Malaysia such as margarine and shortening “Mariana” brand.
- Products imported from Vietnam such as fruit filling, fruit crush and syrup “Orana” brand and “Osterberg” brand.
- Products imported from China such as seasoning sauces “PRB” brand, instant noodle “Baixiang” brand, Champignon mushroom in brine “Castella” brand.
- Products imported from Korea such as Korean sauces “Hanchef” brand.
- Products from Thailand such as riceberry rice and brown rice “Golden Chopsticks” brand.

The company distributes gourmet foods and bakeries products through both supermarkets in department stores or modern retail stores (Modern Trade) and traditional retail stores (Traditional Trade) and sell directly to customers in the food service group (Food Service/HoReCa) such as hotels, restaurants, bakery shop and airline catering to be used to produce and process food for sale to final consumers.

- **Beverages and drinks**

The company distributes imported fruit juices and beverages under the brands of various manufacturers to consumers mostly through supermarkets in department stores or modern retail stores such as

- Berry juice “Langers” brand from the United States
- Sparkling juice “Bel Normande” from France
- Fruit juice “Harvey Fresh” from Australia
- Fruit tea “Teekanne” brand from Germany
- Coffee “J.J. Darboven” brand from Ireland

- Red wine, white wine and sparkling wine “Clos Pons” brand from Spain
- Red wine and white wine “Le Sang Des Seigneurs” from France
- Matcha green tea powder “Ryuku Cha” from Japan

All the time, the company having been in business for more than 35 years, the company has expertise in selecting products for distribution from manufacturers with their own production technology and quality production standards. In order to select the best that can meet the needs of customers as well, causing the company to grow continuously and has been entrusted to be appointed as a distributor of famous brands in the world.

As of December 31, 2022, the Company has been appointed as the exclusive distributor in Thailand for 6 brands as follows:

AVEBE	Avebe is a famous brand in potato starch products for more than a century and is one of the world's largest producer of potato starch and modified starch which has the main production base in Europe.
IGRECA	Egg powder which is used as raw material and ingredients for the food industry to increase protein and texture to a variety of food products. IGRECA is the 1 st powdered egg producer in France and is the market leader in Europe market.
JB Cocoa	Cocoa products from Malaysia which is one of the largest cocoa beans producers in Asia contains cocoa powder in various shades, cocoa mass and cocoa butter.
Bugles®	Bugles® is a leading snack brand in the United States.
Orana & Osterberg	Fruit products used as ingredients for beverages, bakery, confectionery and dairy products such as bake stable jam, fruit filling, fruit crush, fruit compound, syrup, glazing.

And the company has been appointed as an authorized distributor for the brand “CP Kelco” which is a brand of Bio Gum and Food Gum products such as Xanthan Gum, Gellan Gum, Carrageenan, Pectin which is a substance stabilize sticky agent and gelling agents. It is in the category of food additives which is a well-known brand in the United States and distributed to more than 100 countries around the world.

In addition, the company has also developed the company's brand in the raw material product group Food Ingredients and Chemicals Used in food processing and premixes such as “Panda Kid”, “Bamboo Tree”, “BAKETEX”, “WINGUM”, “WINSOFT”, “WINPHOS”, “WINSWEET”, “Pae Yim”, “Green Fern”, “Red Fern” “WINNER” and “Lilly” which the aforementioned brands are manufactured by the Company itself and products that the company imported from abroad, but is allowed to use the company's own brand by products under the company's brand It was developed to meet the needs of customers who want products with specific specifications and production standards that are reliable and can be traced.

The company realizes the importance of continuous product research and development, including the development of new products under the company's brands and joint product development with customers or

partners to keep up with the ever-changing consumer demand trends. In 2022, the company launched the Innovation Center at Bangna warehouse to enhance the company's product development and research capabilities for savory foods, sweet foods, and supplements, and to be the center for learning, training, and sharing knowledge among stakeholders, employees, customers, and partners.

In the year of 2020, 2021 and 2022 the Company's research and development expenses was Baht 0.40 million, Baht 0.56 million, and Baht 1.31 million respectively.

2) Marketing and Competition

2.1) Marketing Strategies and Distributing Products

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 importers, 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 9001:2015 quality management system, HACCP standard and the production system has been certified with Good Hygiene Practices (GHP). 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 and success in operating business 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 35 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 GHP 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:

- 1) **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.
- 2) **Food service** consists 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, restaurants and chained bakery shops.
- 3) **Consumer** refers to customers that require buying products directly from the Company for their own consumption through retail channels such as modern trade and traditional trade, Company's online shopping website or directly gets any services from Dêlicé, 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, Big C, Foodland, Villa, Maxvalu, 7-Eleven, Family Mart, CJ Express, 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.

4) Online Shopping

The Company foresees on the rapidly moving towards a cashless society by creating a business pathway into the online shopping platform under "Winner & CO" (www.winnerandco.com), which being online distribution channel for all those imported products from worldwide such as USA, Spain, Italy, Australia, Singapore, China, Japan and South Korea. The online distribution products group consist of Snack & Cereal, Beverage, Gourmet Foods, Bakery Ingredient, Gifts & Hampers, Frozen products and Health & Personal Care

Additionally, the Company granted Direct Marketing Certification from the Office of the Consumer Protection Board (OCPB), which comply with suitable OCPB's qualification and used as important registered document to certify the online business registration in the Company's online website that representing corporate good governance, transparent business, non-hype advertising, product and service quality and responsibility to consumers.

2.2) Market situation and competition

The Thai economy in 2022 has been in a recovery phase and started to expand gradually. After the COVID-19 epidemic situation subsided with increased vaccination rates, the world gradually lifted travel restrictions. Thailand has been fully opened from mid-2022, thanks to the relaxation of international travel restrictions. This encouraged groups of tourists to continue to travel short distances while the main tourist market from China was recovering in the second half of the year. As a result, the national economic activities and the number of foreign tourists gradually increased. In addition, consumption from the private sector has improved as the COVID-19 epidemic situation subsided and consumer confidence increased. The labor market is likely to improve alongside the recovery of the national economy, especially businesses related to the tourism sector with increasing employment. However, the consumption of low-income households has been constrained by a high debt burden, increased interest rates, and government support reduction. However, with today's business competition, technological changes, the rise of new entrepreneurs, and changes in consumer behaviors, this has caused businesses to be more competitive. The food and beverage industry has been affected in the same direction. Therefore, entrepreneurs need to adapt themselves to be able to conduct business amid economic fluctuations and current changes.

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 Product

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 provider.

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 premix, the Company has ability to serve customers' needs and requirements and minimize customers' manufacturing cost. In Addition, the Company has 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.

3) 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 91.3 percent of the total purchase value in 2022 and the local order represented 8.7 percent of the total purchase value in 2022.

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

Purchase Value	2020		2021		2022	
	MB	%	MB	MB	%	MB
Import	1,014.9	90.3	1,033.1	88.1	1,415.0	91.3
Local	108.6	9.7	140.1	11.9	134.6	8.7
Total	1,123.5	100.0	1,173.2	100.0	1,549.6	100.0

In 2022, the Company purchased from 10 major suppliers representing for approximately 60.6 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.

3.1) Import of products for sale

The products that the Company sold approximately 89.3 percent of the total sales and service income in 2022 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.

3.2) 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, chocolate, spices, nuts and dried fruits 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 2022, maximum capacity was 9,492 tons with equivalent to the previous year meanwhile, the actual utilization in year 2022 was 5,275 tons, which increased from year 2021 by 452 tons when comparing with the previous years as follows.

		2020	2021	2022
Maximum Capacity	Ton	9,492	9,492	9,492
Actual Utilization	Ton	4,424	4,823	5,275
Utilization Rate	Percent	46.6	50.8	55.6

OEM for Skincare & Cosmeceutical, Make up, Food Supplement and Herbal Product

1) Product

The Aesthetic Zecret (AT-ZE) Company Limited's product are divided into 4 groups: Skincare and Cosmeceutical, Make up, Food Supplement and Herbal product which certified of manufacturing license of skin medicine and new drug from the Food and Drug Administration (FDA) and with international quality management systems from ISO 9001:2015, GMP, HACCP and HALAL.

1.1) Skincare and Cosmeceutical

Subsidiaries' best-selling products such as

- Sunscreen products such as UV Foundation Physical Sunscreen Cream, Hemp Seed Oil Hydrate Nano Sunscreen Cream etc. which has light texture and is not heavy on the face.

- Whitening products such as Advance Gold Whitening Complex Mask which can unlock all facial problems.
- Moisturizing products such as Hemp Seed Oil Hydrate Clam Skin Mask
- Skin care products such as Whitening Body Lotion
- Anti-aging products such as Retinoid Serum
- Cleansing products for face such as Micellar Cleansing Water
- Bar soaps such as Facial Soap
- Cosmetic products containing alcohol for hand sanitizing such as alcohol-based liquid and alcohol-based gel for hand sanitizing.

1.2) Make up

Subsidiaries contract manufacture and distribute makeup products such as

- Lip products such as lip liquids, lipsticks and lip glosses.
- Powder products such as fine foundation powders, fine foundation powders with sunscreen, cushion powders and translucent powders.
- Other makeup products such as tone-up creams, blushes, eyebrow gels, eyebrow powder, eyeliners, powder blushes, lip tints, etc.

1.3) Food Supplement Product

Subsidiaries contract manufacture and distribute dietary supplements from natural extracts both in the forms of tablets and packages which are

- Weight control and muscle strengthening supplements such as Whey Protein.
- Anti-aging supplements.
- Skin care supplements such as Gluta which helps reduce skin pigment to make the skin radiant from the inside.
- Bone and joint supplements which helps strengthen hair, nails and joints, such as Collagen.

1.4) Herbal Product

Subsidiaries contract manufacture and distribute herbal products such as Inhaler.

2) Marketing and Competition

2.1) Marketing Strategies and Distributing Products

“AT-ZE”, the subsidiary company, which has been certified for various management systems by SGS (Thailand) Co., Ltd. for a period of time, provides various administrative systems for the organization to maintain its up-to-date under constant improvement that is still suitable for current business operation. The company has reviewed and updated various management systems including work process under the guidance of expert consultants

both from the Department of Industrial Promotion and the National Productivity Institute. The company had adjusted certifier of management system by employing TUV NORN (THAILAND) Co., Ltd. which is an expertise in certification in accordance with the standards, criteria, and methods of good manufacturing of cosmetics on the international level. This ensures product quality and services to corporate customers. Additionally, AT-ZE follows environment infrastructure standard which is clean, safe and sterile bacteria in pharmaceutical to ensure industry confidence that cosmetic product and food supplement has been under control in a suitable environment and production quality control. The manufacturer is committed to develop and improve production standard to deliver high quality and benefits to customers.

Additionally, AT-ZE set CRM policy to maintain long-term relationship with stakeholders, especially customers and partners as well as competition strategy to retain current customers, increase market share and create business success as follows.

1) Sourcing products quality

AT-ZE with experts and specialists in sourcing products and raw materials, it sets policy to develop sourcing products and materials including paying important attention to distribution quality, materials as well as sourcing from the reliable global manufacturers such as Europe and USA and provide all-processes inspection on both quality standards to serve customers' needs into product formula and customization. All products are ready-to-deliver and passed irritation test prior to customers to ensure that customers will receive products with quality and safety.

2) Research and Development

AT-ZE with Research and Development team, who have extensive experience in product development and seek customers' requirement and create product differentiation to customers. Due to R&D conduct research continuously, we also provide formula development for customers and welcome to be brand advisor for brand owners and experts source of extracts for product development and conduct product stabilization for increase customers' confidences.

3) Long-term customers' relationship

AT-ZE recognizes customers as significant persons and creates long-term customers' relationship with their existing customers. We care about voice of customer by having special unit for customer's complaint which are responsible for customer satisfaction survey and development information system to secure customers information, increase service-minded and organize promotion activities for customers.

4) Business continuity and branding of the company

AT-ZE recognizes business continuity which impact from external factor thus, the company had researched and developed both the products design and manufacturing process including the development of various distribution channel to create branding of the company which respond to various the customer needs and external factor directly to reduce impact from external factor such as

COVID-19 epidemic situation result to recognize the both cleanness and beauty. AT-ZE had developed make-up from ingredient alcohol for hand and food supplement under branding of the company to respond the customer needs promptly.

Customers

AT-ZE is OEM health and beauty service provider, we customized from end-to-end process of cosmetics finished goods and provided brand advisory to customers so key customers are distributors and manufacturers of health and beauty including brand owners.

Distribution Channels

AT-ZE is a OEM of skin care products, cosmetics and dietary supplements. through sales representatives who provide services to customers in all areas including, Bangkok and upcountry areas by dividing responsible areas according to each region for the convenience of meeting and providing services to customers conveniently and quickly It has also brought various online communication tools. to help in advertising and public relations to reach a wide audience of customers such as Facebook which is the main online media that reaches every group of customers and is widely known and Instagram which is a tool used to build awareness (Brand Awareness) as well. Including, modern media such as Tik Tok is a tool that is very popular these days. It also covers the LINE Official where interested parties can follow the news. Including interacting with the staff quickly as well.

In addition, AT-ZE attaches importance to offline marketing activities (Offline Marketing), with event booths going to various places. in order to reach all groups of customers and interested parties who want to experience or try real products for decision making, such as the sale of booths at the head office building in the heart of the city, Sathorn and Silom, as well as international booths to expand the customer base who wants to bring AT-ZE 's products to market to their own country as well.

2.2) Market situation and competition

Beauty and Cosmetics industry also impacts on the same way of economic slowdown and face with wave of change in every aspect. However, the forecast on beauty and cosmetics industry may be positive increase due to working people in this generation era pay more attention to health and beauty skin care which may increase market demand as well as beauty centers are welcomed all genders to make unlimited beauty with interesting courses. As supporting factors, AT-ZE foresees the opportunity to do OEM business and tries the best to make the better growth of main income from all of products segments.

The situation of the Coronavirus epidemic from 2019 until now has subsided, allowing the skincare, cosmetic, and dietary supplement markets to start to come back with more purchasing power from customers, especially the dietary supplements as the result of customers' increasing self-care. and with the strengths of AT-ZE with more than 60 standard formulas covering all basic needs of cosmetic and beauty industry operators There is also a research and development team that is ready to develop formulas according to customer requirements.

To support the full Market Coverage, whether it's the Mass Market group to the Niche Market group, which is hard.

All of the above, AT-ZE is not only aimed at Thailand. but also ready to expand its customer base to foreign countries such as CLMV in all neighboring countries Including, the Middle East that gives confidence in products from Thailand.

OEM cosmetics business is extremely competitive in the market, entrepreneurs required to adapt their business model into market trend and find out product innovation to increase production quality. As this result, OEM entrepreneurs can survive in the business as the following commitments.

- Conduct research and development continuously to be coverage in all product segments and keep pace on monitoring of beauty and cosmetics trend.
- Ensure SME entrepreneurs' confidence and keep quality and standard of products.
- Develop marketing activities to be in line with market situation, maintain current customers base and increase new customers as well as promote new online distribution channel (E-Commerce)
- Search for business partner to co-development Thai wisdom raw material and leverage to create more value-added on cosmetics products.
- Maximize domestics channel in international market, especially ASEN countries market.
- Review and develop production capacity to get more product by the same or decrease resources.
- Review and develop business resource management to manage the both ingredient and inventory right.

3) Source of Supply

3.1) Our products in production line

Located in Chachoengsao province, AT-ZE's plant area is 8 rai 2 ngarn and 31 square yards, products under production for distribution consists of Skincare & Cosmeceutical, Make up, Food Supplement and Herb.

Production Capacity and Utilization Rate

		2020	2021	2022
Skincare and Cosmeceutical				
Maximum Capacity	Ton	571.80	391.80	391.80
Actual Utilization	Ton	96.36	70.82	54.99
Utilization Rate	Percent	16.85	18.08	14.04
Make up				
Maximum Capacity	Ton	81.60	81.60	81.60
Actual Utilization	Ton	0.17	0.05	0.04
Utilization Rate	Percent	0.21	0.06	0.05

		2020	2021	2022
Food Supplement and Herb ^{1/}				
Maximum Capacity	Ton	246.60	246.60	246.60
Actual Utilization	Ton	0.89	0.59	3.66
Utilization Rate	Percent	0.36	0.24	1.48

Remark: ^{1/} In 2022, the pharmaceutical production area was renovated to be the herbal production area.

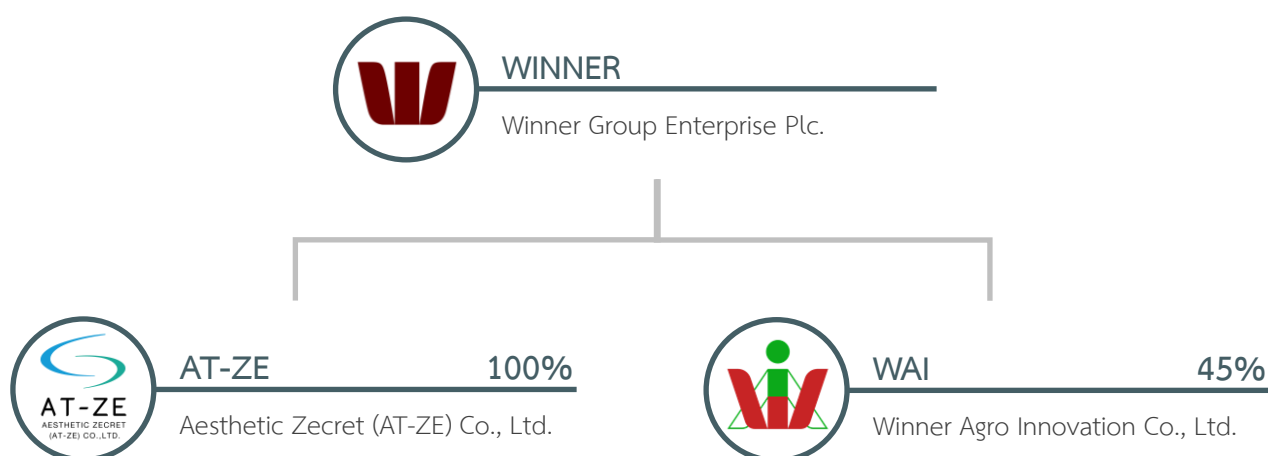
4) Operating Assets

Details of operating assets are presented in [Attachment 4](#)

1.3 Shareholding structure of the Group

1.3.1 Shareholding structure

Winner Group Enterprise Public Company Limited and its subsidiary structure as on December 31, 2022



Over 10% of Shareholding In Juristic Persons

1) Aesthetic Zecret (AT-ZE) Co., Ltd. (Subsidiary Company)

Registration Number 0105554109666

Type of Business Original Equipment Manufacturer or OEM for skincare and cosmetic, makeup, supplementary food and herbal.

Head Office 43 Thai CC Tower, 17th Floor, Room 175-178, South Sathorn Rd., Yannawa, Sathorn, Bangkok 10120

Factory 10/17/1-4 Moo 2, Tambon Klongudomcholajorn, Amphoe Muang Chachoengsao, Chachoengsao 24000

Contact Tel: 0-2116-4256-8 / Fax: 0-2116-4253 / Website: www.at-ze.co.th

Registered Capital	180,000,000 Baht comprising 1,800,000 common shares of 100 Baht per share
Paid-up Capital	180,000,000 Baht comprising 1,800,000 common shares of 100 Baht per share
Shareholding	100% of registered capital

2) Winner Agro Innovation Co., Ltd. (Associated Company)

Registration Number	0105563031984
Type of Business	Production and distribution of raw materials, seedling varieties, hemp extract and agricultural products.
Head Office	5/131 (Baan Klang Muang Soi 5) Tessaban Songkhro Road, Ladyao, Chatuchak, Bangkok 10900
Production	451 Moo 17, Chiang Krua subdistrict, Muang district, Sakon Nakhon 47000
Contact	Tel: 0-2196-2131 / Fax: 0-2196-2099 / Website: www.winneragro.co.th
Registered Capital	45,000,000 Baht comprising 4,500,000 common shares of 10 Baht per share
Paid-up Capital	43,512,500 Baht comprising 4,351,250 common shares of 10 Baht per share
Shareholding	45% of registered capital

1.3.2 Persons who may have conflicts of interest hold shares in its subsidiaries more than 10 percent of the total number of shares with the right to issue of the company

- None -

1.3.3 Relationship between the business groups of the major shareholders

The Company is a listed company on the Market for Alternative Investment (MAI) and engages in the business of importing, manufacturing and distributing. Raw materials, ingredients and chemicals for industrial food and food products for consumption. As of August 26, 2022, Wongisiriyakul Group is a major shareholder of the Company accounted for 51.5 percent and general investors accounted for 48.5 percent.

The Company has a policy for the group of companies which consists of its subsidiary to have their own policies and management. The Group's income comes from the main business of importing, manufacturing and distributing raw material, ingredients and food additives for food industry and various food products to consumers and OEM consist of skin care & cosmeceutical products, Makeup, food supplement and herbal.

1.3.4 Shareholders

Major shareholders

As at August 26, 2022, the company has the top 10 of the shareholders list and shareholding proportion as follows:

Shareholders	No. of share	%
1. Wongisariyakul Family^{1/}		
1.1 Mr. Jane Wongisariyakul	187,431,900	31.24%
1.2 Mrs. Vannaporn Wongisariyakul	52,650,000	8.78%
1.3 Miss Karatrat Wongisariyakul	34,500,000	5.75%
1.4 Miss Kanollas Wongisariyakul	34,500,000	5.75%
Total	309,081,900	51.52%
2. Rojchanavisart Family^{1/}		
2.1 Mr. Surapat Rojchanavisart	15,000,000	2.50%
2.2 Mr. Poonyawat Rojchanavisart	10,698,600	1.78%
2.3 Mr. Paveen Rojchanavisart	5,200,000	0.87%
2.4 Mr. Wanchai Rojchanavisart	1,170,000	0.20%
2.5 Mr. Weerachai Rojchanavisart	150,000	0.03%
2.6 Miss Unchalee Rojchanavisart	150,000	0.03%
2.7 Mr. Tawatchai Rojchanavisart	70,000	0.01%
Total	32,438,600	5.41%
3. Manatsathit Family^{1/}		
3.1 Mr. Anant Manatsathit	6,960,000	1.16%
3.2 Mr. Chakkaphant Manatsathit	6,936,600	1.16%
3.3 Miss Chuntip Manatsathit	6,428,750	1.07%
3.4 Mr. Sathaporn Manatsathit	6,000,000	1.00%
3.5 Miss Pattarawadee Manatsathit	52,500	0.01%
3.6 Mrs. Malipa Manatsathit	21,000	0.00%
Total	26,398,850	4.40%
4. Dejamornthan Family^{1/}		
4.1 Mr. Veerachai Dejamornthan	18,146,500	3.02%
4.2 Miss Vilasinee Dejamornthan	1,236,800	0.21%
Total	19,383,300	3.23%
5. Kreangkraikrissada Family^{1/}		
5.1 Miss Kanokpan Kreangkraikrissada	17,100,000	2.85%
5.2 Miss Wipada Kreangkraikrissada	203,000	0.03%
Total	17,303,000	2.88%

Shareholders	No. of share	%
6. Pusayapaibul Family^{1/}		
6.1 Mr. Pure Pusayapaibul	11,430,000	1.90%
6.2 Mrs. Paradee Pusayapaibul	750,000	0.13%
6.3 Mr. Prapan Pusayapaibul	187,500	0.03%
Total	12,367,500	2.06%
7. Miss Pecharat Wareelerksap	12,000,000	2.00%
8. Tantanavivat Family^{1/}		
8.1 Mrs. Wilaiporn Tantanavivat	6,850,000	1.14%
8.2 Miss Wiphawee Tantanavivat	1,800,000	0.30%
8.3 Miss Innapha Tantanavivat	1,800,000	0.30%
Total	10,450,000	1.74%
9. Wantanakorn Family^{1/}		
9.1 Mr. Supasorn Wantanakorn	4,279,100	0.71%
9.2 Mr. Mana Wantanakorn	1,176,150	0.20%
Total	5,455,250	0.91%
10. Limpikirati Family^{1/}		
10.1 Mrs. Wipada Limpikirati	3,847,800	0.64%
10.2 Mr. Jakkrit Limpikirati	1,605,000	0.27%
Total	5,452,800	0.91%
Total Major Shareholders	450,331,200	75.06%
11. Others	149,643,462	24.94%
Grand Total	599,974,662	100.00%

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.

Free Float

As at March 11, 2022 there are 3,696 Free float shareholders, or 40.17%

1.4 Registered and paid-up capital

1.4.1 Registered capital / Paid-up capital / Stock

As of December 31, 2022, the Company's registered and paid-up capital was 149,993,665.50 Baht consisting of 599,974,662 ordinary shares at the par value of 0.25 Baht. The Company has no issuance of any other shares, except ordinary shares.

1.4.2 Other types of the shares with rights or conditions different from ordinary shares

- None -

1.4.3 In the case of having shares or convertible securities of the company

- None -

1.5 Issuance of other securities and convertible securities

1.5.1 Convertible securities

- None -

1.5.2 Debt instrument

- None -

1.6 Dividend payment policy

The Company has established a Dividend Policy to its shareholders not less than 50 percent 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 5 years

Description	2018	2019	2020	2021	2022
Dividend payment (Baht per share)	0.22	0.19	0.20	-	0.13
• Interim dividend					
- Stock dividend	-	-	-	0.1250	-
- Dividend	0.09	0.19	0.10	0.0139	0.06
• Annual dividend					
- Dividend	0.13	-	0.10	0.1200	0.07 ^{1/}
Dividend Payout (DPS/EPS) ^{2/}	85.43%	68.42%	85.70%	133.69%	N/A

Remark: ^{1/} The Board of Directors Meeting No. 1/2023 on February 27, 2023 resolved to propose agenda of Dividend payment for 2023 to Annual General Meeting of Shareholders on April 26, 2023 to consider and approve the annual dividend payment which will be 0.07 Baht per share while plus with the interim dividend payment paid on September 9, 2022, of which 0.06 Baht per share. Total dividend payout for 2022 will be 0.13 Baht per share.

^{2/} Percentage of dividend payment/share calculated from the Company only's net profit.

2. Risk Management

2.1 Risk Management Policy and Plan

The company acknowledges the importance and necessity of implementing a risk management system, in accordance with international standards, in its management system. With hope to maintain high customer satisfaction, excellent company's image and high performance throughout the organization, the company has set up a Risk Management Committee to serve in the formulation of policies, systems and assessments of various risks both caused by internal and external factors, including setting guidelines for risk management to manage risks to be in an acceptable level. The company has also communicated with employees to inform and educate them on the importance of risk management. The company's risk management policy is set as follows:

1. The Risk Management Committee is responsible for formulating risk management policy by considering internal and external factors, and ensuring they are in line with the strategies and directions set by the company. The policy must cover at least 4 risk categories as follows:
 - 1) Strategic Risk
 - 2) Operation Risk
 - 3) Financial Risk
 - 4) Compliance Risk
2. The company has determined risk management to be the responsibility of employees at all levels. They shall be aware of the risks involved in their work, department and organization. They are responsible for identifying, analyzing, evaluating, managing, controlling, monitoring, reporting and evaluating risks, as well as supporting effective risk management process in their responsible departments and participating in the development of corporate risk management.
3. The company is to have an organizational risk management process that complies with international standard practices in order to effectively manage risks that may affect the company's operation, to manage risks throughout the organization in the same direction by considering risk management system as part of decision making, to plan strategies and operations, and to focus on achieving objectives, goals, visions, missions, and strategies to create operational excellence and build trust among those involved.
4. There are measures to prevent and reduce risks from the company's operation to avoid any damages or losses that may occur. The measures include regularly monitoring and evaluating risk management results to maintain those risks at an acceptable level under appropriate internal control.
5. Promote and develop the use of modern information technology systems in the company's risk management process and encourage employees at all levels to have access to risk management information thoroughly, as well as setting up a risk management reporting system for the risk management personnel for effective operation.

2.2 Risk Factors

2.2.1 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, including an increase of number of SME entrepreneurs (start-up) and change of consumer's behavior. 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 35 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 fluctuate in price according to the demand trend for agricultural products in the world market. The number of products produced each year may be unstable depending on the climate in that area. Especially in the year 2022, the La Niña phenomenon caused a severe drought in the Americas, Europe, and Africa. The supply of agricultural products was limited. As a result, the cost of agricultural commodities has increased, and the allocation of goods from producers has been limited which may affect the company's operation and performance.

The Company sells products that processed from agricultural products such as starches and flours which processed from wheats, potatoes and corns, Cocoa products, margarine & shortening, sugar products, fruits and vegetables, egg powder, nut and dried fruit represented 32.5 percent of total sales revenue in 2022. Cocoa powder was the best seller of processed agricultural products with 5.8 percent of total sales revenue in year 2022. The second-best seller of processed agricultural products was starches and flours which representing 4.7 percent of total sales revenue in 2022.

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 (Grace period), 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 grace period before adjusting the price to match real market price in order to maintain good relationships with the customers, while sourcing and purchasing processed agricultural products including wheat flour and potato starch, by matching customer's purchase order based on the proposal from manufacturers, typically made trading business distributor like the Company gets fluctuation impacts when the global commodity market price represents in lower change.

Moreover, the management has more than 35 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, corn, cocoa beans and palm oil 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 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 2022, the Company has 40.9 percent market share of raw materials, ingredients and industrial food chemicals, and has 59.1 percent share of consumer food products.

Risk of imported product cost uncertainty

In 2022, the Company imported products represented 91.3 percent of total purchase value. The Company mainly used shipping as transportation and the shipping fee was in the cost of the product. This has been determined that changes in 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.

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 have 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 2022, the Company's revenue generated from sales of the products that the Company has been appointed as a distributor in Thailand represents 52.7 percent of all sales. The management believes in strong relationship the Company 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 and agreed in the contracts and generated sales growth of the products as being the sole distributor. Therefore, the Company has continuously gained the trust from the partners and received 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.

In 2022, the Company purchased goods from 86 foreign manufacturers approximately. The order from one major foreign manufacturer was 21.0 percent of total purchased value. Of which, the Company has been granted the rights to be the sole distributor in Thailand for over 10 years. The statistical data in 2022 shows that 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.

Risks of 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 35 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 percent provision for obsolete product that has shelf life less than 3 months. In 2022, the Company recorded a loss on expired goods of Baht 1.9 million or 0.1 percent of revenue from sales, reflecting the effectiveness of product management thus the risk of such effect was low during these 3 years.

Risk on investment in Subsidiary Company

Risk on investment in subsidiary company may incur operational loss thus directly affect the Company's financial performance. The Company has Policy on Control of Subsidiary and Associated Company's business operation by appointing Company's representative to be the director or executive of subsidiary in order to monitor the operation of subsidiary and kept its in line most effectively with the Company's policy.

As at December 31, 2022, the Company's investment in subsidiary company was Baht 28.7 million on the separate financial statements accounted for under cost method less allowance for impairment loss (if any).

Risk from government policy, regulations, mandate and legislation change

Risk from government policy, regulation, mandate and legislation change such as beverage excise tax on the cost and amount of sugar (Sugar-sweetened beverage tax), trans-fat food measurements which indicated rules and regulation both positive and negative impact on Company's performance.

As a result, the Company has set product distribution plans as well as analyzed possible product groups and strictly product quality to create consumers' confidence. These will help mitigate impacts of compliance risk to some extent, by way of a close-up information movement from government agency and participate in regulatory seminars.

Risk of exchange rates fluctuations

The main products of the Company are imported from overseas manufacturer. The total imported order was 91.3 percent of the total purchase value in 2022. The main currency for payment was in US Dollar which represented 94.9 percent of total imports in 2022, while the Company domestic sale was in Thai Baht.

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. However, the Company has no policy to speculate on the exchange rate.

In the year of 2020, 2021 and 2022 the Company's profit from currency exchange rate was Baht 4.0 million Baht 2.2 million and Baht 2.7 million respectively.

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, 2022, the total outstanding balance of trust receipts was Baht 390.7 million. Changes in interest rates could impact directly to the finance 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 2022, the cash flow from operations was Baht 9.7 million.

Emerging Risk

The Company annually assesses and reviews corporate risks and emerging risks by analyzing internal and external factors, especially the major changing trends that may affect business operations.

Cyber Threats

The spread of the COVID-19 virus over the past 3 years has caused the company to quickly adapt to digital transformation. This includes work process or business model transformation such as working from home, meeting online, selling products through the company's website and e-commerce platform, and developing Customer Relationship Management (CRM) system, etc. All these activities have resulted in increased exposure to cyber threats. If the system is interrupted, data is destroyed, or information is leaked, it could affect financial loss, business continuity, reputation, and credibility of the company.

However, the company has set a policy on information and communication technology security to make everyone in the organization aware of the importance of information and communication technology security, as well as the responsibilities and guidelines related to it. In 2022, the company has taken additional steps to reduce the risk of cyber threats as follows:

1. Require all employees to attend training (e-Learning) on the topic of "Phishing Mail" to share knowledge and educate them about cyber attacks in the form of mail phishing and techniques to prevent such attacks.
2. Prepare public relations materials within the organization to raise awareness on cybersecurity-related matters and Personal Data Protection Act (PDPA) via newsletters, e-mails, and public relations boards monthly.
3. Organize internal auditing under the topic of "Cyber Security", with a scope based on the cybersecurity framework of the National Institute of Standards and Technology (NIST), including identification, protection, detection, response, and recovery.
4. Replace network switches and improve network performance and security by using VLAN.
5. Convert all company's website to HTTPS, using an SSL certificate, for securing a website with encryption
6. Improve Firewall to protect the network and the organization's database from unauthorized access, malicious attacks, and other threats.

2.2.2 Risk of Investment by Securities holders

Risk of reliance on the Company's management

The earning of the Company over the past 35 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 Chief Executive Officer, Managing Directors, Vice President, 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.

Risk of Major Shareholders that owns more than 50 percent of issued shares

At March 26, 2022, Wongisariyakul group represented as a controlling interest had majority shareholding held 51.52 percent of the total paid-up shares of the Company. It was due to this group can take ownership over the resolution of the Annual General Meeting of Shareholders such as appointment of directors and any other resolution shall require majority votes. But in exceptional law or the Articles of Association, the resolution shall require at least three-fourth (3/4) of the votes of the shareholders attending the meeting. Thus, other shareholders are unable to request for casting votes such as actions as monitoring and balancing to veto any proposal from major shareholders.

However, the Company had 3 Independent Directors and Audit Committee members choosing from 8 members of the Board of Directors to audit the Company are operating procedure, to balance management power in the proper direction, to monitor transparent management and to be auditable.

The Company; moreover, hired Dharmniti Internal Audit Co., Ltd. by Miss Anutsaya Raksasorn, as an outsourced company which is an independent working under control of the Audit Committee and performing duty to monitor

internal control system, propose annual internal audit plan and ensure internal audit/control in good enough and comply with business environment and risk change.

2.2.3 Risk of investment in foreign securities

Currently, the company does not have any investment in foreign securities. Therefore, does not have this type of risk.

3. Driving Business for Sustainability

3.1 Sustainability Management Policy and Goals

Winner Group Enterprise Public Company Limited is committed to and acknowledges the importance of sustainability development and management. The company has defined practice guidelines that take into account economic, social and environmental issues, covering respect for human rights and good corporate governance. The goals are to become a leading one-stop food company in all distribution channels and to set out the company's policies to be in line with all 17 Sustainable Development Goals: SDGs of the United Nations by 2032.

In 2022, the company has established and implemented a sustainability policy and plan under the 3 pillars “Be Smart, Be Happy, Be Eco-friendly” with a “Passion for Sustainable Living” commitment that focuses on building a strong organizational foundation while sharing positive impacts with society and reducing the impact on the environment.

Passion for Sustainable Living



BE SMART

Goal

- To encourage the use of technology to increase work efficiency.
- To promote the development and innovation of products and services.

2022 Performance

- Developed systems to increase work efficiencies, such as Customer Relationship Management (CRM) system, Material Requirement Planning (MRP) system.
- Established an Innovation Center.



BE HAPPY

Goal

- To promote the development of employees' knowledge and skills.
- To build a leading, creative, and agile organizational culture.

2022 Performance

- Implemented an e-Learning system for employees.
- Implemented Performance Management System (PMS).
- Implemented the “Train the Trainer” program.



BE ECO-FRIENDLY

Goal

- To raise awareness of the importance of employee waste management.
- To reduce electricity consumption and support green energy.

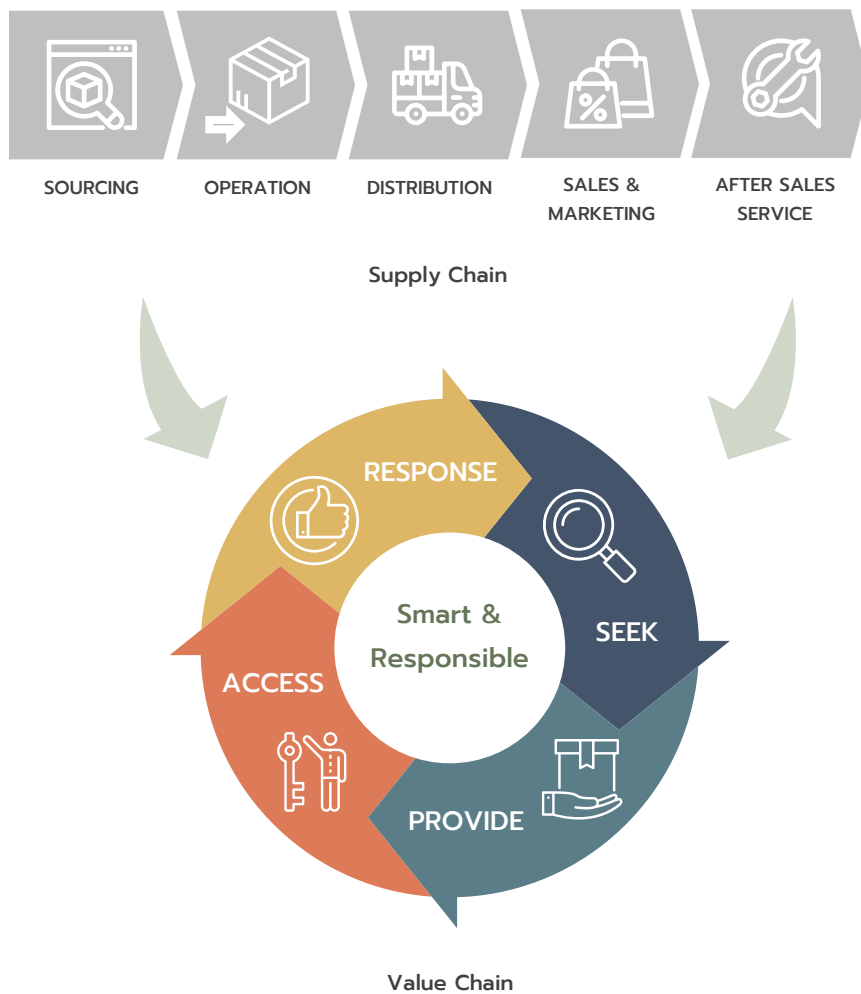
2022 Performance

- Implemented a project to promote waste sorting in the workplace.
- Started planning the “Solar Rooftop” project.

3.2 Management of impact on stakeholder in value chain

3.2.1 Value chain

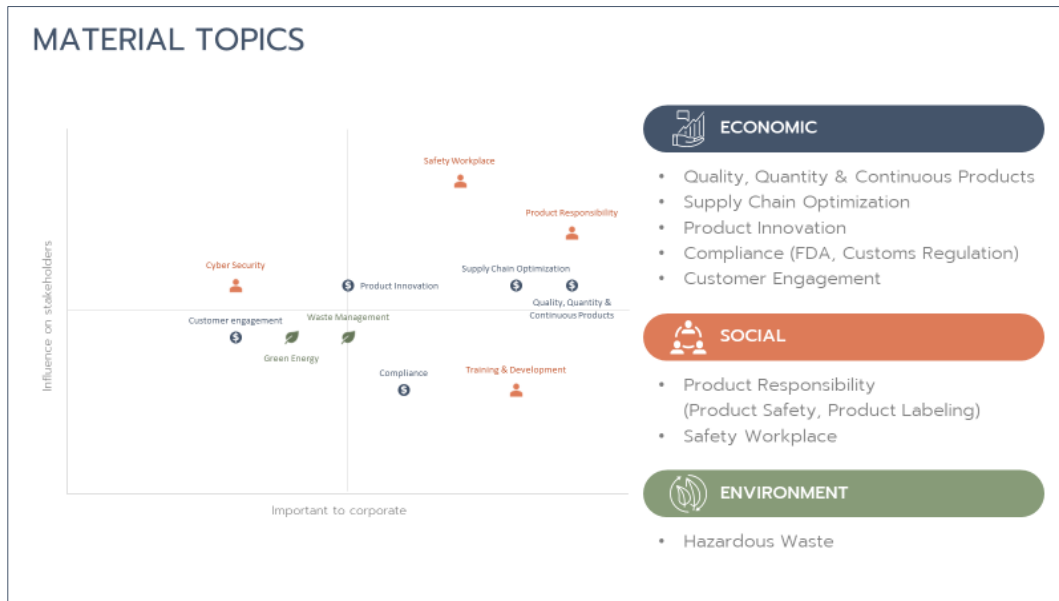
The company recognizes and places importance on value chain management, covering economic, social, environmental, human rights, and good corporate governance aspects. In 2022, the company analyzed and upgraded its existing supply chain to a value chain for corporate sustainability as follows:



3.2.2 Stakeholder analysis in value chain

From the company's missions to commit to delivering quality products and reliable services, to meet the needs and satisfaction of customers, to develop the company's human resources to be strong and have expertise in the food industry, and to maintain a good relationship with the company's business partners, the stakeholders in the value chain were analyzed to learn and the expectations and respond to the stakeholders as follows:

Stakeholder	Stakeholder's Expectation	Response to Stakeholder's Expectation
Internal stakeholder		
Shareholder	<ul style="list-style-type: none"> Return on investment Financial and investment knowledge that is easily accessible and sufficient for investment decisions 	<ul style="list-style-type: none"> Operate business with transparency, honesty, integrity, cautiousness, and taking into account the return of shareholders as a priority
Employee	<ul style="list-style-type: none"> Increased income Stability and career advancement Welfare benefits 	<ul style="list-style-type: none"> Strictly comply with the laws and regulations on employee treatment Continuous human resource development Maintain a safe working environment
External stakeholder		
Partner	<ul style="list-style-type: none"> Source, purchase, procure with transparency and fairness Develop quality products and services together 	<ul style="list-style-type: none"> Comply with contracts, agreements or conditions towards partners Treat business partners equally and fairly remunerate both parties
Creditor	<ul style="list-style-type: none"> Repay debt within the specified period 	<ul style="list-style-type: none"> Strictly comply with contracts or agreements made with creditors Manage to make creditors confident in the company's financial status Disclose accurate and complete financial information
Competitor	<ul style="list-style-type: none"> Operate within the framework of fair competition 	<ul style="list-style-type: none"> Do not seek competitors' confidential information by dishonest means Build good relationships, support and cooperate with partners for customers' benefits
Customer	<ul style="list-style-type: none"> Deliver quality and standardized products and services Deliver products on time and offer fair prices 	<ul style="list-style-type: none"> Fairly comply with terms and conditions with customers Commit to create customer satisfaction Provide opportunities for customers to share complaints about products and services
Community, society and government	<ul style="list-style-type: none"> Participate in community and social development Take responsibility for the impacts on the community and society 	<ul style="list-style-type: none"> Operate business in the way that is beneficial to the community and society Create awareness and responsibility for the environment and society and support social activities Do not take any action that will damage the reputation of the country, society, environment and public interest



3.3 Sustainability management in environmental dimension

3.3.1 Policy and practice complying with environmental laws and regulations related to the business operation of the company and its subsidiaries

The company has instilled in all employees to be aware of the impacts caused by the destruction of the environment so all employees can have the awareness of environmental conservation, take care, restore and protect the environment. The company has set a policy related to environment as follows:

- Promote and encourage all employees to realize the importance of environmental protection by organizing activities and trainings on the conservation of natural resources and environment to create awareness of environmental conservation and provide accurate information and understanding to the employees.
- Operate the business with consideration for environmental conservation and safety standards and comply with all related environmental laws and regulations. Even though laws and regulations related to the environment are not enforced or existed, the company will encourage standard practices regardless.
- Continuously support the development, research and learning of the management of pollution caused by the company.
- Acknowledge the use of energy, water, and other resources to their maximum benefits and study the efficiency of transportation or production to make the most valuable and efficient use of resources.
- Be open and encourage employees at all levels from top to bottom to collaborate and share their opinions for the sustainable use of various resources according to local wisdom.
- Encourage the transfer of knowledge on the environment among employees for them to understand, be instilled into a good corporate culture and bring it into practice to achieve sustainable goals.

- Determine and review the company's quality policy by holding a management review meeting at least 1 time/year/system or whenever is necessary to hold an urgent review meeting. This policy complies with the requirements of ISO 9001: 2015 and helps with the communication among all departments to get the same messages.
- Be aware of the reducing amount of greenhouse gas emission from the company's business processes and set goal to continually reduce it.

3.3.2 Performance on environment

Performance and outcome related to environmental management in area critical to business operation

In 2022, the company and its subsidiaries have continuously campaigned to reduce the use of paper within the organization and improved operational system by utilizing online forms instead of using paper. For example, performance evaluation and various ISO standard forms, which were originally done in paper forms, were changed to be done online using online forms. These forms can be approved online with email notifications, allowing the company's employees to realize how to use paper for its maximum benefit.

In addition, the company focuses on promoting the efficient use of resources such as the use of water and electricity. There has been efficient energy management both in the electrical system and the air conditioning system by installing and maintaining equipment that controls the operation of the related electrical systems. In 2022, the company's electricity cost increased by 66,835 kWh. or an amount of 955,037 baht due to increased production volume. Currently, the company is studying on the installation of solar rooftop system at Bang Pa-in plant, and it is expected that in 2024, there will be progress accordingly.

For waste management, the Company has started by raising awareness of the importance of waste management among employees. In 2022, the company invited speakers to train on waste sorting in all 3 branches and started implementing a project to promote the waste sorting in the workplace which will report results in the following year. For the factories, there is a policy in place to control and manage the wastewater treatment system. In the past 5 years, the results of the wastewater quality analysis were in accordance with the criteria prescribed by the Bang Pa-In Industrial Estate, with the Biochemical Oxygen Demand (BOD) value at 20 degrees Celsius for 5 days not more than 500 milligrams per liter.

The company has set a policy to promote and support the awareness of the importance of environmental protection by managing the wastewater treatment system, according to the guidelines of Bang Pa-In Industrial Estate. In the past 3 years, the results of the measurements were in accordance with the criteria of the Industrial Estate as follows:

Table of report on analysis result of wastewater quality in operating areas

No.	Date of Result	Sampling Location	Parameter	Analysis Method	Analyzer	Result	Unit	Standard ^{1/}	Equivalent Result
1	8 Jan 2020	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	17	mg/l	500	Passed
2	1 Apr 2020	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	4.3	mg/l	500	Passed
3	1 Jul 2020	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	3.2	mg/l	500	Passed
4	7 Oct 2020	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	7.8	mg/l	500	Passed
5	7 Apr 2021	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	9.9	mg/l	500	Passed
6	5 Apr 2022	Treatment reservoir in the factory	BOD	5 Day BOD Test	Analytical Laboratory Service Co., Ltd.	4.2	mg/l	500	Passed

^{1/} Wastewater quality standards from factories in industrial estates. Industrial Estate Authority of Thailand Announcement No. 78/2554 Re: General Rules for Discharging Wastewater into Central Wastewater Treatment Systems in Industrial Estates.

^{2/} Not detected (ND) means the parameter is either not detected in the wastewater quality or the amount of BOD is less than the amount analyzers are able to analyze.

Environmental Quality System and Management

The company has strict measures to control and inspect the quality of raw materials used in production. The company has a quality assurance unit that inspects the quality of raw materials, starting from the process of inspecting raw materials stored in the warehouse to prepare for production, to inspecting raw materials before they are put into production, until inspecting products after production before being packaged for distribution. Intensive quality control and inspection are required for the company's production process to produce standardized, clean and safe product results.


The company continues to develop and improve continuously in order to align the production process of products and services with the requirements of various international standards. In 2022, the company has established a safety control system that monitors all food production processes and prevents hazards and contaminants in food (HACCP: Hazard Analysis Critical Control Point) to be used in production control. This production control system operates in the way that it analyses matters' importance and seriousness in order to manage risks that could affect customers. The system was certified by Intertek 14 January 2020.

This is another important step for the company as an importer, manufacture and distributor of ingredients and chemicals in food to continuously develop a quality management system, strengthen the delivery of quality products and reliable services, build personnel specializing in the food business, meet the demand to the company's stakeholders in a sustainable way and have a quality, safe and standardized system which has been accredited for the past 3 years. The company has been certified by various institutes as follows:

Description		2020	2021	2022
	Quality Management System ISO 9001:2015 according to International Organization for Standardization – ISO certified by BSI GROUP (THAILAND) CO., LTD (“BSI”)	✓	✓	✓
	Intertek Industry and Certification Services (Thailand) Limited - Food Safety Management Systems, GHPs (The General Principles of Food Hygiene: Good Hygiene Practices)	✓	✓	✓
	Safety control standard in every food production process to prevent hazards and contaminants in food - HACCP (Hazard Analysis and Critical Control Point System (CXC-1-1969), Revised in 2020 which certified by Intertek Industry and Certification Services (Thailand) Limited	✓	✓	✓
	“Halal” standard from the Central Islamic Council of Thailand for icing sugar, crushed sugar, glazing sugar, donut sugar, baking powder, baketex, winsoft, wingum, instant pancake flour, crispy flour, corn flour, cocoa powder, bake plus, instant custard powder, stir flour, almonds, chocolate couverture, roll oat, dried cranberry, black raisin, yellow raisin, win sweet, soft serve, cashew nut, chocolate compound, cocoa powder drink, matcha powder.	✓	✓	✓

For the production processes of skin care products, cosmetics, dietary supplements and drugs used to treat skin diseases, Aesthetic Zecret (AT-ZE) Co., Ltd. plans the production processes, controls and inspects all details in every step by personnel who have expertise in production and modern tools to deliver quality and standardized products for customers’ maximum satisfaction. Every part of the production in each product is operated under production building system, compliant production system and international system.

Description		2020	2021	2022
	Quality Management System ISO 9001:2015 according to International Organization for Standardization – ISO certified by TUV NORD (Thailand) Company Limited	✓	✓	✓
	^{1/} ISO 22716:2007 Cosmetics-Guidelines on Good Manufacturing Practice (GMP) according to International Organization for Standardization - ISO	-	-	✓
	Food quality and safety certification system according to international food standards (Codex GMP and HACCP) certified by TUV NORD (Thailand) Company Limited	✓	✓	✓
	GMP from Food and Drug Administration, Ministry of Public Health	✓	✓	✓

Description		2020	2021	2022
	Halal production standard which will be individually certified by product	✓	✓	✓

Remarks: ^{1/} Improved the company's standard system and changed the ISO 22716:2007 certification provider from SGS (Thailand) Co., Ltd. to TUV NORD (Thailand) Co., Ltd. with an inspection schedule in April 2021.

In addition, Aesthetic Zecret (AT-ZE) Co., Ltd. has a policy to promote and support the awareness of the importance of environmental protection which includes the management of occupational health, safety and working environment through waste separating activities. Waste separating activities include the separation of chemical contaminated waste, wet or decomposable waste, general waste and recyclable waste. Each type of waste will be disposed properly to prevent chemical spills. Wastewater treatment reservoir has also been set up to treat wastewater generated from production activities before releasing into public water reservoirs. There are also adequate safety promoting activities such as safety officer assessment, risk and safety assessment and emergency drills to help the company keep the business in operation in emergency situations.

As for the approach to reducing greenhouse gases, the company is in the process of studying, communicating, understanding and reviewing data collecting, storing and saving standards to disclose it appropriately according to the Greenhouse Gas Emission Guidelines in 2024.

3.4 Sustainability management in social dimension

3.4.1 Social policy and practice

Winner Group Enterprise Public Company Limited acknowledges that the company is a part of Thai society. Therefore, it is the company's duty and responsibility to strengthen, create, drive and jointly improve the society, community, and environment for maximum benefits. The company has set up social responsibility policy for executives and employees to acknowledge and understand social responsibility by adhering to the principle that all employees are involved in the presentation and consideration of all projects. In addition, the company has set up volunteering activities for employees to participate in order to deeply understand and be instilled of social responsibility concept.

Overall Policy

The company has human rights policy and adheres to continually respect human rights in all aspects of every individual, society and community, in accordance with Universal Declaration of Human Rights (UDHR) and UN Guiding Principles on Business and Human Rights (UNGPs). These guidelines are used as the company's human rights management approach to treat people with fairness, equality and indiscriminate in terms of employment, compensation, promotion and training. All employees are to be given the same rights and opportunities without discrimination regardless of their gender, age, educational background, race or religion. The company also supports the employment for disadvantaged groups such as the disabled and the elderly to create opportunities and careers for them. The International Labor Organization's Declaration on Fundamental Principles Rights is used

as a guideline for executives and employees at all levels throughout the organization. The company has formulated a policy in regard to social responsibility, focusing on business operations in accordance with the vision and mission of the company as follows:



Vision

To become a leading company expertized in integrated food business in all distribution channels.



Mission

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

The company is committed to producing and distributing quality products that are safe for consumers by taking into account social responsibility, community and environment. Along with this, the company is committed to conducting business with transparency, ethics and accountability, including fair treatment of stakeholders and prioritization of employees. The company believes employees are valuable resources of the organization and has determined the core competencies of personnel to be the basis for employees to acknowledge, understand and follow until they can lead the organization to achieve the company's visions as follows:

Accountability	Have high self-responsibility and commitment to work to achieve or exceed expectations and set performance audit system within their respective units.
Customer Focus	Focus on building positive attitude towards internal and external customers. Demonstrate willingness to serve and impress customers and to proactively develop creative work for internal and external customers.
Teamwork	Working as a team demonstrates the ability to eliminate conflicts within the group while still being committed to the same goals. Encourage team members to exchange knowledge and experience to organize work in the team and solve problems effectively.

3.4.2 Performance on Society

Fair Business Operation

The company has a policy to operate business with honesty, ethics and commitment to operate with knowledge to its full ability for all stakeholders' maximum benefits. In addition, the company has a "Communication with the Board and Whistle-Blowing Policy" to allow stakeholders to ask questions, make suggestions, report clues or

complaints, report financial report inaccuracy, report internal control system flaws or the company's business ethics violation through independent directors or audit committee of the company. Complaints and whistleblowing reports will be protected and kept confidential. Independent directors or audit committee will demand information verification, find solutions (if any) and report to the Board of Directors. In the event that the informant does not disclose himself or herself, the company will consider the issue for its usefulness to the organization.

The guidelines for fair treatment of stakeholders both in terms of cost and return such as procurement, an appropriate and accurate delivery period in contacts and hirings, fair trade contracts, trade partner monitoring, auditing and evaluating for sustainable business development, fair competition by conducting business openly and transparently, etc.

Anti-Corruption

The company is committed to conducting business with honesty, fairness, transparency, and responsibility towards society and all groups of stakeholders, according to the principles of good corporate governance. The company has set policies and measures against corruption in the company's business ethics as well as communicating to executives and employees at all levels to ensure all employees are aware of the impacts of corruption. The company acknowledges that corruption can undermine the business, society and country. Therefore, anti-corruption practices must become a commonality in all sectors. They must be driving forces to instill this concept and encourage Thai society to be free from such actions.

In 2015, the company received the result of the sustainability development assessment on anti-corruption of Thai listed companies for the year 2015 prepared by Thaipat Institute (Public benefit organization), which is supported by the Securities and Exchange Commission (SEC), with a rating of “3” (established). The result indicates the level of policy the company has set to implement (not paid to government officials and not involved and against those involved), assessment to identify the company' or its subsidiaries' corruption risks in operation, communication and training for employees about anti-corruption policy, and assurance that the policy is implemented and reviewed by the Board of Directors at least every year.

For the year 2016 - 2022, the company has communicated “Anti-Corruption Policy” to the Board of Directors, executives, employees and related stakeholders regularly to ensure they are aware of the roles, responsibilities, guidelines and measures of the mentioned policy on an ongoing basis. In June 2022, the company has been selected as an outstanding listed company on environment, society and governance (ESG 100) of the year 2022 by Thaipat Institute for the 6th consecutive year. One of the criteria that Thaipat Institute used in the selection process is criteria for disposition from wrongdoing, whereby the company, the Board of Directors or high-level executives of the company must not be subject to the SEC's penalties in the assessment year. Thus, it reflects that the Board of Directors and executives have realized and implemented the anti-corruption policy into practice to build confidence among employees and stakeholders involved in the company's sustainable business management.

In addition, the company has also established a “Whistle Blowing Policy” as a channel for whistle-blowing, reporting, and investigations in the event that acts and encouragement of corruption, and anti-corruption policy violation are found. In addition, measures have been set to protect and mitigate damages to the company's stakeholders, such as employees, shareholders, investors, customers, trading partners, creditors, government agencies, or other related parties. The measures facilitate the requests of details, reports on claims or clues, reports on financial report inaccuracy, reports on defective internal control system and reports on violation of the company's business ethics, which will be a channel that helps the company acquire information faster and resolve problems in a timely manner.

The Audit Committee of the company has appointed Dharmniti Internal Audit Company Limited to perform an internal auditing to inspect and examine the company's internal control system and operating procedures to ensure the company's compliance with the laws, and rules and regulations of other related segments, and to ensure there will be no place for any act of corruption. In 2022, there were no significant problems or deficiencies related to corruption and the company's operations found or not in accordance with the laws or requirements, including violations of the code of business conduct.

Personnel Care and Development

The company puts great emphasis on personnel, which is the heart of the operation to achieve the goals. The company has a policy to strengthen and develop personnel to be knowledgeable and specialized in their work, to have work experience, to have a code of conduct and ethics in working with honesty, and to have responsibility to oneself and all groups of stakeholders. The company aims to enable employees to use their skills and knowledge to develop further to achieve excellence in service, to meet the needs of customers, and to be expressive to their creative opinions for them to develop and expand the company's business stably and sustainably, generate returns and create added value for all groups of stakeholders in the long run.

Number of employees (including executives) as of 31 December 2022 - 257 people



Respect to Human Rights

The company adheres to the integrity of business operation by giving importance to the respect for human rights and human dignity. This is a fundamental right to treat employees and all groups of stakeholders with equal rights and freedom. The company has no policy to violate fundamental rights in terms of race, religion, political opinion, gender, age or disability, as well as providing opportunities for employees and stakeholders to express their opinions through the company's recommendation channels without restrictions.

All employees of the company will be treated equally, which the company has set a policy including welfare regulations in various fields clearly. All employees are entitled to equal protection of their fundamental rights without bias on gender or physical or mental condition, such as receiving health insurance, annual health check, medical treatment, the right to attend trainings to enhance skills, knowledge and experience, assignments consistent with and appropriate to their knowledge and competence, and appropriate and equal benefits, etc.

Fair labor treatment

Personnel is an important driving force that makes the company progress and continue to grow. Therefore, the company puts great importance to the fair treatment of labor by setting a policy on compensation and welfare of employees, including wages, salaries, bonuses, social securities, provident funds, Outpatient Health Insurance (OPD), uniforms, vacations and work environment safety. The company also encourages employees to improve their knowledge by organizing seminars or trainings both internally and externally as follows:

- Develop employees to improve their skills and increase their potential by giving employees opportunities to learn and be promoted when the time is right for their career advancement. The company continuously organizes annual trainings for employees at all levels, both internally and externally. This is one of the main work schedules of the HR department.
- Encourage women to be promoted to higher positions in a balanced proportion with men. At present, the proportion of female executives in middle-level and higher positions is greater than that of male executives, at 60 to 40 percent.
- Set up a policy to take care of the safety and hygiene in the workplace in order to prevent any actions that may cause unsafe results or health risks. The company's factory, located at Bang Pa-In Industrial Estate Phra Nakhon Si Ayutthaya Province, has appointed an Occupational Safety, Health and Environment Committee to be responsible for formulating safety policies, including inspecting, analyzing and formulating preventive measures for safe working procedures in every process. Regular meetings have been organized with Occupational Safety, Health and Environment Committee's supervision.
- Promote a good work environment, equality in employment, anti-discrimination both direct or indirect on race, color, gender, sexual orientation, age, disability, religion, political view that is not illegal, or expression of any other opinions. The company recruits employees to work without racial discrimination, such as the employment of foreign workers who are certified by the Department of Employment, Ministry of Labor.

- There is no policy of laying off employees based solely on the decision of management representatives or discrimination that may be grounds for unfair dismissal.
- Respect employees' right to express their opinions. This includes the freedom to express opinions without interference, information acquisition or opinions from various media. The company has provided a communication channel to listen to the opinions of employees whether it is about improving the way of working, environment, comments or suggestions through the "Winner Box".
- Promote employment for vulnerable labor groups. For example, the company has provided the opportunities for employment for the disabled. In 2022, the company has employed in total of 3 people with hearing and physical disabilities, which complete as required by law.

Employee Development Policy



The company places great importance on knowledge development, operational skills and expertise of staff, and service quality which will benefit the company's operations. The company has a policy to encourage employees to practice and develop themselves appropriately and regularly according to their line of work, both management level and all operational levels.

In this regard, the company has provided internal and external trainings with experienced and specialized speakers. In 2022, the company has organized internal trainings and participated in external trainings for executives and employees for a total of 92 training courses. 84 courses of all courses were internally organized such as Effective people management by DISC, Microsoft Office workshop, Thai labor law for management, Good manufacturing practice in food production, Hazard analysis and food safety control courses, etc. The other 8 courses were external training courses such as Agile leadership, Cyber security leadership for executive, PDPA for Accounting and Finance, Important issues of TFRS 9 TFRS 15 and TFRS 16, Train the Trainer, etc. In 2022, the cost of employee development trainings is 516,061 baht and the average number of training hours is 11.00 hours per person per year.

Communication with employees

The company places importance on communication with its employees to ensure that employees are aware of the policies and operational guidelines, activities and information all in the same direction. The company's employees will receive information via emails, signboards, company's website under the name "Insight Winner", monthly published E-newsletters and social media channels such as Facebook, HR Line OA

In addition, the employees will have the opportunity to meet and talk with senior management at annual training seminars and annual gatherings to discuss and express opinions through various sub-committee meetings.

Responsibility to Customer

As the company is an importer, manufacturer and distributor of products related to the food industry, the company has to have strict control measures to eliminate potential safety risks for consumers to get products that are high quality, safe and hygienic. The process starts from selecting and developing products to be distributed, until delivering products to the customers' hands. To carry out the mentioned policy, the company will proceed as follows:

- Prioritize on safety and health of consumers.
- Disclose news and information of products and services accurately and completely.
- Do not take any action that causes ambiguity or distorts information about goods and services. Do not exaggerate or neglect to mention important information that leads to misunderstandings.
- Conduct research and development to create innovations of products and services continuously.
- Pay attention to processes and activities that benefit society, community and environment, in order to lead to sustainable consumption.
- Provide opportunities for customers to file complaints on the company's website.

In addition, the company has received a certificate of registration of direct marketing business on 29 August 2018 from the Office of the Consumer Protection Board (OCPB), together with entrepreneurs who meet the criteria of OCPB which are transparency in business operation (good corporate governance), realistic advertising, quality and standard product selling and being responsible to consumers.

Contribution and Development to Community and Society

The company not only operates its business to create sustainable growth, but also recognizes and puts great importance on operating its business with consideration for the environment, and community and society. The company encourages and organizes its employees to be involved in the presentation and consideration of projects, to create a foundation and instill in employees with a sense of social responsibility. Because the company has a production base in Bang Pa-In Industrial Estate Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, the company, therefore, focuses on supporting the area by providing school supplies and scholarships

for schools and students in the area, including continuously giving out budgets to help in disasters situated in the area to give back to the community and society located around the its production base and to grow together.

Innovation and Spread of Innovation from Responsible Operation to Society, Environment and Stakeholders

The company has developed the entire organization's information system under the "Enterprise Resource Planning (ERP) Project" by adopting the Enterprise Resource Planning or ERP system to help manage resources effectively and reduce redundant processes in operation. In addition, the company's employees also had the opportunity and participated in the exchange of knowledge, learning and passing on experience, sharing of ERP knowledge and defining of their roles, duties and responsibilities in the form of Project Leader, Functional Manager and Functional Team Leader through a work group session. This helps develop the company's information system to meet the needs of the users throughout the organization and maximize benefits to the organization.

In 2022, the Company launched the Innovation Center at the Bangna warehouse to enhance the company's product development and research capabilities for savory foods, sweet foods, and supplements, and to be the center for learning, training, and exchanging knowledge among stakeholders, employees, customers, and partners.

Activity for the Benefit of Society (After Process)

The company has continuously participated in roles and activities in social, community and environmental development and committed to a CSR-after-Process policy to participate in activities in the community. In addition to the business operation, the company is also responsible for the company's CSR-in-Process as mentioned above. In 2022, there are activities as follows:

CSR AFTER PROCESS



Donated used calendars to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen to use as Braille cards as instructional media.



Donated cosmetics to the Pathology Corpse Examination Unit, deceased room, at Chulalongkorn Hospital for applying makeup to the deceased to create the last

CSR AFTER PROCESS



Donated alcohol gel to Bangkok Primary Educational Service Area Office for staff to distribute to help students in elementary schools who are in need.



Donated aluminum materials to the International Association of Persons with Mobility Disabilities for creating prosthetic legs to enhance the disabilities people to be



Employees together donated blood at the Thai Red Cross Society to treat patients with various diseases.



Organized the "Second-hand Flea Market" activity by bringing second-hand clothes to sell at a reasonable price to raise funds for CSR projects.

4. Management Discussion and Analysis (MD&A)

4.1 Analysis of Operating Results and Financial Position for the Company and its subsidiary

4.1.1 Significant events during the year

- On 27 April 2022, the Annual General Meeting of the Company's shareholders passed a resolution to approve a decrease of the Company's registered share capital by cancelling of unissued 25,338 ordinary shares, at the par value of Baht 0.25 each from the existing registered capital amount of Baht 150,000,000 to be Baht 149,993,665.50. The Company registered a decrease in its registered capital with the Ministry of Commerce on 5 May 2022.
- On 10 May 2022, the Board of directors meeting of the Company passed a resolution to approve the acquisition of additional ordinary shares of Winner Agro Innovation Company Limited (the associate) of 0.68 million shares at a price of Baht 10 per share, or a total of Baht 6.8 million. As a result, the Company's shareholding in an associate was unchanged at 45% of an associate's issued capital. The Company made payment for such additional share capital in June 2022 and an associate registered an increase in its share capital with the Ministry of Commerce on 8 July 2022.
- In 2022, the Company performed impairment test on investment in a subsidiary by reviewing the recoverable value of the cash generating unit by calculating from the value-in-use method and found that the recoverable value was lower than book value of investment in such subsidiary amount of Baht 235.1 million which the Company has recognised provision for such loss from impairment of investment in a subsidiary in the previous year amount of Baht 78.7 million. Therefore, the Company recognised an additional provision for such loss from impairment of investment in a subsidiary in 2022 amount of Baht 156.4 million.

Due to the performing impairment test on investment in a subsidiary as mentioned above, the Company and its subsidiary had to recognise loss from impairment of total goodwill amount of Baht 94.4 million in consolidated financial statements of 2022.

However, at present, the management of the Group is in process of financial and operational management to encourage better performance of a subsidiary in the future.

4.1.2 Analysis of Operating Results for the Company and its subsidiary for the year ended 31 December 2022

Table 1: Operating results for the year ended 31 December 2022

(Unit: Thousand Baht)

	Consolidated Financial Statements		Increase (Decrease) Thousand Baht %			Separate Financial Statements		Increase (Decrease) Thousand Baht %	
	2022	2021	Baht	%		2022	2021	Baht	%
Total revenues	2,040,178	1,809,191	230,987	12.8		2,005,251	1,775,173	230,078	13.0
Sales and service income	2,026,474	1,784,853	241,621	13.5		1,990,870	1,748,474	242,396	13.9
Cost of sales and service	1,590,907	1,388,466	202,441	14.6		1,565,425	1,365,167	200,258	14.7
Gross profit	435,567	396,387	39,180	9.9		425,445	383,307	42,138	11.0
Other income	13,704	24,338	(10,634)	(43.7)		14,381	26,699	(12,318)	(46.1)
Profit before expenses	449,271	420,725	28,546	6.8		439,826	410,006	29,820	7.3
Selling and distribution expenses	112,146	103,994	8,152	7.8		107,785	97,863	9,922	10.1
Administrative expenses	184,562	172,852	11,710	6.8		156,467	140,869	15,598	11.1
Loss from impairment of investment in subsidiary	-	-	-	-		156,470	37,120	119,350	321.5
Loss from impairment of goodwill	94,446	-	94,446	100.0		-	-	-	-
Total Expenses	391,154	276,846	114,308	41.3		420,722	275,852	144,870	52.5
Operating profit	58,117	143,879	(85,762)	(59.6)		19,104	134,154	(115,050)	(85.8)
Share of profit (loss) from investment in associate	(912)	3,169	(4,081)	(128.8)		-	-	-	-
Finance cost	(5,774)	(6,344)	570	(9.0)		(4,842)	(5,146)	304	(5.9)
Profit before income tax expenses	51,431	140,704	(89,273)	(63.4)		14,262	129,008	(114,746)	(88.9)
Income tax expenses	(42,027)	(32,028)	(9,999)	31.2		(33,983)	(33,592)	(391)	1.2
Profit (loss) for the period	9,404	108,676	(99,272)	(91.3)		(19,721)	95,416	(115,137)	(120.7)
Other comprehensive income:									
Actuarial gain - net of income tax	2,742	-	2,742	100.0		2,483	-	2,483	100.0
Total comprehensive income for the year	12,146	108,676	(96,530)	(88.8)		(17,238)	95,416	(112,654)	(118.1)
Gross profit margin	21.5%	22.2%	(0.7%)			21.4%	21.9%	(0.5%)	
Selling and distribution expenses per sales	5.5%	5.8%	(0.3%)			5.4%	5.6%	(0.2%)	
Administrative expense per sales	9.1%	9.7%	(0.6%)			7.9%	8.1%	(0.2%)	
Net profit (loss) margin	0.5%	6.0%	(5.5%)			(1.0%)	5.4%	(6.4%)	
Earnings (loss) per share (Bath/Share)	0.02	0.18	(0.16)			(0.03)	0.16	(0.19)	
Profit for the year (Normalize)	103,850	108,676	(4,826)	(4.4)		136,749	132,536	4,213	3.2
Total comprehensive income for the year (Normalize)	106,592	108,676	(2,084)	(1.9)		139,232	132,536	6,696	5.1
Net profit margin (Normalize)	5.1%	6.0%	(0.9%)			6.8%	7.5%	(0.7%)	
Earnings per share (Bath/Share) (Normalize)	0.17	0.18	(0.01)			0.23	0.22	0.01	

Revenues

Revenues from sales and service

Table 2: Revenues from sales separated by main product segment for year ended 31 December 2022

(Unit: Thousand Baht)

Product Type	For the year ended 31 December				Increase (Decrease) Thousand Baht	
	2022	%	2021	%	Baht	%
Industrial food products segment	813,935	40.2	729,354	40.9	84,581	11.6
Consumer food products segment	1,173,919	57.9	1,011,324	56.7	162,595	16.1
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	38,620	1.9	44,175	2.5	(5,555)	(12.6)
Total	2,026,474	100.0	1,784,853	100.0	241,621	13.5

In 2022, the Company and its subsidiary's revenues from sales and service were Baht 2,026.5 million, increasing amount of Baht 241.6 million or 13.5%. Revenues from sales of industrial food products segment increased amount of Baht 84.6 million or 11.6% which was mainly from product group of food ingredient such as cocoa powder, potato starch, and etc. Revenues from sales of consumer food products segment increased amount of Baht 162.6 million or 16.1% from product group of snack & confectionary, food ingredient, and frozen & chilled food such as cheese, French fries, frozen fruits and vegetables, and etc. which was mainly from the Company was able to sell more products to big customers and Horeca group due to the current situation of the Coronavirus-19 pandemic has relieved, so hotel, restaurant and airline businesses have reopened widely and a number of tourists increased from the relief of the government's tourist quarantine measures.

However, revenues from sales of manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 5.6 million or 12.6%. which the management of the Group is currently in process of operational management to encourage better performance of this segment in the future.

Gross profit

In 2022, the Company and its subsidiary's gross profit was Baht 435.6 million, increasing amount of Baht 39.2 million. Gross profit margin was 21.5%, slightly decreasing from the previous year by 0.7%.

The Company's gross profit was Baht 425.4 million, increasing amount of Baht 42.1 million which was in accordance with an increase in sales and service income amount of Baht 242.4 million while cost of sales increased amount of Baht 200.3 million. The Company's gross profit margin was 21.4%, slightly decreasing from the previous year by 0.5% which was mainly due to an effect of the depreciation of Thai Baht compared with

the previous year. In 2022, value of Thai Baht against US dollar was between 32.30-38.50, while the previous year was between 30.03-34.09.

Other income

In 2022, the Company and its subsidiary's other income was Baht 13.7 million, decreasing amount of Baht 10.6 million which was mainly due to in 2021 the Company had other income from the reversal of liabilities amount of Baht 11.8 million from an adjustment of accrued marketing expenses of the prior year which were overestimated than the amount charged by creditors while there was no such transaction in this year.

Expenses

Selling and distribution expenses

In 2022, the Company and its subsidiary's selling and distribution expenses were Baht 112.1 million, increasing amount of Baht 8.2 million or 7.8% which were from employee expenses increased amount of Baht 3.0 million (from the Company's expenses amount of Baht 4.8 million while a subsidiary decreased in employee expenses amount of Baht 1.8 million due to a decrease in a number of employees) and marketing expenses increased amount of Baht 4.6 million which was mainly due to an increase in promotion of sample products distribution, advertisement via New Media, and expenses for booth at ThaiFex- Anuga Asia 2022; Asia's leading food expo. Moreover, delivery expenses increased amount of Baht 0.5 million which was in accordance with an increase in fuel price and sales.

However, the ratio of the Company and its subsidiary' selling and distribution expenses to net sales was 5.5%, decreasing from the previous year by 0.3% and the ratio of the Company' selling and distribution expenses to net sales was 5.4%, decreasing from the previous year by 0.2% due to the Company and its subsidiary had more efficiency in expenses management.

Administrative expenses

In 2022, the Company and its subsidiary's administrative expenses were Baht 184.6 million, increasing from the previous year amount of Baht 11.7 million or 6.8%.

However, the ratio of the Company and its subsidiary' administrative expenses to net sales was 9.1%, decreasing from the previous year by 0.6% and the ratio of the Company' administrative expenses to net sales was 7.9%, decreasing from the previous year by 0.2% due to the Company and its subsidiary were still able to manage expenses efficiently.

For increasing administrative expenses were mainly from the following reasons;

- Provision for loss from obsolete stock increased amount of Baht 3.8 million which was a provision recorded amount of Baht 1.2 million in this year while was a reversal of provision amount of Baht 2.6 million in previous year.

- Consulting and professional fees increased amount of Baht 0.9 million.
- Property and land taxes increased amount of Baht 0.5 million due to in 2021, there was a reduction of such tax rate according to the Royal Decree which land and property tax was reduced by 90 % of the calculated tax amount in order to reduce the burden and alleviate the impact on most of entrepreneurs and people from COVID-19 pandemic, while there was no such tax rate reduction in this year.
- External warehouse rental fee increased amount of Baht 1.7 million to support a volume of inventories increasing which was in accordance with an increase in sales.
- Employee expenses slightly increased amount of Baht 1.1 million from the Company's employee expenses increased amount of Baht 3.8 million while a subsidiary decreased in employee expenses amount of Baht 2.7 million according to a number of employees decreasing.
- Moreover, other administrative expenses increased amount of Baht 3.7 million which were from computer system expense, donation expenses, research and development expenses, maintenance expenses, equipment-supplies expenses, and etc.

Loss from impairment of investment in subsidiary

In 2022, the Company performed impairment test on investment in a subsidiary by reviewing the recoverable value of the cash generating unit by calculating from the value-in-use method by estimating the Company's recoverable discounted cash flow which was referred from financial projection approved by the management. The discounted cash flow covered 5 years and found that the recoverable value of the cash generating unit by using the value-in-use of assets was lower than book value of investment in a subsidiary amount of Baht 235.1 million which the Company has recognised provision for such loss from impairment of investment in a subsidiary in the previous year amount of Baht 78.7 million. Therefore, the Company recognised an additional provision for such loss from impairment of investment in a subsidiary in 2022 amount of Baht 156.4 million.

At present, the Company is in process of financial and operational management to encourage better performance of a subsidiary in the future.

Loss from impairment of goodwill

Refer to a subsidiary's recoverable value of the cash generating unit reviewing as mentioned in above paragraph, the Company and its subsidiary had to recognise loss from impairment of total goodwill amount of Baht 94.4 million in consolidated financial statements of 2022.

Share of loss from investment in associate

In 2022, share of loss from investment in associate based on equity method increased amount of Baht 4.1 million. During the previous year, the Company acquired investment in associate in May 2021 and recognised share of profit from investment in associate amount of Baht 3.2 million. However, in this year, the Company recognised share of loss from investment in associate amount of Baht 0.9 million.

Finance cost

Finance cost of the Company and its subsidiary decreased amount of Baht 0.6 million which was mainly from the Company's interest expenses decreased from long-term loan from financial institution repayment during the year. By the way, during the first quarter of 2022, the Company repaid such loan in full amount.

Profit for the period

In 2022, the Company and its subsidiary's profit for the year was Baht 9.4 million, decreasing from the previous year amount of Baht 99.3 million or 91.3% which was due to loss from impairment of goodwill amount of Baht 94.4 million, other income decreased amount of Baht 10.6 million, selling and distribution expenses increased amount of 8.2 million, administrative expenses increased amount of Baht 11.7 million, share of loss from investment in associate increased amount of Baht 4.1 million, and income tax expenses increased amount of Baht 10.0 million. However, gross profit increased amount of Baht 39.2 million. Moreover, finance cost decreased amount of Baht 0.6 million as mentioned above.

By the way, excluding loss from impairment of goodwill, profit for the year (Normalize) of the Company and its subsidiary was Baht 103.9 million, slightly decreasing from previous amount of Baht 4.8 million or 4.4%.

The Company's loss for the year was Baht 19.7 million, so the profit decreased from the previous year amount of Baht 115.1 million or 120.7% which was mainly due to loss from impairment of investment in subsidiary increased amount of Baht 119.4 million, other income decreased amount of Baht 12.3 million, selling and distribution expenses increased amount of Baht 9.9 million, administrative expenses increased amount of Baht 15.6 million, and income tax expenses increased amount of Baht 0.4 million. However, gross profit increased amount of Baht 42.1 million and finance cost decreased amount of Baht 0.3 million as mentioned above.

By the way, excluding loss from impairment of investment in subsidiary, profit for the year (Normalize) of the Company was Baht 136.7 million, increasing from previous amount of Baht 4.2 million or 3.2%.

Other comprehensive income

The Company and its subsidiary's other comprehensive income increased amount of Baht 2.7 million. In 2022, the Company and its subsidiary engaged with independent expert to assess provision for defined benefits for post-employment in order to comply with the relevant financial reporting standards and recognised gain - net of income tax in other comprehensive income amount of Baht 2.7 million (the Company's gain Baht 2.5 million and a subsidiary's gain Baht 0.2 million), while there was no such transaction in the previous year.

By the way, the Company and its subsidiary engage with independent expert to assess provision for employee benefits based on actuarial basis in order to comply with relevant financial reporting standards approximately every 3 years or when there is a change in event which has a significant effect on the obligation under such defined benefits for post-employment plan.

Total comprehensive income for the year

In 2022, the Company and its subsidiary's total comprehensive income was Baht 12.1 million, decreasing from the previous year amount of Baht 96.5 million or 88.8% due to profit for the year decreased amount of Baht 99.3 million while other comprehensive income increased amount of Baht 2.7 million.

By the way, excluding loss from impairment of goodwill, total comprehensive income for the year (Normalize) of the Company and its subsidiary was Baht 106.6 million, slightly decreasing from the previous amount of Baht 2.1 million or 1.9%.

4.1.3 Financial Position Analysis

Table 3: Overall Financial Position of the Company and its subsidiary as at 31 December 2022

(Unit: Thousand Baht)

	Consolidated Financial Statements				Increase (Decrease)			Separate Financial Statements				Increase (Decrease)		
	31/12/22	%	31/12/21	%	Thousand Baht	%		31/12/22	%	31/12/21	%	Thousand Baht	%	
Current Assets	938,462	71.1	790,358	61.7	148,104	18.7		922,887	71.8	777,648	61.4	145,239	18.7	
Non-Current Assets	382,099	28.9	489,907	38.3	(107,808)	(22.0)		362,593	28.2	489,569	38.6	(126,976)	(25.9)	
Total Assets	1,320,561	100.0	1,280,265	100.0	40,296	3.1		1,285,480	100.0	1,267,217	100.0	18,263	1.4	
Current Liabilities	694,752	52.6	558,146	43.6	136,606	24.5		659,292	51.3	518,734	40.9	140,558	27.1	
Non-Current Liabilities	39,287	3.0	39,749	3.1	(462)	(1.2)		34,985	2.7	32,049	2.5	2,936	9.2	
Total Liabilities	734,039	55.6	597,895	46.7	136,144	22.8		694,277	54.0	550,783	43.5	143,494	26.1	
Shareholders' equity	586,522	44.4	682,370	53.3	(95,848)	(14.0)		591,203	46.0	716,434	56.5	(125,231)	(17.5)	
Total liabilities and shareholders' equity	1,320,561	100.0	1,280,265	100.0	40,296	3.1		1,285,480	100.0	1,267,217	100.0	18,263	1.4	

Assets

As at 31 December 2022, the Company and its subsidiary had total assets amount of Baht 1,320.6 million which were comprised of current assets amount of Baht 938.5 million or 71.1% of total assets and non-current assets amount of Baht 382.1 million or 28.9% of total assets.

The main compositions of assets were inventories amount of Baht 489.3 million or 37.1%, trade and other receivables amount of Baht 393.3 million or 29.8%, property, plant and equipment amount of Baht 310.4 million or 23.5%.

- **Current assets** were Baht 938.5 million, increasing from the previous year amount of Baht 148.1 million or 18.7%. The main reasons were from inventories increased amount of Baht 100.5 million to support an increase in sales, and trade and other receivables increased amount of Baht 53.2 million which was in accordance with sales increasing while cash and cash equivalents decreased amount of Baht 4.0 million and other current assets decreased amount of Baht 1.4 million.

- **Non-current assets** were Baht 382.1 million, decreasing from the previous year amount of Baht 107.8 million or 22.0%. The main reasons were from goodwill decreased amount of Baht 94.4 million due to the recognition of loss from impairment of goodwill in full amount, right-of-use assets decreased amount of Baht 8.5 million, property, plant and equipment decreased amount of Baht 6.7 million, and deferred tax assets decreased amount of Baht 5.1 million while investment in associate increased amount of Baht 5.8 million (in the second quarter of 2022, the Company acquired additional ordinary shares of associate with an unchanged proportion of investment at 45%), and other non-current assets increased amount of Baht 0.9 million.

Liabilities

As at 31 December 2022, the Company and its subsidiary had total liabilities amount of Baht 734.0 million, which were comprised of current liabilities amount of Baht 694.7 million or 94.6% of total liabilities and non-current liabilities amount of Baht 39.3 million or 5.4% of total liabilities.

The main compositions of liabilities were bank overdrafts and short-term loans from financial institutions amount of Baht 414.2 million or 56.4% and trade and other payables amount of Baht 221.0 million or 30.1%.

- **Current liabilities** increased from the previous year amount of Baht 136.6 million or 24.5%. The main reasons were from bank overdrafts and short-term loans from financial institutions increased amount of Baht 157.1 million and other current liabilities increased amount of Baht 14.6 million, while trade and other payables decreased amount of Baht 20.9 million, and current portion of long-term loans from financial institutions decreased amount of Baht 14.3 million from loans repayment during the year.
- **Non-current liabilities** slightly decreased from the previous year amount of Baht 0.5 million or 1.2%. The main reasons were from lease liabilities - net of current portion decreased amount of Baht 2.3 million while provision for long-term employee benefits increased amount of Baht 1.9 million

Shareholders' equity

Shareholders' equity as at 31 December 2022 was Baht 586.5 million, decreasing from the previous year amount of Baht 95.8 million due to the Company and its subsidiary's total comprehensive income for the year 2022 amount of Baht 12.1 million while there was a dividend paid during the year amount of Baht 108.0 million.

4.1.4 Cash flows Analysis

Table 4: Overall cash flow of the Company and its subsidiary for the year ended 31 December 2022

(Unit: Thousand Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Cash flows from (used in) operating activities	(4,934)	5,198	9,718	11,259
Cash flows used in investing activities	(21,189)	(15,786)	(41,431)	(29,994)
Cash flows from financing activities	22,163	4,698	28,976	12,721
Net decrease in cash and cash equivalents	(3,960)	(5,890)	(2,737)	(6,014)
Cash and cash equivalents at beginning of the year	37,923	43,813	34,805	40,819
Cash and cash equivalents at end of the year	33,963	37,923	32,068	34,805

Net cash flows from (used in) operating activities

The Company and its subsidiary had net cash flows used in operating activities for the year 2022 amount of Baht 4.9 million. However, the Company had net cash flow from operating activities amount of Baht 9.7 million.

Net cash flows used in investing activities

The Company and its subsidiary

In 2022, the Company and its subsidiary's net cash flows used in investing activities were amount of Baht 21.2 million. The main reasons were from the Company acquired additional investment in an associate amount of Baht 6.8 million, acquired equipment during the year amount of Baht 11.1 million such as building improvement amount of Baht 3.8 million (e.g. skin care laboratory, application laboratory, conference room at warehouse, and production plant for herb products), computers and equipment amount of Baht 2.2 million, tools and equipment amount of Baht 2.0 million, asset under construction of Baht 1.5 million, and etc., and acquired intangible assets amount of Baht 3.4 million. Meanwhile, there was cash received from sales of equipment amount of Baht 0.1 million.

In 2021, the Company and its subsidiary's net cash flows used in investing activities were amount of Baht 15.8 million. The main reasons were from the Company acquired investment in an associate during the year amount of Baht 14.2 million and acquired equipment and intangible assets amount of Baht 3.8 million and Baht 0.8 million, respectively. Meanwhile, there was cash received from sales of equipment amount of Baht 3.0 million.

The Company

In 2022, the Company's net cash flows used in investing activities were amount of Baht 41.4 million. The main reasons were from provided loans to a subsidiary during the year amount of Baht 24.1 million, acquired additional investment in an associate amount of baht 6.8 million, acquired equipment amount of Baht 9.1 million such as building improvement amount of Baht 3.0 million (e.g. skin care laboratory, application laboratory, conference

room at warehouse, and etc.), computers and equipment amount of Baht 2.2 million, tools and equipment amount of Baht 2.0 million, and etc., and acquired intangible assets amount of Baht 3.1 million. Meanwhile, there were cash received from interest income amount of baht 1.6 million and sales of equipment amount of Baht 0.1 million.

In 2021, the Company's net cash flows used in investing activities were amount of Baht 30.0 million. The main reasons were from the Company acquired investment in an associate amount of Baht 14.2 million and additional investment in a subsidiary amount of Baht 100.0 million (In the third quarter of 2021, a subsidiary increased registered ordinary share from Baht 80 million to a new one amount of Baht 180 million), provided short-term loan to a subsidiary during the year amount of Baht 8.3 million, and acquired equipment amount of Baht 3.2 million such as computer equipment amount of Baht 2.0 million, and etc., and acquired intangible assets amount of Baht 0.6 million. Meanwhile, the Company received long-term loans repayment and interest income from a subsidiary amount of Baht 89.0 million and Baht 4.4 million, respectively. Besides, there was cash received from sales of equipment amount of Baht 3.0 million.

Net cash flows from financing activities

The Company and its subsidiary

In 2022, the Company and its subsidiary's net cash flows from financing activities were amount of Baht 22.2 million. The main reasons were from short-term loans from financial institutions increased amount of Baht 157.1 million. Meanwhile, there were dividend payment amount of Baht 108.0 million, long-term loans from financial institutions repayment and lease liabilities payment amount of Baht 14.3 million and Baht 12.7 million, respectively.

In 2021, the Company and its subsidiary's net cash flows from financing activities were amount of Baht 4.7 million. The main reasons were from dividend paid to shareholders amount of Baht 45.6 million, long-term loans from financial institutions repayment amount of Baht 102.6 million, and lease liabilities payment amount of Baht 14.5 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 167.3 million.

The Company

In 2022, the Company's net cash flows from financing activities were amount of Baht 29.0 million. The main reasons were from short-term loans from financial institutions increased amount of Baht 160.6 million. Meanwhile, there were dividend payment amount of Baht 108.0 million, long-term loans from financial institutions repayment amount of Baht 14.3 million, and lease liabilities payment amount of Baht 9.3 million.

In 2021, the Company's net cash flows from financing activities were amount of Baht 12.7 million. The main reasons were from dividend paid to shareholders amount of Baht 45.6 million, long-term loans from financial institutions repayment amount of Baht 98.6 million, and lease liabilities payment amount of Baht 11.5 million

Meanwhile, short-term loans from financial institutions in form of trust receipt payables increased amount of Baht 168.3 million.

Refer to the above information, the Company and its subsidiary decreased in cash and cash equivalents during the year 2022 amount of Baht 3.9 million. When combined with cash and cash equivalents as at 31 December 2021 amount of Baht 37.9 million, the Company and its subsidiary's cash and cash equivalents as at 31 December 2022 were equal to Baht 34.0 million.

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

The company operates as an importer and distributor of raw materials, ingredients and chemicals, industry products, and consumer products with sales of more than 80 percent of the company's products are imported, causing the cost of the company's products to be mainly dependent on foreign exchange rates. In 2022, the company's gross profit was 21.4 percent, a decrease of 0.5 percent compared to that of 2021. This was mainly due to the US dollar, which is the company's main currency in buying imported goods, appreciated against the baht currency. The exchange rate in 2022 was between 32.30 - 38.50 baht per US dollar, while in 2021, it was between 30.03 - 34.09 baht per US dollar. However, the company has increased the price of some products to cover the cost of goods sold.

In the product categories of raw materials, ingredients and food chemicals, and industry products supplied to food processing plants, there was an increase in sales, growing from the previous year by 11.6 percent. The company was able to maintain its market share and expand its new customer base. As a result, the sales in these categories increased. The products in the categories of raw materials, ingredients, and food chemicals are products that are distributed both by domestic manufacturers and international importers, resulting in high-price competition. Prices were set depending on the quantity of products allocated by the company for sale in each period and may be subject to changes in customer buying patterns over time, which is normal for the distribution business. In addition, climate change has a direct impact on agricultural products which affects the cost of goods. The company will mainly consider maintaining the profit ratio for each product item and continue to carry out strategies to offer quality products that meet customer needs or consistently procure other products to satisfy customer demands. The company will continue to build good relationships and reach out to customers continuously, which is a key factor in the company's business growth strategies.

As for consumer products, the company distributes to the food service customer group (HoReCa), which includes hotels, restaurants, bakeries, airline kitchens, and direct to consumers through both modern trade and traditional trade distribution channels. In 2022, this part of the company's business profited an increase of 16.1 percent from the previous year, mainly due to the easing of the COVID-19 epidemic situation. Hotels, restaurants, bakeries, and airlines have returned to open for more services with an increase in the number of tourists from the relaxation of the government's international travel restrictions. As a result, sales in this section have grown, with

the company having an aggressive marketing strategy, increasing the variety of products by selecting new products that meet the needs of customers, and organizing activities to promote sales in various forms, including advertising and public relations to create brand awareness and continual expansion of the company's distribution channels.

For the product groups from contract manufacturing and distribution of skin care products, cosmeceuticals, cosmetics, dietary supplements, and medicines, which are a new segment acquired from the acquisition of a subsidiary in April 2018. In 2022, the business in this segment gained revenue in the amount of 38.6 million baht, a decrease of 12.6 percent from the previous year, mainly from the contract production of skin care and cosmeceutical and food supplements, which were the company best sellers distributed to customers who are interested in having their own brand. However, the company is in the process of financial and operational management in order for the company to generate sales growth. In addition, in order to maintain the existing customer base and expand the new customer base, the company has continuously been researching and developing products to cover all product groups, following beauty trends, organizing marketing activities in accordance with the situation, developing online distribution channels, and finding business partners to jointly develop and create value for the product groups continuously.

4.3 Important Financial information

4.3.1 Consolidated Financial Statements

The Investors should consider the financial statements and notes to consolidated financial statements of Winner Group Plc. Enterprise to accompany the explanation and analysis of the financial position and operating results of Winner Group Plc. Enterprise which has a summary of accounting policies and key assumptions in the preparation of financial information which in some cases require the management to use judgment and judgment in estimating the assumptions of such business transactions. In order to prepare financial statements in accordance with generally accepted accounting standards. The aforementioned transaction may have a material impact on the financial position and operating results of Winner Group Plc. Enterprise Description and analysis of this management Forward-looking statements may contain statements that reflect management's current opinion about future events and results. Therefore, the actual performance of the company may differ from the estimates stated due to various factors specified in the topic "Risk Factors" and elsewhere in this document.

Period	Name's auditor	CPA No.	Company's auditor
2020	Miss Watoo Kayankannavee	5423	EY Office Company Limited
2021	Miss Watoo Kayankannavee	5423	EY Office Company Limited
2021	Miss Watoo Kayankannavee	5423	EY Office Company Limited

Audit Report Summary

The company's financial statements Winner Group Enterprise Public Company Limited and its Subsidiaries for the fiscal year 2020, it was audited by Miss Watoo Kayankannavee, Certified Public Accountant No. 5423, EY Office Company Limited who commented that the financial statements show the company's balance sheet Winner Group Enterprise Public Company Limited and its subsidiaries as of December 31, 2020 operating results and cash flow for the year ended on the same day correctly as they should in material respects according to the financial reporting standards.

The company's financial statements Winner Group Enterprise Public Company Limited and its Subsidiaries for the fiscal year 2021, it was audited by Miss Watoo Kayankannavee, Certified Public Accountant No. 5423, EY Office Company Limited who commented that the financial statements show the company's balance sheet Winner Group Enterprise Public Company Limited and its subsidiaries as of December 31, 2021 operating results and cash flow for the year ended on the same day correctly as they should in material respects according to the financial reporting standards.

The company's financial statements Winner Group Enterprise Public Company Limited and its Subsidiaries for the fiscal year 2022, it was audited by Miss Watoo Kayankannavee, Certified Public Accountant No. 5423, EY Office Company Limited who commented that the financial statements show the company's balance sheet Winner Group Enterprise Public Company Limited and its subsidiaries as of December 31, 2022 operating results and cash flow for the year ended on the same day correctly as they should in material respects according to the financial reporting standards.

Summary of financial statements of Winner Group Enterprise Public company Limited and its subsidiaries for the year 2019, 2020 and 2021

Balance sheet of the Winner Group Enterprise Public Company Limited and its subsidiaries

	For the year ended 31 December											
	2022				2021				2020			
	Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Assets												
Current Assets												
Cash and cash equivalents	33,963	2.6	32,068	2.5	37,923	3.0	34,805	2.8	43,814	3.7	40,819	3.5
Trade and other receivables	393,288	29.8	388,171	30.2	340,083	26.5	338,965	26.7	327,792	27.8	325,856	27.8
Inventories	489,302	37.0	481,822	37.5	388,825	30.4	381,347	30.1	295,869	25.0	285,514	24.3
Derivative assets	-	-	-	-	204	0.0	204	0.0	-	-	-	-
Other current assets	21,909	1.7	20,826	1.6	23,323	1.8	22,327	1.8	14,232	1.2	13,331	1.1
Total current assets	938,462	71.1	922,887	71.8	790,358	61.7	777,648	61.4	681,707	57.7	665,520	56.7
Non-current assets												
Restricted bank deposits	955	0.1	-	-	953	0.1	-	-	951	0.1	-	-
Loans to subsidiary	-	-	86,700	6.8	-	-	62,600	4.9	-	-	54,300	4.6
Long-term loan to subsidiary	-	-	-	-	-	-	-	-	-	-	89,000	7.6
Investment in subsidiary	-	-	28,711	2.2	-	-	185,181	14.6	-	-	122,301	10.4
Investment in associate	23,209	1.7	20,952	1.6	17,371	1.3	14,202	1.1	-	-	-	-
Goodwill	-	-	-	-	94,446	7.4	-	-	94,446	8.0	-	-
Property, plant and equipment	310,394	23.5	189,889	14.8	317,079	24.8	189,794	15.0	338,069	28.6	201,661	17.2
Right-of-use assets	29,167	2.2	21,507	1.7	37,713	2.9	26,470	2.1	42,210	3.6	27,384	2.3
Intangible assets	7,633	0.6	6,492	0.5	7,284	0.6	6,014	0.5	9,942	0.8	8,407	0.7
Deferred tax assets	5,902	0.4	5,224	0.4	11,031	0.9	2,244	0.2	10,257	0.9	3,035	0.3
Other non-current financial assets	3,778	0.3	2,812	0.2	3,829	0.3	2,863	0.2	3,563	0.3	2,613	0.2
Other non-current assets	1,061	0.1	306	0.0	201	0.0	201	0.0	-	-	-	-
Total non-current assets	382,099	28.9	362,593	28.2	489,907	38.3	489,569	38.6	499,438	42.3	508,701	43.3
Total assets	1,320,561	100.0	1,285,480	100.0	1,280,265	100.0	1,267,217	100.0	1,181,145	100.0	1,174,221	100.0

	For the year ended 31 December											
	2022				2021				2020			
	Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Liabilities and shareholders' equity												
Current liabilities												
Bank overdrafts and short-term loans from financial institutions	414,227	31.4	390,727	30.4	257,151	20.1	230,151	18.2	89,803	7.6	61,803	5.3
Trade and other payables	221,016	16.7	216,463	16.9	241,920	18.9	237,524	18.7	269,461	22.8	265,303	22.6
Advances received from customers	4,058	0.3	285	0.0	4,424	0.3	99	0.0	3,552	0.3	-	-
Current portion of lease liabilities	9,394	0.7	5,988	0.5	12,470	1.0	9,156	0.7	11,936	1.0	8,784	0.7
Current portion of long-term loans net of current portion	-	-	-	-	14,252	1.1	14,252	1.1	40,471	3.4	37,077	3.2
Income tax payable	19,788	1.5	19,788	1.5	19,050	1.5	19,050	1.5	14,676	1.3	14,676	1.3
Provision for goods return	2,776	0.2	2,776	0.2	4,057	0.3	4,057	0.3	5,095	0.4	5,095	0.4
Derivative liabilities	4,074	0.3	4,074	0.3	-	-	-	-	2,117	0.2	2,117	0.2
Other non-current liabilities	19,419	1.5	19,191	1.5	4,822	0.4	4,445	0.4	6,893	0.6	6,373	0.5
Total current liabilities	694,752	52.6	659,292	51.3	558,146	43.6	518,734	40.9	444,004	37.6	401,228	34.2
Non-current liabilities												
Lease liabilities - net of current portion	13,122	1.0	9,883	0.8	15,464	1.2	8,819	0.7	22,006	1.9	12,047	1.0
Long-term loans from financial institution - net of current portion	-	-	-	-	-	-	-	-	76,172	6.5	75,522	6.4
Provision for long-term employee benefits	25,838	2.0	24,978	1.9	23,899	1.9	23,095	1.8	19,317	1.6	18,706	1.6
Other non-current liabilities	327	0.0	124	0.0	386	0.0	135	0.0	397	0.0	144	0.0
Total non-current liabilities	39,287	3.0	34,985	2.7	39,749	3.1	32,049	2.5	117,892	10.0	106,419	9.0
Total liabilities	734,039	55.6	694,277	54.0	597,895	46.7	550,783	43.4	561,896	47.6	507,647	43.2

	For the year ended 31 December											
	2022				2021				2020			
	Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Liabilities and shareholders' equity (Continued)												
Shareholders' equity												
Share capital												
Registered												
599,974,662 ordinary shares of Baht 0.25 each												
(31 December 2021: 600,000,000 ordinary shares of Baht 0.25 each)												
(31 December 2020: 400,000,000 ordinary shares of Baht 0.25 each)	149,994	11.4	149,994	11.7	150,000	11.7	150,000	11.8	100,000	8.5	100,000	8.5
Issued and fully paid-up 599,974,662 ordinary shares of Baht 0.25 each												
(31 December 2020: 400,000,000 ordinary shares of Baht 0.25 each)	149,994	11.4	149,994	11.7	149,994	11.7	149,994	11.8	100,000	8.5	100,000	8.5
Premium on ordinary shares	147,706	11.2	147,706	11.5	147,706	11.5	147,706	11.7	147,706	12.5	147,706	12.6
Retained earnings												
Appropriated - statutory reserve	15,000	1.1	15,000	1.2	15,000	1.2	15,000	1.2	10,000	0.8	10,000	0.9
Unappropriated	273,822	20.7	278,503	21.6	369,670	28.9	403,734	31.9	361,543	30.6	408,868	34.8
Total shareholders' equity	586,522	44.4	591,203	46.0	682,370	53.3	716,434	56.6	619,249	52.4	666,574	56.8
Total liabilities and shareholders' equity	1,320,561	100.0	1,285,480	100.0	1,280,265	100.0	1,267,217	100.0	1,181,145	100.0	1,174,221	100.0

	For the year ended 31 December											
	2022				2021				2020			
	Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement		Consolidated financial Statements		Separate financial statement	
	Thousand Baht	% ^{1/}	Thousand Baht	% ^{1/}	Thousand Baht	% ^{1/}	Thousand Baht	% ^{1/}	Thousand Baht	% ^{1/}	Thousand Baht	% ^{1/}
Revenues												
Sales and service income	2,026,474	99.3	1,990,870	99.3	1,784,853	98.7	1,748,474	98.5	1,687,011	99.3	1,641,755	99.1
Other income	13,704	0.7	14,381	0.7	24,338	1.3	26,699	1.5	11,256	0.7	14,941	0.9
Total revenues	2,040,178	100.0	2,005,251	100.0	1,809,191	100.0	1,775,173	100.0	1,698,267	100.0	1,656,696	100.0
Expenses												
Cost of sales and service	1,590,907	78.0	1,565,425	78.1	1,388,466	76.7	1,365,167	76.9	1,290,129	76.0	1,260,993	76.1
Selling and distribution expenses	112,146	5.6	107,785	5.3	103,994	5.7	97,863	5.5	103,806	6.1	94,883	5.7
Administrative expenses	184,562	9.0	156,467	7.8	172,852	9.6	140,869	7.9	182,194	10.7	141,405	8.5
Loss from impairment of investment in subsidiary	-	-	156,470	7.8	-	-	37,120	2.1	-	-	27,700	1.7
Loss from impairment of goodwill	94,446	4.6	-	-	-	-	-	-	-	-	-	-
Total expenses	1,982,061	97.2	1,986,147	99.0	1,665,312	92.0	1,641,019	92.4	1,576,129	92.8	1,524,981	92.0
Operating profit	58,117	2.8	19,104	1.0	143,879	8.0	134,154	7.6	122,138	7.2	131,715	8.0
Share of profits from investment in associate	(912)	(0.0)	-	-	3,169	0.2	-	-	-	-	-	-
Finance cost	(5,774)	(0.3)	(4,842)	(0.3)	(6,344)	(0.4)	(5,146)	(0.3)	(9,607)	(0.6)	(7,999)	(0.5)
Profit before income tax expenses	51,431	2.5	14,262	0.7	140,704	7.8	129,008	7.3	112,531	6.6	123,716	7.5
Income tax expenses	(42,027)	(2.0)	(33,983)	(1.7)	(32,028)	(1.8)	(33,592)	(1.9)	(28,006)	(1.6)	(30,363)	(1.8)
Profit for the year	9,404	0.5	(19,721)	(1.0)	108,676	6.0	95,416	5.4	84,525	5.0	93,353	5.6
Other comprehensive income:												
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>												
Actuarial gain - net of income tax	2,742	0.1	2,483	0.1	-	-	-	-	1,713	0.1	19	0.0
Other comprehensive income for the year	2,742	0.1	2,483	0.1	-	-	-	-	1,713	0.1	19	0.0
Total comprehensive income for the year	12,146	0.6	(17,238)	(0.9)	108,676	6.0	95,416	5.4	86,238	5.1	93,372	5.6
Earnings per share^{2/}	0.02		(0.03)		0.18		0.16		0.14		0.16	

Remark: ^{1/} Percentage of Revenues consist of Sales and service income and other income

^{2/} Basic earnings per share calculated from weighted average number of shares, which are equal to 599,974,662 million shares.

(Unit : Thousand Baht)

	For the year ended 31 December					
	2022		2021		2020	
	Consolidated financial Statements	Separate financial statement	Consolidated financial Statements	Separate financial statement	Consolidated financial Statements	Separate financial statement
Cash flows from operating activities						
Profit before tax	51,430	14,262	140,704	129,008	112,532	123,716
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:						
Depreciation	34,674	21,778	34,888	22,030	34,563	20,937
Amortization	3,125	2,690	3,743	3,280	3,871	3,462
Allowance for expected credit losses (reversal)	(76)	(1)	(45)	18	974	680
Reduction of inventory cost to net realizable value (reversal)	1,664	1,377	(2,851)	(4,292)	6,201	2,896
Loss from written-off obsoleted inventories	1,668	1,253	2,765	2,459	3,994	2,832
Reversal of provision for goods return	(1,281)	(1,281)	(1,038)	(1,038)	(323)	(323)
Loss from impairment of investment in subsidiary	-	156,470	-	37,120	-	27,700
Loss from impairment of goodwill	94,446	-	-	-	-	-
Loss (gain) on sales of equipment	(75)	(75)	381	381	(12)	(12)
Loss from written-off assets	286	-	240	-	407	-
Gain on sales of investment in debt instrument and closed down the fund	-	-	-	-	(98)	(98)
Difference from rental reduction and contract termination	1	1	8	-	9	4
Provision for long-term employee benefits	5,366	4,987	4,688	4,388	2,973	2,146
Unrealised loss (gain) on exchanges	(2,578)	(2,578)	1,334	1,334	(1,087)	(1,087)
Share of profits from investment in associate	912	-	(3,169)	-	-	-
Interest income	(38)	(1,640)	(62)	(3,980)	(73)	(4,993)
Interest expenses	5,774	4,842	6,344	5,146	9,607	7,999
Profit from operating activities before changes in operating assets and liabilities	195,298	202,085	187,930	195,854	173,538	185,859
Operating assets (increase) decrease						
Investment in debt instrument	-	-	-	-	25,990	25,990
Trade and other receivables	(53,107)	(49,125)	(12,268)	(13,550)	(21,332)	(24,066)
Inventories	(103,808)	(103,106)	(92,870)	(94,000)	(23,118)	(17,629)
Other current assets	1,449	1,501	(9,071)	(8,995)	(368)	(744)
Other non-current financial assets	51	51	(267)	(250)	(24)	(24)
Other non-current assets	(860)	(105)	(201)	(201)	-	-
Operating liabilities increase (decrease)						
Trade and other payables	(16,382)	(15,725)	(32,252)	(32,489)	44,290	47,299
Other current liabilities	14,802	15,503	(1,199)	(1,829)	(2,101)	(1,728)
Cash paid for employee benefits	-	-	(106)	-	(1,102)	(1,102)
Other non-current liabilities	(59)	(11)	(11)	(8)	(251)	(16)
Cash flows from operating activities	37,384	51,068	39,685	44,532	195,522	213,839
Cash paid for interest expenses	(5,438)	(4,505)	(6,039)	(4,845)	(9,152)	(7,561)
Cash paid for corporate income tax	(36,880)	(36,845)	(28,448)	(28,428)	(30,884)	(30,871)
Net cash flows from operating activities	(4,934)	9,718	5,198	11,259	155,486	175,407

(Unit : Thousand Baht)

	For the year ended 31 December					
	2022		2021		2020	
	Consolidated financial Statements	Separate financial statement	Consolidated financial Statements	Consolidated financial Statements	Separate financial statement	Consolidated financial Statements
Cash flows from (used in) investing activities						
Increase in restricted bank deposits	(1)	-	(2)	-	(7)	-
Acquisition of investment in subsidiary	-	-	-	(100,000)	-	-
Acquisition of investment in associate	(6,750)	(6,750)	(14,202)	(14,202)	-	-
Proceeds from sales of equipment	91	91	2,986	2,986	19	19
Acquisition of equipment	(11,135)	(9,128)	(3,793)	(3,220)	(11,967)	(10,227)
Acquisition of intangible assets	(3,432)	(3,126)	(837)	(639)	(2,650)	(2,318)
Increase in loans to subsidiary	-	(24,100)	-	(8,300)	-	(40,000)
Decrease in long-term loan to subsidiary	-	-	-	89,000	-	420
Interest income	38	1,582	62	4,381	74	9,912
Net cash flows used in investing activities	(21,189)	(41,431)	(15,786)	(29,994)	(14,531)	(42,194)
Net cash flows from (used in) financing activities						
Increase in bank overdrafts and short-term loans from financial institutions	157,076	160,576	167,348	168,348	44,567	44,567
Repayment of long-term loans from financial institutions	(14,257)	(14,257)	(102,624)	(98,574)	(83,638)	(80,238)
Dividend paid	(107,993)	(107,993)	(45,555)	(45,555)	(80,000)	(80,000)
Cash paid for lease liabilities	(12,663)	(9,350)	(14,471)	(11,498)	(15,398)	(12,447)
Net cash flows from (used in) financing activities	22,163	28,976	4,698	12,721	(134,469)	(128,118)
Net increase (decrease) in cash and cash equivalents	(3,960)	(2,737)	(5,890)	(6,014)	6,486	5,095
Cash and cash equivalents at beginning of year	37,923	34,805	43,813	40,819	37,327	35,724
Cash and cash equivalents at end of year	33,963	32,068	37,923	34,805	43,813	40,819

Table: Financial Ratio Highlight of the Winner Group Enterprise Public Company Limited and its Subsidiaries

		For the year ended 31 December					
		2022		2021		2020	
		Consolidated financial Statements	Separate financial statement	Consolidated financial Statements	Separate financial statement	Consolidated financial Statements	Separate financial statement
Liquidity Ratio							
Current Ratio	Times	1.4	1.4	1.4	1.5	1.5	1.7
Quick Ratio	Times	0.6	0.6	0.7	0.7	0.8	0.9
Cash flow liquidity ratio	Times	(0.01)	0.02	0.01	0.02	0.4	0.5
Receivable turnover	Times	5.6	5.5	5.4	5.3	5.4	5.3
Collection period	Days	65	66	68	69	68	69
Finished Goods Turnover Ratio	Times	5.0	4.9	6.3	6.3	7.1	7.1
Average selling time of finished goods	Days	73	74	58	58	52	52
Inventory turnover	Times	3.6	3.6	4.1	4.1	4.5	4.5
Holding period	Days	101	101	90	89	82	81
Payable turnover ratio	Times	9.4	9.3	7.2	7.1	6.9	6.9
Repayment period	Days	39	39	51	51	53	53
Cash Cycle	Days	127	128	107	107	97	97
Profitability Ratio							
Gross profit margin	%	21.5	21.4	22.2	21.9	23.5	23.2
Operating profit margin	%	2.9	1.0	8.1	7.7	7.2	8.0
Other income to total income ratio	%	0.7	0.7	1.3	1.5	0.7	0.9
Cash-to-profit ratio	%	(8.5)	50.9	3.6	8.4	127.3	133.2
Net profit margin	%	0.5	(1.0)	6.0	5.4	5.0	5.6
Return On Equity : ROE	%	1.5	(3.0)	16.7	13.8	13.7	14.1
Efficiency Ratio							
Return on Assets : ROA	%	0.7	(1.5)	8.8	7.8	7.3	8.1
Return on Fixed assets	%	14.0	1.1	43.8	60.0	34.4	55.7
Asset Turnover	Times	1.6	1.6	1.5	1.5	1.5	1.4
Financial Policy Ratio							
Debt to Equity Ratio	Times	1.3	1.2	0.9	0.8	0.9	0.8
Interest Coverage Ratio	Times	17.6	9.7	30.2	32.9	17.5	20.6
Debt to Equity Ratio	Times	0.2	0.1	0.6	0.6	1.1	1.4
Dividend Payout Ratio ^{1/, 2/, 3/}	%	829.5	N/A	117.4	133.7	94.6	85.7

Remark: ^{1/} The dividend payout in 2020 is calculated from the interim dividend payment according to the resolution of the Board of Directors Meeting No. 4/2020 on August 13, 2019 amounting to Baht 40 million and the resolution of the Board of Directors Meeting No. 1/2022 on February 25, 2021, to propose the dividend payment to the Annual General Meeting of Shareholders for the year 2021 on April 22, 2021 in the amount of 40 million baht.

^{2/} The dividend payout in 2021 is calculated from the interim dividend payment according to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2021 on September 28, 2021 amounting to Baht 55.6 million and the resolution of the Board of Directors Meeting No. 1/2022 on February 23, 2022, to propose the dividend payment to the Annual General Meeting of Shareholders for the year 2022 on April 27, 2022 in the amount of 72 million baht.

^{3/} The dividend payout in 2022 is calculated from the interim dividend payment according to the resolution of the Board of Directors Meeting No. 3/2022 on August 10, 2022 amounting to Baht 36 million and the resolution of the Board of Directors Meeting No. 1/2023 on February 27, 2023, to propose the dividend payment to the Annual General Meeting of Shareholders for the year 2023 on April 26, 2023 in the amount of 42 million baht.

4.3.2 Financial Ratio Analysis

Financial Ratio

Financial Ratio		Consolidated Financial Statements			Separate Financial Statements		
		2022	2021	2020	2022	2021	2020
Gross Profit Margin	%	21.5	22.2	23.5	21.4	21.9	23.2
Net Profit Margin	%	0.5	6.0	5.0	(1.0)	5.4	5.6
ROE	%	1.5	16.7	13.7	(3.0)	13.8	14.1
ROA	%	0.7	8.8	7.3	(1.5)	7.8	8.1
D/E ratio	Times	1.3	0.9	0.9	1.2	0.8	0.8

In 2022, The Group's gross profit margin was 21.5 percent which decreased by 0.7 percent from the prior year. The company's gross profit margin in good level was 21.4 percent which decreased by 0.5 percent from the prior year. In 2022, the company and its subsidiary's gross profit margin equaled 0.5 percent which decreased by 5.5 percent from the prior year. While ROE represented 1.5 percent, ROA at 0.7 percent decreased from the prior year due to decrease of net profit and D/E ratio equaled to 1.3 time which increased by 0.4 time from the prior year.

5. General Information and Other Information

5.1 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 Rd., Yannawa, Sathorn, Bangkok 10120



Registration Number

0107556000256



Contact us

Tel: 0-2675-6525-31 / Fax: 0-2675-6544 / Website: www.winnergroup.co.th



Registered Capital

149,993,665.50 Baht comprising 599,974,662 common shares of 0.25 Baht per share



Paid-up Capital

149,993,665.50 Baht comprising 599,974,662 common shares of 0.25 Baht per share



Securities Registrar: Thailand Securities Depository Company Limited

The Stock Exchange of Thailand Building, 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400

Tel: 0-2009-9999



Auditor: EY Office Limited as Certified Public Accountant (CPA)

193/136-137 Lake Rajada Office Complex, 33rd Floor, New Rajadaphisek Rd, Klongtoey, Bangkok 10110

Tel: 0-2264-0777



Legal Advisor: Well-versed Law Office Limited

184/49 Forum Tower, 14th Floor, Rajadaphisek Road, Huaykwang, Huaykwang, Bangkok 10310

Tel: 0-2645-3533



Corporate Secretary / IR: Miss Itsiree Rungsiruttanachote

Tel: 0-2675-6525-31 ext. 106

Email: executives@winnergroup.co.th, ir@winnergroup.co.th

5.2 Other Information

5.2.1 Information that materially affects the decision of investors

- None -

5.2.2 Restriction of foreign shareholder

- None -

5.3 Legal Dispute

As at 31 December 2022, the company and its subsidiary have no legal dispute that cause detriment with the amount impact more than 5% of shareholder's equity and no other significant dispute that may materially impact to business of the company and its subsidiary operation.

5.4 Secondary Market

- None -

5.5 Financial institution contact (For the company that issue debt instrument only)

- None -



Section 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview Policy and Guideline of Good Corporate Governance

Winner Group Enterprise Public Company Limited is committed to conducting business in accordance with good corporate governance principles. The Board of Directors, as leaders of the organization, has created sustainable value for the business by implementing good corporate governance policies since 2013, reviewed, and followed up on compliance with the good corporate governance policies annually. In 2017, the company revised the Good Corporate Governance and Business Code of Conduct guidelines to be in line with the “Principles of Good Corporate Governance for Listed Companies 2017 (Corporate Governance Code: CG Code)” which was approved in the Board of Directors Meeting No. 5/2018, held on November 12, 2018. It is required that the Board of Directors review the guidelines at least once a year and record it as part of the Board's resolution.

The Company refers to CG Code and interested persons can view full version CG Policy and Code of Conduct through our website at www.winnergroup.co.th (Investor Relations page >> Corporate Governance >> Corporate Good Governance Policy) or (Investor Relations page >> Corporate Governance >> Code of Conduct)

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 whistle blower (Whistle Blower Policy).

6.1.1 Policy and Guideline of The Board of Directors

The company has defined guideline of the responsibility of the board of director as follow: -

1. The Board is composed of 8 directors with diversity of qualification in term of age, gender, experience education, professional skills and board diversity.
2. 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.
3. The Board of Directors' meeting must have at least 2/3 of the total number of directors attending the meeting. The Chairman of the Board acts as the chairman of the meeting.
4. In the year 2022, the Board of Directors totally held 4 meetings under advance meeting arrangement which informed the Board on November 2021. The Board of Directors Meetings is reserved 100% of the meeting quorum while all directors were individually reserved more than 100% of Board of Directors meetings and sub-committee meetings.

5. There was a meeting held without participation from executive directors and management in October 20, 2022.
6. 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.
7. The Board rendered the internal control, internal audit, risk management systems and regularly review the efficiency at the Board of Directors' meeting.
8. The Audit Committee expressed an opinion on the sufficient of the Company's internal control in the report of audit committee.
9. The Board regularly reviews the operating results of the management at the quarterly Board of Directors' meeting.

6.1.2 Policy and Guideline related to the shareholders and stakeholders

In 2022, the company has complied with the good corporate governance as follow: -

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 22, 2021 to February 21, 2022. 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 30 days prior to the meeting date and delivered the notification to the shareholders 32 days prior to the meeting date.
- ▶ The invitation letter and meeting agenda contain sufficient details, including proxy forms.

On the meeting date

- ▶ The company held its annual shareholder meeting for the year 2022 on Wednesday, April 27, 2022, from 10:00 AM to 12:00 PM through electronic media. Shareholders were required to register and verify their identity or authorize a representative to attend the meeting through DAP e-Shareholder Meeting system provided by Digital Access Platform Company Limited, a company in the Stock Exchange of Thailand Group, from 8:00 AM on April 4, 2022, to 12:00 PM on April 27, 2022.

- ▶ The company opened a registration system for shareholders to participate in the meeting through DAP e-Shareholder Meeting system starting from 8:00 AM. Additionally, the company arranged communication channels and sufficient technological devices to facilitate the shareholders.
- ▶ At the beginning of the meeting, the Company explained rules of procedure for the meeting as well as voting process on DAP e-Shareholder Meeting system. 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 was representative from 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 27, 2022 by informing news to the Stock Exchange of Thailand via Set Link system 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.

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 2022, 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, details can be viewed at “*Good Corporate Governance Policy, Principle 8: Ensure Engagement and Communication with Shareholders*”.

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 2022, 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 any act that may cause a conflict of interest.
- ▶ Prohibit 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. In 2022, customer satisfaction survey was 86.8 percent.
- ▶ 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/suppliers

- ▶ 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 conducted transparently to prevent disloyalty and corruption behavior at all ended stage of procurement process, especially selection of trade partners and suppliers.
- ▶ 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, default 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.
- ▶ Associate with trade competitors to create consumers' benefits but not create monopolistic market share, sales revenues, devalued products and services and setting price of products and services may result benefit loss of consumers. In 2022, the Company has no dispute with competitors.

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 which can be benchmarked with other relevant industries and aligned with corporate strategy and objectives. In 2022, 191 employees were membership of the provident fund or 74.3% of total employees. and the Company made contributions to the provident fund in the amount of 298,896 baht.
- ▶ 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.
- ▶ Facilitate enough equipment and utilities during employees' work hours in the Office /Warehouse/ Plant such as hot-cold water cooler in the above-mentioned areas.
- ▶ Maximize employees' knowledge as part of corporate mission and objectives by: I) prioritizing on employees' development constantly, II) enhancing their work performance and future career path, and III) disclosure on corporate trainings/curriculums which includes both in-house and out-house, seminar, workshop and activities to promote understanding of code of conduct. In 2022, there were 92 curriculums from in-out house staff training. Average staff training reached 11.00 hours 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 2022, the Company recognized and tried to instill social consciousness as follows.
 - Donated used calendars to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen
 - Donated cosmetics to the Pathology Corpse Examination Unit, deceased room, at Chulalongkorn Hospital
 - Donated alcohol gel to Bangkok Primary Educational Service Area Office
 - Donated aluminum materials to the International Association of Persons with Mobility Disabilities
 - Employees together donated blood at the Thai Red Cross Society
 - Organized the "Second-hand Flea Market" activity by bringing second-hand clothes to sell to raise funds for CSR projects.
 - ▶ Reserve no any action that may result bad reputation in country, society and commonwealth
 - ▶ 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) which the company collected code of conducts and disclosed on website www.winnergroup.co.th >> Topic "Investor Relations" >> Topic "Good Corporate Governance" >> Topic "Code of Conducts">> Topic "Policy on Anti-Corruption" 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 2022, the Company sent its employees to attend training course regarding environment 6 curriculums as follows: -

No.	Course	Training Duration	No. of Participants
1	GHP & HACCP Standard System	8 Hours	49
2	Food Protection Plan	8 Hours	49
3	Food Counterfeit Prevention Plan	8 Hours	49
4	Factory Pest Control	3 Hours	52
5	Food/Chemical Safety	3 Hours	52
6	Fire Drill and Fire Evacuation for 2022	3 Hours	86

Anti-corruption

- ▶ The Company conducts risk management plan 2022 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 in 2022.
- ▶ 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.
- ▶ To support suitable internal audit for business operation which cover financial data, accounting and other process related to the company's operation.
- ▶ To support employees and shareholder report violation of anti-corruption policy and discrimination by accepting whistleblowing, suggestion or complaints through the channels anti-corruption and audit procedure rightly. Also, the company has measures protect individual right.

- ▶ To encourage communication of anti-corruption policy for both internal and external company to all practices that includes informing its subsidiary to practice together.
- ▶ Publicize the anti-corruption policy on the company's internal website (Insight Winner) and arrange an orientation for new employees to educate them about the anti-corruption policy.

Non-infringement of intellectual property

- ▶ All staffs shall prohibit 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.
- ▶ Any of work created by staff shall be reserved as corporate proprietary and intellectual property such as masterpiece, invention and so on. Staff shall be responsible for a return of proprietary information when no longer working with the Company.

Non-involvement in human rights violation

▶ *Human rights*

Respect employees for their honor, privacy and rights of individuals to be treat 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, including conduct a fire evacuation drill at least once a year. The Company has established a policy on occupational health and safety as published onto the website: www.winnergroup.co.th. In 2022, were 2 minor staff injuries at work that the Company took action to prevent the incident recurrence.

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 had assigned Company Secretary to be responsible for the data service and the disclosure of important information of the Company and its subsidiary and shall reports to Ms. Kanollas Wongisariyakul, Managing Director, IR Management function. In 2022, there had approximately 20 Shareholders / Investors / analysts requesting information through our website and email which all those questions were responded by an investor relation officer already. Therefore, 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 2022, the Company participated in investor relations activities as follows:
 1. On October 28, 2022, the Company has participated in MAI Forum 2022 organized by the Stock Market Alternatives Investment (MAI) and MAI Listed Companies Association.
 2. Made quarterly Company Snapshot to give information to shareholders, analysts and investors
 3. the analysts which participated in Investment analyst's association to follow up operating results quarterly in 3 year had Company visit
 4. Giving interview, giving information and answering question post by shareholders, new reporters, interested persons via email and telephone.

6.2 Code of Conducts

The company always gives priority to "Code of Conducts and Business Ethics" and believes that being under good code of conducts and business ethics is an important foundation that yields strong and sustainable growth that leads the Company to achieve vision, mission and goals set based on the principle of good corporate governance. This "Code of Conducts and Business Ethics" is a combination of policies and practices with explanation in principles and guidelines for each policy so that directors, executives and all employees can understand and use as a guideline to drive the company in the same direction successfully. This can be divided into following policies: -

1. Policy on Treatment of stakeholders
2. Policy on Human Rights
3. Policy on Environmental quality standards
4. Policy on Non-infringement of intellectual property
5. Policy on Anti-Corruption
6. Policy on Gifts and Entertainment
7. Policy on Political impartiality
8. Policy on Conflicts of Interest
9. Policy on Inside information
10. Policy on Related party transaction

11. Policy on Internal control and internal audit
12. Policy on Whistle-blowing
13. Policy on Disclosure
14. Policy on IT Security
15. Policy on Control of Subsidiary and Associated Company's business operation
16. Policy on Holding board seats in other public listed companies
17. Policy on Remuneration and Welfare for Employees
18. Dividend Policy
19. Consumer Responsibility Policy
20. Sustainable Procurement Policy
21. Code of Conduct for Director, Executives and Advisors
22. Code of Conduct for Employees

The company has prepared a full code of conducts which disclosed on the website www.winnergroup.co.th >> Topic "Investor Relations" >> Topic "Good Corporate Governance" >> Topic "Code of Conduct". In 2022, the Company did not find any violation of the Code of Conduct.

6.3 The significant changes and developments of the policy, guideline and corporate governance system in the year

6.3.1 The significant changes and developments related to review policy, guideline and corporate governance system or the board of director's charter in the year

According to the resolution of the Board of Directors Meeting No. 4/2022 held on November 11, 2022 was resolved to approve the Board Diversity Policy and review good corporate governance policy, code of conducts, Board of directors charter, and sub-committees charter.

6.3.2 Other guideline in accordance with the principles of good corporate governance

The company has received assessment results from various organization as follow: -



Corporate Governance Assessment of Listed Companies Year 2022

From the assessment of corporate governance project namely “Results on Corporate Governance of Thai Listed Companies for the year 2022” organized by the Thai Institute of Directors Association supported by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, it was shown that the Company received an evaluation result of 93%, rated as "excellent" or 5 stars, which is higher than the average score from 750 listed companies surveyed in 2022 (overall average score was 85%).



Quality Assessment of the 2022 Annual General Meeting of Shareholders

From the assessment of the quality of the annual general meeting of shareholders (Annual General Meeting Checklist) assessed by the Thai Investors Association, the Company received 100 points while the average score from 751 listed companies surveyed in 2022 was 95.55 points.



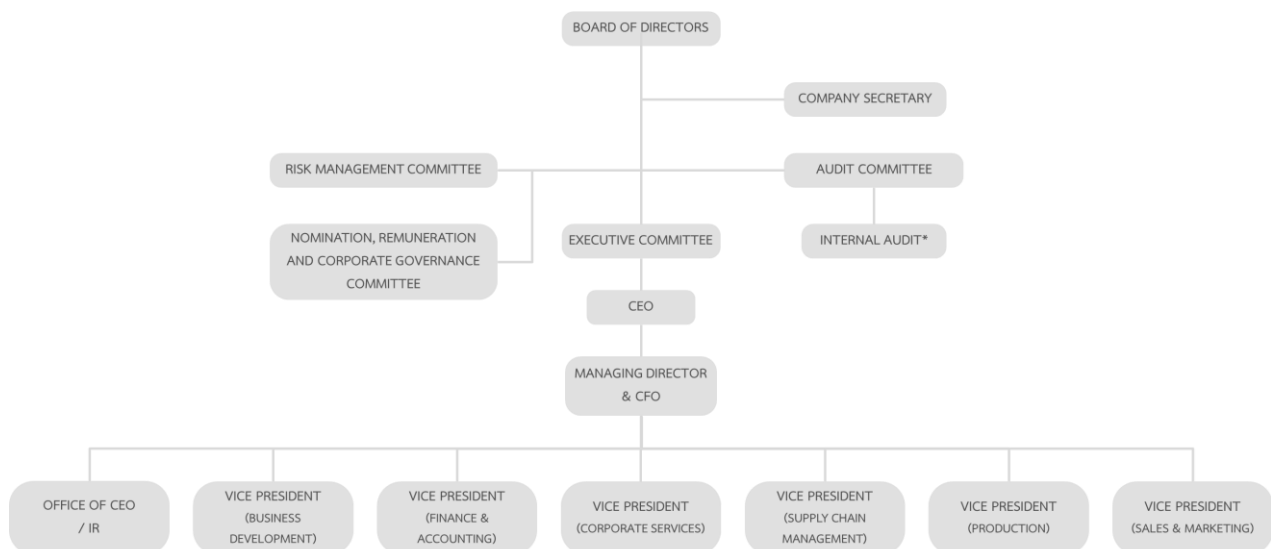
Assessment of the Year 2022 for Environmental, Social and Governance Information

from the data assessment of the Environmental, Social and Governance: ESG of the listed companies which was assessed by the Thaipat Institute from 851 listed companies, the Company securities has been ranked as an outstanding for sustainable business (ESG 100) for the 6th consecutive year since 2017.

7. Management Structure and Information of the Board of Directors, Sub-Committees, Executives and employees

7.1 Management Structure

Management Structure as of December 31, 2022



Board and Sub-Committees

The Company has Board of Directors and Sub-committees 4 committees comprises of Audit Committee, Executive Committee, Risk Management Committee and Nomination Remuneration and Corporate Governance Committee.

7.2 Board of Directors

7.2.1 Composition of the Board of Directors

As of December 31, 2022, the Board of Directors comprised 8 directors consist of:

- Independent Directors 3 people or 37.5% of the total Directors
- Non-executive Director 1 person or 12.5% of the total Directors
- Executive Directors 4 person or 50% of the total Directors

There are 5 female directors out of 8 directors, representing 62.5% of the total directors.

In 2022, a total of 4 Board of Directors' meetings and 1 shareholders' meeting were held as follows:

Name	Type of Directors	Position	Meeting attendance in 2022	
			Board of Directors	Shareholders
1. Mr. Prakarn Tawisuwan	Independent Director	Chairman	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	0/1
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. Mr. Surapat Rojchanavisart	Non-Executive Director	Director	4/4	1/1
7. Dr. Warunee Varanyanond	Independent Director	Director	4/4	1/1
8. Ms. Thipawan Uthaisang	Independent Director	Director	4/4	1/1

7.2.2 Information of the Board of Directors and the Company's controllers individually

Details are as shown in [Attachment 1](#) and shown in the schedule of securities holdings of the Company's directors and executives as follows:

Table of securities holding of Directors and Management^{1/}

Name	Position	Common shares (no. of shares)		
		11 Mar 2022	26 Aug 2022	Increase (Decrease)
1. Mr. Prakarn Tawisuwan Spouse and underage children	Chairman and Independent Director	-	-	-
2. Mr. Jane Wongisariyakul Spouse and underage children	Director	187,431,900	187,431,900	-
3. Mrs. Vannaporn Wongisariyakul Spouse and underage children	Director	52,650,000	52,650,000	-
4. Ms. Kanokpan Kreangkraikrissada Spouse and underage children	Director	17,100,000	17,100,000	-
5. Ms. Kanollas Wongisariyakul Spouse and underage children	Director	34,500,000	34,500,000	-
6. Mr. Surapat Rojchanavisart Spouse and underage children	Director	15,000,000	15,000,000	-
7. Dr. Warunee Varanyanond Spouse and underage children	Director and Independent Director	-	-	-

Name	Position	Common shares (no. of shares)		
		11 Mar 2022	26 Aug 2022	Increase (Decrease)
8. Ms. Thipawan Uthaisang Spouse and underage children	Director and Independent Director	-	-	-
9. Mrs. Suwannee Kongkitkul Spouse and underage children	VP-Sales & Marketing	-	-	-
10. Ms. Prapasiri Pisitsangkakan Spouse and underage children	VP-Finance & Accounting	-	-	-
11. Mr. Banjongsin Wong-Ngern Spouse and underage children	VP-Production	-	-	-
12. Mrs. Nuttmon Theppitak Spouse and underage children	VP-Corporate Services	-	-	-

^{1/} Executives or Management is defined with SEC's definition and shown no. of shares-holding including spouse and underage children (if any) under the 258 Section of Securities and Exchange Act (B.E. 2535)

7.2.3 Roles and Duties of the Board

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 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.

Authority and Responsibility of the Chairman of Board of Directors and Board of Directors

The resolution of the Board of Directors' meeting No. 4/2022 on November 11, 2022 determined the scope of authority of the Board of Directors as follows

Authority and Responsibility of the Chairman of 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.
5. To strengthen the relationships between executive and non-executive directors, and between the Board of Directors and management.

Authority and Responsibility of 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, strategies, guidelines, policies, operations plan, budgets and policies for risk management, adequate system of internal control and succession plan of management position including review and amend as appropriate at least once every 5 years.
4. To consider, review and approve vision and mission or corporate strategy from the past accounting year and monitor on how to implement corporate strategy as necessary.
5. To review the risk management manual, policies and frameworks, annual risk management plans, risk identification and assessment, and risk management guidelines. This also includes ensuring that the company's strategy is aligned with the acceptable level of risk.
6. 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.
7. 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.
8. To determine the management structure and use power to appoint the Executive Committee, CEO, Managing Director and other committees as appropriate, including defining the scope of authority of the Executive Committee, CEO, Managing Director and other committees appointed. The scope of authority shall not authorize the manner of the Executive Committee, CEO, Managing Director and other 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.
9. The Board is to consider and delegate authority and responsibility to make clear on daily work policy, indicating the Chairman of the Board is irrelevant with daily work management of the Company and the Chairman of the Board provides regularly support and recommendation on business operation to CEO.

CEO is to perform responsibility of corporate management under delegated power control from the Board of Director.

10. 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.
11. 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 of 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.
12. The Board is to support at least one director to be continuously participated in training courses or seminars that can be maximized knowledge on work procedures.
13. 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.

In addition, Directors are accounted for participation in the Meeting as regular basis. Average of Board of Directors' meeting attendance is at least 80 percent of total annual Board of Directors 'Meetings while board individuals shall participate in Board of Directors' Meeting at least 75 percent of total annual Board of Directors' Meetings

Policy on director's position in other listed companies

1. The company's directors (except executive directors) whereby each of them can hold directorship in no more than 5 other listed companies without exception.
2. Executive directors may hold directorship positions in no more than 2 other listed companies.
3. In the event that a company's director takes a position as a director or executive in other companies/ businesses other than a listed company, they must notify the Board of Directors for acknowledgement.

7.3 Sub-Committees

7.3.1 Sub-Committees Structure

As of December 31, 2022, the Company comprised 4 committees as follows:

- Audit Committee
- Nomination Remuneration and Corporate Governance Committee
- Executive Committee
- Risk Management Committee

7.3.2 List of Sub-Committees

The names and meeting attendance of each member in 2022 were noted as follows:

Name	Position	Meeting Attendance in 2022			
		Audit Committee	Executive Committee	RMC ^{1/}	NRCG ^{2/}
1. Mr. Prakarn Tawisuwan	Chairman of the Audit Committee	5/5	-	-	-
2. Mr. Jane Wongisariyakul	Chairman of Executive Committee Chairman of RMC	-	12/12	4/4	-
3. Mrs. Vannaporn Wongisariyakul	Member of Executive Committee Member of RMC	-	11/12	4/4	-
4. Ms. Kanokpan Kreangkraikrissada	Member of Executive Committee Member of RMC	-	12/12	4/4	-
5. Ms. Kanollas Wongisariyakul	Member of Executive Committee Member of RMC	-	12/12	4/4	-
6. Ms. Thipawan Uthaisang ^{3/}	Member of Audit Committee Chairman of NRCG	5/5	-	-	2/2
7. Dr. Warunee Varanyanond	Member of Audit Committee Member of NRCG	5/5	-	-	2/2
8. Mr. Surapat Rojchanavisart	Member of NRCG	-	-	-	2/2
9. Ms. Prapasiri Pisitsangkakan	Member of RMC	-	-	4/4	-

^{1/} RMC refers to Risk Management Committee

^{2/} NRCG refers to Nomination, Remuneration and Corporate Governance Committee

^{3/} Ms. Thipawan Uthaisang is Member of Audit Committee 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. 4/2022 on November 11, 2022 the authorities and responsibilities of the audit committee are as follows:

1. To review financial reports and ensure the accuracy, completeness and reliability including the disclosure of adequate information in accordance with International Accounting Standards 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 review and ensure Internal Audit system from Insource and Outsource are adequacy and effectiveness.
4. To ensure legal compliance with the regulations of SEC or SET includes policies, objectives, regulations and other laws relating to the Company's business.
5. 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 as key audit matters. Participation in the meeting with external auditor and /or internal audit without management at least once year based on the necessity and urgent matters which will be held during Quarter 3 or Quarter 4 of every year.
6. To consider and review on the disclosure of Related Party Transaction or Conflict of Interest to be completeness, accuracy, 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.
7. To organize Meetings without Management at least 3 times a year, consisting of 1 meeting with external auditor, 1 meeting with internal audit and 1 special meeting for audit committee.
8. To have the power or authority to hire independent consultants of the Company to make comments or give advice as necessary.
9. 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.
10. To report the performance of the Audit Committee to the Board of Directors at least 4 times a year.
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. Chairman of Audit Committee and Member of Audit Committee shall participate in Annual General Meeting of Shareholders.
13. To prepare a report on the Corporate Governance by the Audit Committee and disclose in the annual report (56-1 One 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.

14. 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.

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.

15. 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.

Authorities and responsibilities of the Executive Committee

Approved by the Board of Directors Meeting No. 4/2022 on November 11, 2022 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 following by policy and company's guideline on authority level. Significant approvals shall propose to the Board of Directors for approval such as Procurement, Investment, Assets Impairment, Bank Limit, Financial Supports (with interest

loan), Credit Limit for customers, Pricing Structures, Sales Order and Connected Transaction which shall include to: -

- Significant investment expenditures that indicated in annual budget or as assigned by the Board of Directors or resolution of the Board of Directors approved in principles.
- Loan, Loan limit, Loan credit of the Company as well as collateral , it shall be presented for approval by the Board of Directors.
- Consider contract processing and signing related to the normal business operations of the Company. Each item shall be approved by the Board.

7. To determine the organizational structure, the Corporate Management including appointment, hiring, assignment, transferring, employment termination, compensation and remuneration, bonuses for all staff level.
8. 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.
9. Review, evaluate, and propose policies and measures to combat corruption and present them to the Board of Directors for approval.
10. 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. 4/2022 on November 11, 2022 determines the scope of authority of the Risk Management Committee as follows.

1. To consider risk management policies, objective and Enterprise Risk Management Framework for as framework for the organization's risk management processes. To be in the same direction and in accordance with the company's goal and strategies, with policies, objective and risk management framework being reviewed annually. Or when there are new risk that are signification to the determination of the company's goal and strategic for presentation to the Board of Directors.
2. To monitor risk identification which consider both external and internal factor which affect to the company about no able achieve objectives and risk assessment both impact and likelihood of the identified risk. In

order to prioritize risks and select appropriate risk treatment methods including analysis, following and reporting systematic.

3. To have the power to appoint a risk management team as necessary.
4. To report risks and suggestions for risks managing to the Board of Directors.
5. To assess opportunities and impacts of corruption to determine preventive measures or reduce risks to be effective as well as monitor, evaluate, and review the adequacy of the established risk management policies and guidelines.
5. To perform other duties assigned by the Board of Directors from time to time.

Authorities and responsibilities of the Nomination Remuneration and corporate Governance Committee

The resolution of the Board of Directors' Meeting No. 4/2022 on November 11, 2022 review of authority of the Nomination Remuneration and Corporate Governance Committee.

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 from relevant business experience and industry knowledge and using Board Skill Matrix to help in director recruitment and conform to corporate strategy 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 using source of information from Director Pool to recruit new director or top management.
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 and preparing the readiness of next potential generation to be successor in case of retirement of Managing Director and Top Management or unable to perform their positions.
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.
5. To consider assessment of CEO's Performance yearly and propose to the board of directors' meeting for agreed. Also, the assessment result of CEO will bring to consider remuneration of CEO and propose to the board of directors' meeting for approval.

Corporate Governance

1. Defining good corporate governance policy and code of conduct for Board of Directors and Executive to follow SEC's definition including the corporate social responsibility for present to the Board of Director agreed.
2. To oversee the Board of Directors, sub committees and executives for good corporate governance and code of conduct.
3. To review good corporate governance of the company to compare with international standards and The Stock Exchange of Thailand and present to the Board of Directors for consideration of improvement regularly.

7.4 Management

7.4.1 List of executives

As of December 31, 2022, the management comprises of 8 members as follows:

Name	Position
1. Mr. Jane Wongisariyakul	CEO
2. Mrs. Vannaporn Wongisariyakul	Executive Director
3. Ms. Kanokpan Kreangkraikrissada	Executive Director
4. Ms. Kanollas Wongisariyakul	Managing Director / CFO / Acting VP-Business Development
5. Mrs. Suwannee Kongkitkul	VP-Sales & Marketing
6. Ms. Prapasiri Pisitsangkakan	VP-Finance & Accounting
7. Mrs. Nuttmon Theppitak	VP-Corporate Services
8. Mr. Banjongsin Wong-Ngern	VP-Production

Authorities and responsibilities of the CEO

The resolutions of the Board of Directors Meeting No. 1/2020 on February 27, 2020 determine the scope of authority of the CEO as follows.

1. Caring, 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. Full authority in changing of organization and management in accordance with policy of the company and the competitive of the industry.
3. To give business advice to the management and employees about the benefits of the Company and its subsidiary companies.
4. To consider criteria and method for nominating persons to assume the position of the company's senior executives with the Nomination Remuneration and Corporate Government committee.
5. To seek new business and investment opportunities that relevant to core businesses of the Company and its subsidiary companies to generate more revenues for the Company.
6. To participate in consideration of business policy, business plans, goals, operational plans, business strategy, annual budget, and annual report and to set up the management authority to present to the Executive Committee and the Board of Directors of the Company.
7. Adopt 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.
8. Full authority to approve the cost of the Company under normal day-to-day operations that follows policy and company's guidelines under unlimited authority such as Procurement, Investment, Assets Impairment, Bank Limit, Financial Supports (with interest loan), Credit Limit for customers, Pricing Structures, Sales Order and Connected Transaction as well as other trade investment for the Company's benefits. In case it is considered as significant transaction shall be proposed to the Board of Directors for approval.
9. Performing other duties as assigned by the Executive Committee or the Board of Directors.

For any action that the Chief Executive Officer or appointee of the Chief Executive Officer or individuals who may have conflict (As defined by the Notification of the Capital Market and/or SET and/or associated entities) or have interest or conflict of interest with the Company and/or its subsidiaries and/or related company, the Chief Executive Officer has no authority to act in the matter. The matter shall 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.

Directorship in other companies of the Chief Executive Officer

1. The Chief Executive Officer can hold a directorship position in other companies but it should not cause a conflict of interest with the company either directly or indirectly, or affect the duties and responsibilities performed in every position.
2. In the event that the Chief Executive Officer takes a position as a director or executive in other companies / other businesses, they must notify the Board of Directors for acknowledgement.

7.4.2 Compensation Executive Director and Executive Policy

Nomination Remuneration and corporate Governance Committee is the person who determines the remuneration for Director and Subcommittee by considering in accordance with the duties responsibility and compare with reference to the size of business and industry of the same type. The remuneration of the directors and sub-committees must be approved by the Board of Directors' meeting and has been approved by the Annual General Meeting of Shareholders every year.

7.4.3 Executives and Management's remuneration

Monetary remuneration

In 2020 and 2021, the Company has paid remuneration to CEO and Executives with a total amount of Baht 23.5 million and Baht 23.6 million respectively. In 2022, the Company paid such remuneration to 8 persons with a total amount of Baht 23.9 million. The remuneration was paid by monthly salary, bonus and monthly fuel costs.

In 2020 and 2021, the subsidiary has paid remuneration to CEO and Executives with a total amount of Baht 2.9 million and Baht 2.3 million. In 2022, the subsidiary paid such remuneration to 2 persons with the amount of Baht 2.6 million. The remuneration was paid by monthly salary, bonus and monthly fuel costs.

Other Remuneration

Executives can attend provident fund that the Company established. The Company shall contribute 3-5 percent of salaries of executives into the fund, and the executive shall pay contributions into a fund at the rate of 3-15 percent of the salary of the individual executive. Additionally, the Company offers other benefits to management positions, such as Social Security Fund, vehicles, life insurance premium and phone fee, etc.

Executive from subsidiary company can attend provident fund and contribute 2-5 percent of salaries of executives into the fund, and the executive shall pay contribution into a fund at the rate of 2-15 percent of the salary of the individual executive. Additionally, the Company offers other benefits to management positions, such as Social Security Fund, vehicles, life insurance premium and phone fee, etc.

7.5 Employees

7.5.1 Number of employees (excluding executives)

As of December 31, 2020, to 2022, the Company's staff are in the total of 267 persons, 261 persons and 249 persons respectively. The deployment can be defined as follows:

Division	No. of employees		
	As of December 31, 2020	As of December 31, 2021	As of December 31, 2022
Executive Management	7	16 ^{1/}	15
Finance and Accounting	24	25	25
Supply Chain Management	53	41	39
Corporate Service	15	14	14
Production	55	49	49
Sales	87	83	75
Marketing	12	13	12
Business Development	14	20 ^{2/}	20
Total	267	261	249

^{1/} The Executive Committee Meeting 2/2021 resolved to approve the change in the line of Procurement Department, reporting directly to the management.

^{2/} The Executive Committee Meeting 7/2021 resolved to approve the addition of the Food Solution Department and report directly to the Business Development Division.

As of December 31, 2020, to 2022, the its subsidiary's staff are in the total of 116 persons, 107 persons and 93 persons respectively. The deployment can be defined as follows:

Division	No. of employees		
	As of December 31, 2020	As of December 31, 2021	As of December 31, 2022
Executive Management	-	2	1
HR & General Administration	16	14	8
Finance and Accounting	6	5	4
Sales and Marketing	16	14	9
Business Development	23	21	18
Factory	55	51	53
Total	116	107	93

7.5.2 Major labor dispute in the past 3 years

The past 3 Years, the company and its subsidiary had labor dispute 1 case which not ended.

7.5.3 Remuneration of Employees (excluding executives)

Monetary remuneration

In 2020, 2021 and 2022, the Company has paid remuneration of employees in the total amount of Baht 116.6 million, Baht 120.4 million and Baht 124.7 million respectively by salaries, bonuses, incentives, overtime payment, diligence allowance, field trip allowance and monthly fuel costs.

In 2020, 2021 and 2022, the subsidiary has paid remuneration of employees in the total amount of Baht 34.8 million, Baht 28.7 million and Baht 23.1 respectively by salaries, bonuses, incentives, overtime payment, diligence allowance, field trip allowance and monthly fuel costs.

Other Remuneration

Employees can attend provident fund that the Company established. The Company shall contribute 3-5 percent of salaries of employees into the fund, and the employees shall pay contributions into a fund at the rate of 3-15 percent of the salary of the individual employee. Additionally, the Company offers other benefits to employees such as Social Security Fund and phone fee, etc.

Employees from subsidiary company can attend provident fund and contribute 2-5 percent of salaries of employees into the fund, and the executive shall pay contribution into a fund at the rate of 2-15 percent of the salary of the individual employee. Additionally, the Company offers other benefits to employees such as Social Security Fund and phone fee, etc.

7.6 Other important Information

7.6.1 Person to assignment of the company

Company Secretary

The Board of Directors has appointed Ms. Pannita Kanchanaharuthai as the Company Secretary since February 27, 2020 but Miss Pannita Kanchanaharuthai has resigned effective from October 3, 2022 onwards.

In the meantime, Miss Kanollas Wongisariyakul, Managing Director, will be acting the position until the new company secretary is appointed from the Board of Directors.

The qualification of the position of Company Secretary is in Attachment 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.

Accounting Supervisor

The Company has assigned to Miss Prapasiri Pisitsangkarn as position Accounting Supervisor (Details in [Attachment 1](#))

Head of internal audit

In 2022, the Company hired Dharmniti Internal Audit Company Limited, which is a third party, to act as the internal audit unit of the Company. An internal audit plan is presented annually. and presented to the Audit Committee to consider and approve the operation. and to ensure that the audit plans established are appropriate. consistent with the business environment and risk factors that may change constantly

Dharmniti Internal Audit Company Limited has assigned Ms. Anutsaya Raksasorn to be the primary responsible duty personnel to conduct internal audit to comply with the laws, rules, regulations, policies and requirements of the Company and its related involvement (Details in [Attachment 3](#))

Details regarding the Company's head of supervisory unit

The Corporate Secretary shall act as head of supervisory unit. (Details in [Attachment 1](#))

7.6.2 Investor Relations

The Company has assigned to Ms. Pannita Kanchanaharuthai as Investor Relations on February 3, 2019 but Miss Pannita Kanchanaharuthai has resigned effective from October 3, 2022 onwards.

In the meantime, Miss Kanollas Wongisariyakul, Managing Director, will be acting the position until the new replacements.

Investor relations contact is as follows:

Tel (66) 2675 6525 ext. 106

Fax (66) 2675 6533

Email: ir@winnergroup.co.th

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

7.6.3 Remuneration of Auditor

For the Financial Statements year-ended December 31, 2022, the Company paid audit remuneration to EY Office Limited as Company's Auditor as follows:

Audit Fee

The Company paid the audit fee in the amount of Baht 1,650,000.

Non-Audit Fee

The Company paid the non-audit fee for observation on stock destruction in the amount of Baht 48,000.

8. Report on key performance in corporate governance

8.1 Summary of the performance of the Board of Directors in the last year

8.1.1 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 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. Independent directors should not hold office for more than 9 consecutive years starting from the date of appointment. In the event that independent directors are to be appointed to continue their positions, the Board of Directors will reasonably consider the necessity that those independent directors are still able to perform their duties and give independent opinions with skills and work experience that will help develop the company further.
13. The Independent directors 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 Remuneration and corporate Governance 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, considering with knowledge, experience, board diversity, business relevant experience and using Board Skill Matrix to assist in selection of directors to be aligned with corporate strategy by the following database from Director Pool as necessary for new directors selection. These will be used to select potential candidates who are well-qualified, had disqualification by law. Then, prior to present a number of candidates, it must be equaled to a number of retiring directors and should be proposed to the Board of Directors for

consideration and the Board of Director then nominated such candidates as directors in the Shareholders' meeting.

In recruiting senior executives of the Company, the Executive Committee preliminary 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 using the same above-mentioned director database for recruiting Company's senior executives and new directors. Then, 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.

(3) Development of Directors and Executives

The Board of Directors supports and facilitates training and knowledge for those involved in the Company's corporate governance system such as the Company's directors. Audit Committee members and executives, etc., in order to continually improve performance. The training and knowledge may be done within the company. or use the services of external institutions.

Moreover, The Company realizes the importance of performing duties of new directors. The company secretary will provide information documents that are useful for the performance of the new director's duties. as well as provide an introduction to the nature of business and business practices for new directors such as the structure of work within the company Articles of Association, company objectives, code of conducts, Director's Manual of Listed Companies Good Corporate Governance Policy Related Laws Financial Statements Notes to Financial Statements including organizing a meeting with the Chairman of the Board of Directors Board of Directors Company Sub-Committees to receive information about the Company's business operations.

Currently, 2 of the Company's directors have participated in the Director Certification Program (DCP) and 6 have attended the Director Accreditation Program (DAP). Totally 8 directors or 100% of all directors.

In 2022, 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.

Mth / Year	Courses	Facilitator
Executive Director		
Mar'22	Agile Leadership: The New Capabilities of Leader Course	Absolute Allances (Thailand) Co., Ltd.
Jul'22	Sustainable Development Journey 2022	The Securities Exchange of Thailand (SET)
Sep'22	Budgeting for Performance Control	Dharmniti Semina and Training Co.,Ltd.
Dec'22	Transformative Accounting	Dharmniti Semina and Training Co.,Ltd.

Mth / Year	Courses	Facilitator
Company Secretary		
Jan'22	ISO 9001:2015: Requirements & Internal audit process	Internal Training
Jun'22	2023 CGR Workshop	The Thai Institute of Directors Association (IOD)
Jul'22	Sustainable Development Journey 2022	The Securities Exchange of Thailand (SET)
Sep'22	Disclosure of information through SET link.	The Securities Exchange of Thailand (SET)

Evaluate the performance of the Board of Directors

The performance of the Board of Directors is assessed. According to the policy, the Board of Directors self-assessment at least once a year to assist the Board in reviewing its performance. Issues and obstacles during the past year and increase the effectiveness of the board's work.

In this regard, the Company Secretary will send a performance evaluation form to all directors to evaluate. After the evaluation is complete, the evaluation form will be returned to the Company Secretary to collect the scores and report the evaluation results to the Board of Directors meeting for acknowledgment and use of the evaluation results as a guideline for improving the performance of the Board of Directors.

Scoring and Evaluation Criteria

Scoring is conducted by rating a scale from 0-4 for each assessment topic so that assessors can compare evaluation results of each topic or each year. The meaning of each rating is as follows

0 = strongly disagree 1 = disagree 2 = agree
3 = quite strongly agree 4 = strongly agree

Scoring criteria calculated from a total of sub scale scores from each assessment category in percentage by:

Above 85 = Excellent 75-85 = Good 65-75 = Moderate
50-65 = Average Below 50 = Need improvement

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

Assessment Category	Average Score (%)
1. Structure and qualifications of the Board of Directors	95.1
2. Roles and responsibilities of the Board of Directors	94.4
3. Board of Directors Meeting	96.4
4. Performance as a director	95.5
5. Relationship with the management team	95.6
6. Director's personal development and development of the management	94.8
Total	95.1

b. Results of individual directors' self-assessment:

Assessment Category	Average Score (%)
1. Qualifications	95.6
2. Performance as a director	95.5
3. Director's personal development	93.8
Total	95.2

8.1.2 Meeting attendance and remuneration of individual committees

Board of Directors' Meeting

As of December 31, 2022, the Board of Directors consists of 8 directors. In 2022, 4 meetings of the Board of Directors and 1 shareholders' meeting were held as follows:

Name	Type of Directors	Position	Meeting in 2022	
			Board of Directors	Shareholders
1. Mr. Prakarn Tawisuwan	Independent Director	Chairman	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	0/1
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. Mr. Surapat Rojchanavisart	Non-Executive Director	Director	4/4	1/1
7. Dr. Warunee Varanyanond	Independent Director	Director	4/4	1/1
8. Ms. Thipawan Uthaisang	Independent Director	Director	4/4	1/1

Monetary remuneration

(1) Directors' remuneration

In 2020 and 2021, the Company paid remuneration to 4 directors as the meeting attendance allowance for the total amount of Baht 900,000 and Baht 853,000 respectively.

In 2022, the Company has paid remuneration to Directors and sub-committees with a total amount of Baht 853,000 to non-executive directors only (excluded 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 Shareholders 2022 comprising annual remuneration and meeting allowance as per the following details:

Structure of 2022 remuneration of directors

Director	Monetary Remuneration (Baht)	
	Annual Remuneration (Baht/person)	Annual Remuneration (Baht/person)
Board of Director		
- Chairman	-	17,000
- Executive Director	-	-
- Non-Executive Director	-	10,000
- Independent Director	-	10,000
Audit Committee		
- Chairman	150,000	17,000
- Member	120,000	12,000
Nomination Remuneration and Corporate Governance Committee		
- Chairman	-	15,000
- Member	-	10,000

Details of 2022 remuneration of directors and sub-committees

Name	Position	Remuneration (Baht) ^{1/}			
		Board of Directors	Audit Committee	NRCG ^{2/}	Total
1. Mr. Prakarn Tawisuwan	Chairman of the Board Chairman of the Audit Committee	68,000	235,000	-	303,000
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. Mr. Surapat Rojchanavisart	Non-Executive Director Member of NRCG ^{2/}	40,000	-	20,000	60,000
7. Dr. Warunee Varanyanond	Independent Director Member of the Audit Committee Member of NRCG ^{2/}	40,000	180,000	20,000	240,000
8. Miss Thipawan Uthaisang	Independent Director Member of the Audit Committee Chairman of NRCG ^{2/}	40,000	180,000	30,000	250,000
Total		188,000	595,000	70,000	853,000

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

^{2/} NRCG refers to Nomination Remuneration and Corporate Governance Committee

(2) Other Remuneration for Directors

- None -

8.1.3 Administration of Subsidiaries and Associates

In order to meet the Corporate Governance, Winner Group Enterprise Public Company Limited, holding 100% shares, has appointed a representative of Winner Group Enterprise Public Company Limited to the authorized directors of its subsidiary companies that includes but not limited to establish policies, manage, supervise, and oversee the benefits of the companies. In addition, the Company assign to it subsidiary in a procedure of monthly performance report for submitted to the representative of Winner Group Enterprise Public Company Limited. In case the Company sets up the Shareholders' Meeting, the Board of directors of Winner Group Enterprise Public Company Limited shall consider the voting on each agenda as well as appointing proxy for meeting attendance.

The Company has assigned to representation 4 directors to be directors in 1 subsidiary, Aesthetic Zecret (AT-ZE) Company Limited and has sent 1 director to be a director in 1 associated company. is Winner Agro Innovation Company Limited, where the director has been approved by the Board of Directors' meeting. The Board of Directors will consider to send representing director of the company to take care of the benefits from time to time. Acquisition and disposal of assets and disclosure in the past year, the subsidiary and associated company had connected transactions that the Board of Directors and the Audit Committee had already considered doing such transactions.

8.1.4 Monitoring of the Compliance with Corporate Governance Policies and Practices

The Company realized to importance to good corporate governance. The relevant policies and guidelines have been set in the Company's corporate governance policy and code of conducts as well as to promote the real practice to build confidence in all of the stakeholders

In the past year, the company has followed up to ensure compliance with good corporate governance covering matters of employee and non-discrimination, Anti-Unfair Competition caring for the environment Organizational health and safety Information Security which the follow-up results found that the company has fully implemented the guidelines for each issue.

(1) Prevention of conflicts of interest

The Company has established a policy that the Board of Directors, executives and employees must perform their duties for the most benefit of the Company. In case of, that any person has a stake or is involved in the item under consideration such persons must notify the authorities in charge of such matters and not participate in the consideration of such transactions.

To monitor on compliance with the conflict of interest policy, the Company has communicated to all relevant parties, such as publication the conflict of interest policy on the Company's internal website (Insight Winner),

orientation for new employees on the topic of conflicts of interest, etc. In 2022, there was no misconduct found in respect of conflict of interest.

The company A written conflict of interest policy has been compiled in the Code of Conduct and disclosed on the website www.winnergroup.co.th >> Corporate Governance >> Code of conducts.

(2) 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:

1. 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).
2. 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.
3. 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.
4. The Directors, executives and management in accordance with the definition of SEC, shall report the Board of Directors or responsible person on their Change of Management's Securities Holding (Form 59-2) at least one (1) day prior to the trading day.
5. 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.

6. Preventing the use of inside information for exploitation or reduce the benefits of the company or causing conflicts of interest. The company has set it in its good corporate governance policy. code of conduct and code of conduct labor contract and work regulations.
7. Maintaining confidential information of the customers. The Company prohibits directors, executives, employees and related persons to use such information for the benefit of oneself or others. unless it is information that must be disclosed as required by law.
8. Information Security in information Systems. The Company controls and/or prevents access to the company's information from outsiders and assigning access rights to information to employees at different levels according to the authority and responsibility.
9. In case of, the third party is involved in task force on information that has not been released to the public and is in negotiations which is considered to be keeping inside information that may affect the movement of the company's securities prices They are required to enter into a confidentiality agreement until the information is disclosed to the SET and the SEC Office.

To monitor on compliance with the inside information policy, the Company has communicated to all relevant parties, such as publication the inside information policy on the Company's internal website (Insight Winner), orientation for new employees on the topic of inside information, etc. In 2022, there was no misconduct found in respect of the use of inside information.

However, the guidelines have been approved by the Board of Directors and the company has disclosed details of the policy on Inside information on the company website: www.winnergroup.co.th >> Good Corporate Governance >> Code of Conducts

(3) Anti-corruption

The Company has established policy and procedures to anti-corruption. The Board of Directors has assigned the Audit Committee to audit the internal control system and executives are responsible for raising awareness and communicating their duties in good faith to all employees which are briefly detailed as follows: -

1. The Company conducts risk management plan 2022 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 in 2022.
2. 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.
3. 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.

4. 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.
5. To support suitable internal audit for business operation which cover financial data, accounting and other process related to the company's operation.
6. To support employees and shareholder report violation of anti-corruption policy and discrimination by accepting whistleblowing, suggestion or complaints through the channels anti-corruption and audit procedure rightly. Also, the company has measures protect individual right.
7. To encourage communication of anti-corruption policy for both internal and external company to all practices that includes informing its subsidiary to practice together.

To monitor on compliance with the anti-corruption policy, the Company has communicated to all relevant parties, such as publication the anti-corruption policy on the Company's internal website (Insight Winner), orientation for new employees on the topic of anti-corruption, etc. In 2022, there was no misconduct found in respect of fraud and corruption.

The company has disclosed Anti-corruption policy on the website: www.winnergroup.co.th >> Corporate Governance >> Anti-corruption policy.

(4) Whistle Blowing Policy

The Company provides opportunities for stakeholders to ask questions, suggestions, whistle or complaints about laws, Financial Report Accuracy defective and internal control system or violation of code of conducts through independent directors or the audit committee to be another channel that helps the company get information faster and resolve problems in a timely manner. In case of, is found to be considered an action and behavior that may imply corruption offense Financial Report Accuracy defective internal control system or a violation of code of conducts able to submit whistleblowing or complaints to the Audit Committee with sufficiently reliable and detailed information by showing yourself (specify the whistleblower's name, address, telephone number, fax, E-mail, and relationship with the Company) or may not reveal one's identity through the following channels:

By post or sealed letter:

Sent to: "Audit Committee"

Winner Group Enterprise Plc.

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

South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

Telephone: Tel 0-2675-6525 ext. 106 / Fax 0-2675-6533

Email: cg@winnergroup.co.th

The company has disclosed Whistle Blowing Policy on the website: www.winnergroup.co.th >> Corporate Governance >> Whistle Blowing Policy

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 2022, there was no report on violation of law.

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 2022, there was no staff conflict in the workplace.

8.2 Report on the performance of the Audit Committee

8.2.1 Number of meetings and attendance

Name	Position	Number of Meeting
1. Mr. Prakarn Tawisuwan	Chairman of Audit Committee	5/5
2. Ms. Thipawan Uthaisang ^{1/}	Audit Committee	5/5
3. Dr. Warunee Varanyanond	Audit Committee	5/5

Remark: ^{1/} Ms. Thipawan Uthaisang is Member of Audit Committee with sufficient knowledge and experience to serve on the review of the reliability of the financial statements.

8.2.2 Performance of the Audit Committee

Results of the Audit Committee:

Assessment Category	Average Score (%)
1. Structure, qualifications and term of office	100.0
2. Role, duty and responsibility	100.0
3. Meetings	100.0
4. Auditor and financial report	100.0
5. Internal Control	100.0
6. Compliance	100.0
Total	100.0

The results of the audit committee's performance are detailed in the report of the Audit Committee. (Details in [Attachment 6](#)) In addition, the Company has published the Audit Committee Charter on the website www.winnergroup.co.th >> Good Corporate Governance >> Audit Committee Charter

8.3 Summary of the performance of other sub-committees

8.3.1 Number of meetings and attendance

Nomination Remuneration and Corporate Governance Committee

Name	Position	Number of Meeting
1. Ms. Thipawan Uthaisang	Chairman of Nomination Remuneration and Corporate Governance Committee	2/2
2. Dr. Warunee Varayanond	Member of Nomination Remuneration and Corporate Governance Committee	2/2
3. Mr. Surapat Rojchanavisart	Member of Nomination Remuneration and Corporate Governance Committee	2/2

Executive Committee

Name	Position	Number of Meeting
1. Mr. Jane Wongisariyakul	Chairman of Executive Committee	12/12
2. Mrs. Vannaporn Wongisariyakul	Executive Director	11/12
3. Miss Kanokpan Kreangkraikrissada	Executive Director	12/12
4. Miss Kanollas Wongisariyakul	Executive Director	12/12

Risk Management Committee

Name	Position	Number of Meeting
1. Mr. Jane Wongisariyakul	Chairman of Risk Management Committee	4/4
2. Mrs. Vannaporn Wongisariyakul	Member of Risk Management Committee	4/4
3. Miss Kanokpan Kreangkraikrissada	Member of Risk Management Committee	4/4
4. Miss Kanollas Wongisariyakul	Member of Risk Management Committee	4/4
5. Miss Prapasiri Pisitsangkakarn	Member of Risk Management Committee	4/4

8.3.2 Performance of duties of the sub-committees and the Chief Executive Officer

Results of the Nomination Remuneration and Corporate Governance Committee's self-assessment:

Assessment Category	Average Score (%)
1. Structure, qualifications and term of office	97.2
2. Role, duty and responsibility	100.0
3. Meetings	100.0
4. Nomination	93.8
5. Remuneration	95.8
6. Good Corporate Governance	100.0
Total	97.6

Results of the Executive Committee's self-assessment:

Assessment Category	ผลการประเมิน (ร้อยละ)
1. Structure, qualifications and term of office	93.8
2. Role, duty and responsibility	93.8
3. Meetings	93.8
4. Management	84.7
Total	87.9

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

Assessment Category	Average Score (%)
1. Structure, qualifications and term of office	93.8
2. Role, duty and responsibility	91.3
3. Meetings	93.8
4. Risk Management	92.0
Total	92.4

The Company establishes a policy to conduct assessment of CEO's Performance at least once a year as monitoring framework to improve the CEO performance during the past year and report the results to the board meeting for acknowledgement.

Assessment Category	Average Score (%)
1. Leadership	92.3
2. Strategy setting	88.7
3. Strategy undertaking	91.1
4. Planning for financial operation	99.4
5. Relationship with the Board of Directors	97.0
6. External engagement	97.1
7. Management and Staff engagement	94.0
8. Succession	85.7
9. Products and Service knowledge	99.1
10. Individual Characteristics	99.4
Total	94.6

In this regard, the performance results of the sub-committees are detailed in [Attachment 6](#). The Company has published the Nomination Remuneration and Corporate Governance Committee Charter, the Executive Committee, Risk Management Committee and Chief Executive Officer on the website www.winnergroup.co.th >> Good Corporate Governance >> The Board of Directors Charter

9. Internal Control and Related Party Transaction

9.1 Internal Control

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

Regarding to the Board of Directors' Meeting No. 1/2023 on February 27, 2023, which the Audit Committee also attended who are 3 independent directors, the Board assessed the internal control systems by asking information from managements and considering the internal control evaluation report for the year 2022 on the adequacy of internal control systems of the Company. In accordance with International Standards of COSO (The Committee of Sponsoring Organizations of the Tread way Commission) which consists of 5 components; internal organization control, risk assessment, operational control, Information and Communication Systems, and tracking system.

9.1.1 The adequacy and appropriateness of the internal control system

The Board of Directors and Audit Committee have agreed with internal auditors concluded that the Company's internal control systems were adequate and appropriate to business. The Company and its subsidiaries provide sufficient personnel to operate the system efficiently. In addition, the Company has an internal control system to monitor and supervise the operations of the subsidiaries to be able to protect the assets of the Company and its subsidiaries from being misused by directors or executives without authority including sufficient transactions with persons who may have conflict of interest as well as connected persons for internal control. In other regards, the Company also has adequate internal control under the Board of Directors' opinion.

The Company and its subsidiaries evaluate their internal control systems in accordance with internal control structure framework and rules according to the guidelines of the Stock Exchange of Thailand in its entirety. The important issues are 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.

9.1.2 Defects involving the internal control system

The Company and its subsidiaries did not find any significant deficiencies. The Board of Directors has established a system for continuous assessment and monitoring of the internal control system that covers all aspects such as accounting and finance, information system security, operation process, compliance with laws, rules and regulations, and corruption which significantly affects the financial position and reputation of the Company and its subsidiaries. If there is a defect in the internal control system, persons who are responsible for overseeing the operations of internal control system of the Company and its subsidiaries will immediately report such deficiencies to the Board of Directors, senior management, and the person responsible as appropriate.

9.1.3 Audit Committee's Opinion

The Audit Committee' opinion is consistent with the Board of Directors. The detail show in [Attachment 6](#) of Report of Audit Committee.

9.1.4 Audit Committee's Opinion regarding Internal Audit

The Audit Committee oversees the internal audit function to provide fair and independent assurance, advice, add value, and process improvement that will help the organization to achieve its objectives and goals by evaluating management, operations, activities, or work systems as the case may be, and provide opinions, suggestions, supports, and encourage the Company and its subsidiaries to establish internal control systems, effective and efficient management. The Internal Audit Department shall report directly to the Audit Committee. The head of internal audit has valued experience in internal auditing in the business of the Company and its subsidiaries including attending training courses related to internal audits. Therefore, they are appropriately and sufficiently performing such duties.

9.1.5 Guidelines for the appointment and transfer of the Head of Internal Audit

In 2022, the company hires the company Dharmniti Internal Audit Company Limited, which is a third party to act as the internal audit unit of the Company and Dharmniti Internal Audit Company Limited has assigned Ms. Anutsaya Raksasorn to be the primary responsible for performing audit duties. inside the company which has proposed an internal audit plan annually and presented to the Audit Committee to consider and approve the operation to ensure that the audit plans established are appropriate. and in accordance with the business environment and risk factors that may always change

The Audit Committee has considered the qualification of the internal auditors; Dharmniti Co., Ltd. and Ms. Anutsaya Raksasorn, and has agreed that they had passed the qualification due to being independent with experience in providing independent professional services related to internal audit. The team from Dharmniti has an experience, knowledge and adhere to professional ethics. Also, Dharmniti can assign its Director of Finance and Accounting to coordinate with the outsource internal auditors.

In this regard, consideration and approval of the appointment, removal, and transfer of the Head of Internal Audit must be approved by the Audit Committee. The qualification of head of internal auditor appears in Attachment 3.

9.2 Related Party Transaction

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

The transaction of the Company and its subsidiary with persons who have conflicts for the year 2020 - 2022 as follow; -

Year	Persons who have conflicts	Relationship
2020	Aesthetic Zecret (AT-ZE) Co., Ltd. (AT-ZE)	<ul style="list-style-type: none"> - AT-ZE, a subsidiary company, has the following directors same as the Company; Mr. Jane Wongisariyakul, Mrs. Vannaporn Wongisariyakul Miss Kanokpan Kreangkraikrissada, Miss Kanollas Wongisariyakul - The Company became a major shareholder of AT-ZE with 100% shareholding of registered and paid-up capital.

Year	Persons who have conflicts	Relationship
2021	Aesthetic Zecret (AT-ZE) Co., Ltd. (AT-ZE)	<ul style="list-style-type: none"> - AT-ZE, a subsidiary company, has the following directors same as the Company; Mr. Jane Wongisariyakul, Mrs. Vannaporn Wongisariyakul Miss Kanokpan Kreangkraikrissada, Miss Kanollas Wongisariyakul - The Company became a major shareholder of AT-ZE with 100% shareholding of registered and paid-up capital.
	Winner Agro Innovation Co., Ltd. (WAI)	<ul style="list-style-type: none"> - The company has sent 1 representative to serve in the position of director, namely Mr. Jane Wongisariyakul. - The company became a major shareholder of WAI by holds 45 percent of the total shares.
2022	Aesthetic Zecret (AT-ZE) Co., Ltd. (AT-ZE)	<ul style="list-style-type: none"> - AT-ZE, a subsidiary company, has the following directors same as the Company; Mr. Jane Wongisariyakul, Mrs. Vannaporn Wongisariyakul Miss Kanokpan Kreangkraikrissada, Miss Kanollas Wongisariyakul - The Company became a major shareholder of AT-ZE with 100% shareholding of registered and paid-up capital.
	Winner Agro Innovation Co., Ltd. (WAI)	<ul style="list-style-type: none"> - The company has sent 1 representative to serve in the position of director, namely Mr. Jane Wongisariyakul. - The company became a major shareholder of WAI by holds 45 percent of the total shares.

9.2.2 Related party transaction of the Company and its subsidiary

The transaction of the Company and its subsidiary with persons who have relationship with the Management and may have conflicts for the year 2020 - 2022 can be summarized as follows.

The transaction of the Company and its subsidiary with persons who have relationship with the Management and may have conflicts for the year ended December 31, 2020 can be summarized as follows.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Transaction value in profit and loss statements year 2020					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Purchase of goods and Services	Company's subsidiary	4,272	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Sales of goods and service	Company's subsidiary	823	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other income	Company's subsidiary	160	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Interest income	Company's subsidiary	4,927	<u>Audit Committee's Opinion</u> The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations.
As at 31 December 2020, the balances of the balances sheets					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade	Company's subsidiary	204	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other receivables	Company's subsidiary	76	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade payables	Company's subsidiary	696	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Short-term loan to subsidiary	Company's subsidiary	<u>Loan</u> 54,300	<u>Audit Committee's Opinion</u> The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations due to loan interest rate calculated at the market price.
				<u>Interest receivable</u> 57	
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Long-term loan to subsidiary	Company's subsidiary	<u>Loan</u> 89,000	<u>Audit Committee's Opinion</u> The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations due to loan interest rate calculated at the market price.
				<u>Interest receivable</u> 359	

The transaction of the Company and its subsidiary with persons who have relationship with the Management and may have conflicts for the year ended December 31, 2021 can be summarized as follows.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Transaction value in profit and loss statements year 2021					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Purchase of goods and Services	Company's subsidiary	9,160	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Sales of goods and service	Company's subsidiary	17	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other income	Company's subsidiary	175	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Administrative expenses	Company's subsidiary	41	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Interest income	Company's subsidiary	3,921	<u>Audit Committee's Opinion</u> The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations.
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Other income	Company's association	291	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
As at 31 December 2021, the balances of the balances sheets					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade receivables	Company's subsidiary	10	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other receivables	Company's subsidiary	30	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Other receivables	Company's association	45	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade payables	Company's subsidiary	5	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other Trade	Company's subsidiary	7	Audit Committee's Opinion The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Short-term loan to subsidiary	Company's subsidiary	Loan 62,600 Interest receivable 16	Audit Committee's Opinion The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations due to loan interest rate calculated at the market price.

The transaction of the Company and its subsidiary with persons who have relationship with the Management and may have conflicts for the year ended December 31, 2022 can be summarized as follows.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Transaction value in profit and loss statements year 2022					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Purchase of goods and Services	Company's subsidiary	1,592	Audit Committee's Opinion The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Sales of goods and service	Company's subsidiary	55	Audit Committee's Opinion The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other income	Company's subsidiary	171	Audit Committee's Opinion The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Administrative expenses	Company's subsidiary	586	Audit Committee's Opinion The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Interest income	Company's subsidiary	1,605	Audit Committee's Opinion The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations.
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Purchase of goods and Services	Company's association	30	Audit Committee's Opinion The transaction was the normal business transaction.

Persons who may have conflicts	Transaction Type	Description	Relationship	Transaction Value (Thousand Baht)	Necessity / Reason
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Other income	Company's association	488	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
As at 31 December 2022, the balances of the balances sheets					
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade receivables	Company's subsidiary	8	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other receivables	Company's subsidiary	30	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Other receivables	Company's association	42	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Trade payables	Company's subsidiary	99	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Winner Agro Innovation Co., Ltd. (WAI)	Normal business	Trade payables	Company's association	30	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Other Trade	Company's subsidiary	18	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction.
Aesthetic Zecret (AT-ZE) Co., Ltd.	Normal business	Advance deposit received	Company's subsidiary	83	<u>Audit Committee's Opinion</u> The transaction was the normal business transaction
Aesthetic Zecret (AT-ZE) Co., Ltd.	Financial support	Short-term loan to subsidiary	Company's subsidiary	<u>Loan</u> 86,700 <u>Interest receivable</u> 75	<u>Audit Committee's Opinion</u> The transaction was necessity and provided on accuracy with careful consideration for the benefits to the Company's business operations due to loan interest rate calculated at the market price.

9.2.3 Policy or trend of related party transaction in the future

Policy on future transactions

The resolution from the Board of Directors' Meeting 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:

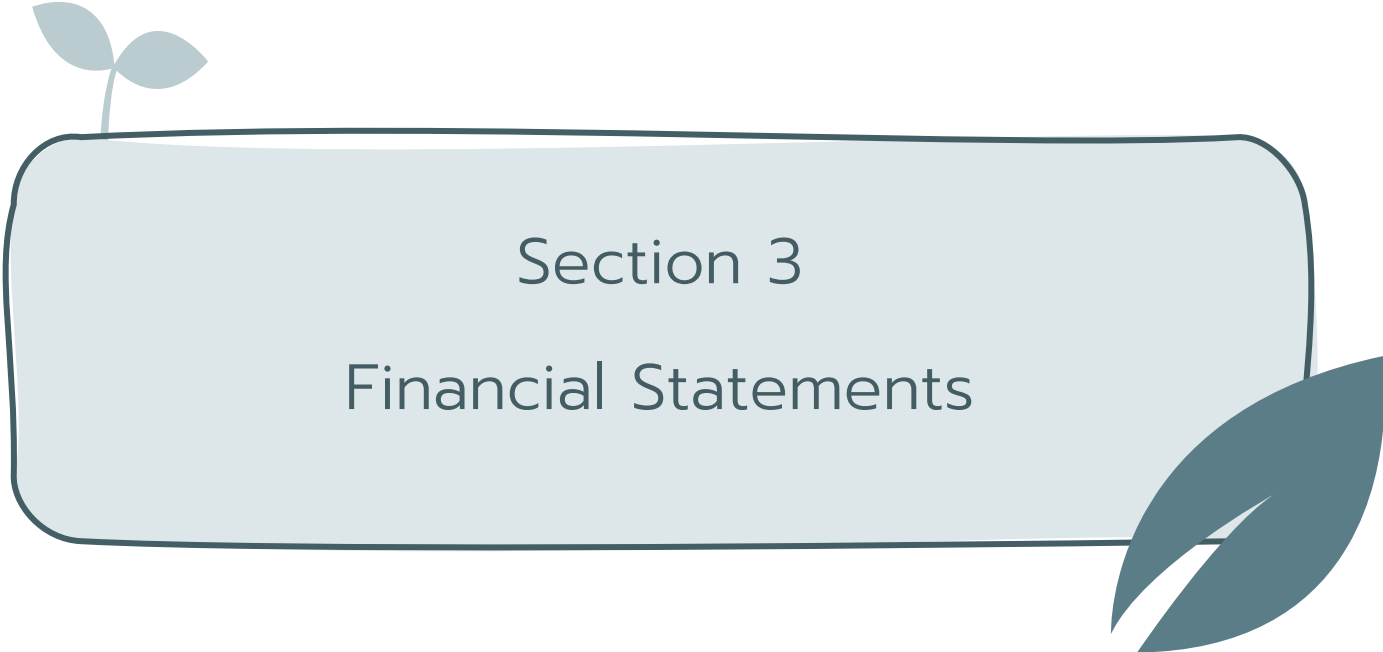
- In the case of commercial transactions with general trade conditions, the Company has set the framework for such transactions which was considered and agreed by the Audit Committee prior to submission to the Board of Directors to approve as principle. The management can approve the transaction if the 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
- The Financial Support in the future will be personal guarantee by major shareholder and/or the Board of Directors in load of the company and its subsidiary with financial institution (No guarantee fee) including the company provided load to the its subsidiary.

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.

Tendency of future transaction

The Company, subsidiary company, joint-venture company and the associated company may have tendency on conflicts of interest in the near future, especially inter-transactions which are categorized by normal business operation and supporting business operation under the in-general trade terms with persons or entities from the Company and its subsidiary can account for buy-sell products and service, purchase of raw material, OEM production, rental warehouse, car leasing, employees discount on products, etc. These purchase prices are same as the market price of the Company and its subsidiary provided to third parties.



Section 3

Financial Statements

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, 2022 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 & CEO

Independent Auditor's Report

To the Shareholders of Winner Group Enterprise Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Winner Group Enterprise Public Company Limited and its subsidiary (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2022, the related consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Winner Group Enterprise Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Winner Group Enterprise Public Company Limited and its subsidiary and of Winner Group Enterprise Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Sales income

Sales income is significant to the Group's financial statements and directly impacts the Group's annual operating results. I therefore focused on the recognition of sales income, especially the timing of revenue recognition.

I assessed the Group's internal controls related to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed key controls. On a sampling basis, I checked documents supporting sales transactions occurring during the year and near the period-end. I also reviewed credit notes issued by the Group to customers after the end of the reporting period and performed an analytical review on the sales account.

Allowance for diminution in inventory value

Estimating the net realisable value of inventory, as disclosed in Note 9 to the financial statements, is an area of significant management judgment, particularly with regard to the estimation of provision for diminution in the value of obsolete inventory. This requires analysis of the product life cycle and the competitive environment. Moreover, the Group's inventory mainly consists of food products with a finite life cycle which may cause a risk with respect to the amount of provision set aside for diminution in the value of inventory.

I assessed the methods and the assumptions applied by the management in determining such provision by gaining an understanding of the basis applied in determining the provision for diminution in value of inventory and reviewing the consistency of the application of that basis. I also performed an analytical review on the inventory holding periods and inventory movements to identify product group with indicators of lower than normal inventory turnover and compared proceeds from sales transactions occurring after the date of the financial statements to the costs of inventory by product group.

Impairment of goodwill in the consolidated financial statements, impairment of investment in a subsidiary and allowance for expected credit losses of loans to a subsidiary in the separate financial statements

A subsidiary has operating loss which the Group's management is implementing financial and operational measures to improve the subsidiary's future performance. I have paid particular attention to the determination of impairment loss on goodwill and investment in a subsidiary and allowance for expected credit losses of loans to a subsidiary since these accounts required the exercise of significant management judgement with respect to projections of the future operating performance and cash flow of the subsidiary, and the determination of an appropriate discount rate and key assumptions, there is thus a risk with respect to the amount of impairment loss and allowance for expected credit losses.

For the impairment of goodwill and investment in a subsidiary, I gained an understanding of and assessed the cash flow projections of the subsidiary, based on the understanding I gained of the process by which management arrived at the figures, comparison of the long-term growth rate with economic and industry

forecasts and assessment of the discount rate based on comparison of the average cost of capital and other data with those used by comparable organisations in the same industry.

For the allowance for expected credit losses on loans to a subsidiary, I assessed the appropriateness of management's assumptions used in preparing plans and projections of future cash flows of the subsidiary and the expected credit losses calculation from expected losses to be incurred by individual accounts receivable.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Watoo Kayankannavee

Certified Public Accountant (Thailand) No. 5423

EY Office Limited

Bangkok: 27 February 2023

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	7	33,962,637	37,922,694	32,067,961	34,804,611
Trade and other receivables	8	393,288,059	340,082,673	388,170,704	338,965,345
Inventories	9	489,301,737	388,825,380	481,821,953	381,346,534
Derivative assets	33.1	-	204,541	-	204,541
Other current assets		21,909,369	23,322,969	20,825,912	22,327,062
Total current assets		938,461,802	790,358,257	922,886,530	777,648,093
Non-current assets					
Restricted bank deposits	10	954,641	953,226	-	-
Loans to subsidiary	6	-	-	86,700,000	62,600,000
Investment in subsidiary	11	-	-	28,711,028	185,181,028
Investment in associate	12	23,208,897	17,370,747	20,952,000	14,202,000
Goodwill	13	-	94,446,319	-	-
Property, plant and equipment	14	310,393,625	317,078,517	189,889,181	189,794,408
Right-of-use assets	15.1	29,167,107	37,712,877	21,507,575	26,470,275
Intangible assets	16	7,633,493	7,284,237	6,492,151	6,013,896
Deferred tax assets	26	5,902,427	11,031,274	5,223,502	2,243,856
Other non-current financial assets		3,778,288	3,829,145	2,811,828	2,862,685
Other non-current assets		1,060,918	200,837	305,919	200,837
Total non-current assets		382,099,396	489,907,179	362,593,184	489,568,985
Total assets		1,320,561,198	1,280,265,436	1,285,479,714	1,267,217,078

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	414,227,128	257,151,100	390,727,128	230,151,100
Trade and other payables	18	221,015,315	241,920,295	216,463,068	237,524,267
Advances received from customers		4,057,714	4,424,480	284,870	98,735
Current portion of lease liabilities	15.2	9,394,152	12,469,565	5,987,821	9,156,434
Current portion of long-term loan from financial institution	19	-	14,252,263	-	14,252,263
Income tax payable		19,787,867	19,049,576	19,787,867	19,049,576
Provision for goods return	20	2,776,166	4,057,022	2,776,166	4,057,022
Derivative liabilities	33.1	4,074,200	-	4,074,200	-
Other current liabilities		19,419,262	4,821,558	19,190,603	4,444,923
Total current liabilities		694,751,804	558,145,859	659,291,723	518,734,320
Non-current liabilities					
Lease liabilities - net of current portion	15.2	13,122,608	15,464,367	9,883,038	8,818,466
Provision for long-term employee benefits	21	25,837,796	23,898,900	24,978,132	23,094,560
Other non-current liabilities		326,868	386,287	123,868	135,288
Total non-current liabilities		39,287,272	39,749,554	34,985,038	32,048,314
Total liabilities		734,039,076	597,895,413	694,276,761	550,782,634

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital	22				
Registered					
599,974,662 ordinary shares of Baht 0.25 each (31 December 2021: 600,000,000 ordinary shares of Baht 0.25 each)		149,993,666	150,000,000	149,993,666	150,000,000
Issued and fully paid-up					
599,974,662 ordinary shares of Baht 0.25 each		149,993,666	149,993,666	149,993,666	149,993,666
Premium on ordinary shares		147,706,160	147,706,160	147,706,160	147,706,160
Retained earnings					
Appropriated - statutory reserve	23	15,000,000	15,000,000	15,000,000	15,000,000
Unappropriated		273,822,296	369,670,197	278,503,127	403,734,618
Total shareholders' equity		586,522,122	682,370,023	591,202,953	716,434,444
Total liabilities and shareholders' equity		1,320,561,198	1,280,265,436	1,285,479,714	1,267,217,078

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Sales and service income		2,026,473,752	1,784,853,072	1,990,870,341	1,748,474,266
Other income		13,703,855	24,337,944	14,381,322	26,699,492
Total revenues		2,040,177,607	1,809,191,016	2,005,251,663	1,775,173,758
Expenses					
Cost of sales and service		1,590,907,340	1,388,466,126	1,565,424,634	1,365,166,933
Selling and distribution expenses		112,145,640	103,994,423	107,786,025	97,863,713
Administrative expenses		184,561,979	172,851,603	156,467,117	140,868,961
Loss from impairment of investment in subsidiary	11	-	-	156,470,000	37,120,000
Loss from impairment of goodwill	13	94,446,319	-	-	-
Total expenses		1,982,061,278	1,665,312,152	1,986,147,776	1,641,019,607
Operating profit		58,116,329	143,878,864	19,103,887	134,154,151
Share of profit (loss) from investment in associate	12	(911,850)	3,168,747	-	-
Finance cost	24	(5,774,219)	(6,343,571)	(4,841,740)	(5,145,934)
Profit before income tax expenses		51,430,260	140,704,040	14,262,147	129,008,217
Income tax expenses	26	(42,026,625)	(32,027,835)	(33,982,925)	(33,592,560)
Profit (loss) for the year		9,403,635	108,676,205	(19,720,778)	95,415,657
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax		2,741,863	-	2,482,686	-
Other comprehensive income for the year		2,741,863	-	2,482,686	-
Total comprehensive income for the year		12,145,498	108,676,205	(17,238,092)	95,415,657
Earnings per share	27				
Basic earnings (loss) per share		0.02	0.18	(0.03)	0.16

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements				
		Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021		100,000,000	147,706,160	10,000,000	361,542,485	619,248,645
Profit for the year		-	-	-	108,676,205	108,676,205
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	108,676,205	108,676,205
Issue ordinary shares for stock dividend payment	30	49,993,666	-	-	(49,993,666)	-
Dividend paid	30	-	-	-	(45,554,827)	(45,554,827)
Transfer of unappropriated retained earnings to statutory reserve	23	-	-	5,000,000	(5,000,000)	-
Balance as at 31 December 2021		149,993,666	147,706,160	15,000,000	369,670,197	682,370,023
Balance as at 1 January 2022		149,993,666	147,706,160	15,000,000	369,670,197	682,370,023
Profit for the year		-	-	-	9,403,635	9,403,635
Other comprehensive income for the year		-	-	-	2,741,863	2,741,863
Total comprehensive income for the year		-	-	-	12,145,498	12,145,498
Dividend paid	30	-	-	-	(107,993,399)	(107,993,399)
Balance as at 31 December 2022		149,993,666	147,706,160	15,000,000	273,822,296	586,522,122

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Note	Separate financial statements				
		Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021		100,000,000	147,706,160	10,000,000	408,867,454	666,573,614
Profit for the year		-	-	-	95,415,657	95,415,657
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	95,415,657	95,415,657
Issue ordinary shares for stock dividend payment	30	49,993,666	-	-	(49,993,666)	-
Dividend paid	30	-	-	-	(45,554,827)	(45,554,827)
Transfer of unappropriated retained earnings to statutory reserve	23	-	-	5,000,000	(5,000,000)	-
Balance as at 31 December 2021		149,993,666	147,706,160	15,000,000	403,734,618	716,434,444
Balance as at 1 January 2022		149,993,666	147,706,160	15,000,000	403,734,618	716,434,444
Loss for the year		-	-	-	(19,720,778)	(19,720,778)
Other comprehensive income for the year		-	-	-	2,482,686	2,482,686
Total comprehensive income for the year		-	-	-	(17,238,092)	(17,238,092)
Dividend paid	30	-	-	-	(107,993,399)	(107,993,399)
Balance as at 31 December 2022		149,993,666	147,706,160	15,000,000	278,503,127	591,202,953

The accompanying notes are an integral part of the financial statements.

Cash flow statement

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before tax	51,430,260	140,704,040	14,262,147	129,008,217
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	34,674,325	34,888,202	21,777,991	22,030,823
Amortization	3,125,220	3,743,168	2,689,756	3,280,091
Allowance for expected credit losses (reversal)	(76,300)	(45,486)	(891)	18,086
Reduction of inventory cost to net realisable value (reversal)	1,664,485	(2,850,784)	1,377,479	(4,292,111)
Loss from written-off obsoleted inventories	1,667,649	2,764,757	1,253,338	2,459,600
Reversal of provision for goods return	(1,280,856)	(1,038,086)	(1,280,856)	(1,038,086)
Loss from impairment of investment in subsidiary	-	-	156,470,000	37,120,000
Loss from impairment of goodwill	94,446,319	-	-	-
Loss (gain) on sales of machinery and equipment	(74,862)	380,640	(74,862)	380,640
Loss from write-off of assets	286,099	239,584	297	-
Difference from rental reduction and contract termination	507	8,456	507	(443)
Provision for long-term employee benefits	5,366,226	4,688,301	4,986,930	4,388,166
Unrealised loss (gain) on exchanges	(2,578,144)	1,333,744	(2,578,144)	1,333,744
Share of (profit) loss from investment in associate	911,850	(3,168,747)	-	-
Interest income	(38,297)	(61,734)	(1,640,298)	(3,980,478)
Interest expenses	5,774,219	6,343,571	4,841,740	5,145,934
Profit from operating activities before changes in operating assets and liabilities	195,298,700	187,929,626	202,085,134	195,854,183
Operating assets (increase) decrease				
Trade and other receivables	(53,107,023)	(12,267,694)	(49,124,270)	(13,550,277)
Inventories	(103,808,491)	(92,870,112)	(103,106,236)	(93,999,956)
Other current assets	1,449,106	(9,071,297)	1,501,150	(8,995,375)
Other non-current financial assets	50,857	(266,578)	50,857	(249,477)
Other non-current assets	(860,081)	(200,837)	(105,082)	(200,837)
Operating liabilities increase (decrease)				
Trade and other payables	(16,382,145)	(32,251,962)	(15,725,181)	(32,488,836)
Other current liabilities	14,802,359	(1,199,002)	15,503,236	(1,829,114)
Cash paid for employee benefits	-	(106,440)	-	-
Other non-current liabilities	(59,419)	(11,271)	(11,420)	(8,267)
Cash flows from operating activities	37,383,863	39,684,433	51,068,188	44,532,044
Cash paid for interest expenses	(5,437,592)	(6,038,729)	(4,505,096)	(4,845,024)
Cash paid for corporate income tax	(36,880,460)	(28,448,164)	(36,844,952)	(28,428,396)
Net cash flows from (used in) operating activities	(4,934,189)	5,197,540	9,718,140	11,258,624

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in restricted bank deposits	(1,415)	(1,884)	-	-
Acquisition of investment in subsidiary	-	-	-	(100,000,000)
Acquisition of investment in associate	(6,750,000)	(14,202,000)	(6,750,000)	(14,202,000)
Proceeds from sales of machinery and equipment	91,402	2,986,075	91,402	2,986,075
Acquisition of machinery and equipment	(11,134,556)	(3,792,749)	(9,128,355)	(3,219,891)
Acquisition of intangible assets	(3,431,972)	(837,557)	(3,125,507)	(639,157)
Increase in loans to subsidiary	-	-	(24,100,000)	(8,300,000)
Decrease in long-term loan to subsidiary	-	-	-	89,000,000
Interest income	37,959	62,053	1,581,825	4,380,697
Net cash flows used in investing activities	(21,188,582)	(15,786,062)	(41,430,635)	(29,994,276)
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	157,076,028	167,348,338	160,576,028	168,348,338
Repayment of long-term loans from financial institution	(14,257,232)	(102,624,099)	(14,257,232)	(98,574,099)
Dividend paid	(107,993,399)	(45,554,827)	(107,993,399)	(45,554,827)
Cash paid for lease liabilities	(12,662,683)	(14,471,569)	(9,349,552)	(11,497,822)
Net cash flows from financing activities	22,162,714	4,697,843	28,975,845	12,721,590
Net decrease in cash and cash equivalents	(3,960,057)	(5,890,679)	(2,736,650)	(6,014,062)
Cash and cash equivalents at beginning of year	37,922,694	43,813,373	34,804,611	40,818,673
Cash and cash equivalents at end of year	33,962,637	37,922,694	32,067,961	34,804,611
Supplemental disclosures of cash flows information:				
Non-cash transactions				
Purchase of equipment for which no cash has been paid	1,366,553	759,305	553,353	754,918
Purchase of intangible assets for which no cash has been paid	42,693	248,293	42,693	248,293

The accompanying notes are an integral part of the financial statements.

Winner Group Enterprise Public Company Limited and its subsidiary

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General information

Winner Group Enterprise Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in manufacture, import and distributor of raw material, ingredient, chemicals food and consumer product. The registered address of the Company’s head office and branches is as follows:

Head Office: 43 THAI CC TOWER, 21st floor, room no. 214 - 219, South Sathorn Road, Yannawa, Sathorn, Bangkok

Plant location: 259 Bang-Pa-In Industrial Estate, Moo 2, Klong-Jik, Bang-Pa-In, Ayutthaya

Warehouse: Warehouse 1 is at 60, Soi Bangna-Trad 26, Bangna, Bangkok.
Warehouse 2 is at 23, Soi Bangna-Trad 26, Bangna, Bangkok.

Delice: 43 THAI CC TOWER, G floor, unit 2, South Sathorn Road, Yannawa, Sathorn, Bangkok

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Winner Group Enterprise Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
Aesthetic Zecret (AT-ZE) Company Limited	Manufacturing of skincare products, cosmetics, food supplements and medicines used to treat skin diseases	Thailand	100	100

- b) The Company is deemed to have control over investees or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investees, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in the subsidiary and associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were

aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

When a contract provided a customer with a right to return the goods, the Group recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods-purchase of merchandise are valued at the lower of cost (under the first-in, first-out method) and net realisable value.

Finished goods and work in process are valued at the lower of cost and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials and packaging supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiary and associate

Investment in associate is accounted for in the consolidated financial statements using the equity method.

Investment in subsidiary and associate are accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at costs less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their cost on the straight-line basis over the following estimated useful lives:

Land improvements, buildings, building improvements and leasehold improvements	5 - 30 years
Machinery and equipment	2 - 10 years
Tools and equipment	3 - 10 years
Furniture and fixtures	2 - 5 years
Vehicles and labor-saving equipment	5 - 7 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

4.6 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Building spaces	3 - 6 years
Office equipment	4 - 5 years
Vehicles	4 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.7 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The estimated useful lives of computer software are 3 to 10 years.

No amortisation is provided on computer software under installation.

4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks

specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with

the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs and recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.16 Derivatives

The Group uses derivatives, forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of loans to subsidiary

In determining an allowance for expected credit losses of loans to subsidiary, the management is required to exercise judgment in estimating the expected credit losses based on the analysis of debtor status, loan and accrued interest payment plan and the possibility of debt repayment under such plan.

Reduction of inventory cost to net realisable value

In determining a reduction of inventory cost to net realizable value, the management makes judgement and estimates net realizable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price directly relating to events occurring after the end of the reporting period. Also, the management makes judgement and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases - The Group as a lessee

Determining the lease term with extension

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise the extension option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested.

The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to investment in subsidiary and goodwill recognised by the Group. The key assumptions used to determine the recoverable amount are disclosed in Note 13 to the financial statements.

Provision for goods return

The Company recognised a provision for claims for expired goods on products sold during the year, based on past experience of the level of returns. The Company expects most of these costs to be incurred within next year of the reporting date.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	2022	2021	2022	2021	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Purchase of goods	-	-	1.6	9.2	Cost plus margin
Sales of goods	-	-	0.1	-	Cost plus margin
Interest income	-	-	1.6	3.9	2.0% - 2.5% per annum (2021: 1.8% - 2.2% per annum)
Other income	-	-	0.2	0.2	Agreed price
Administrative expenses	-	-	0.6	-	Agreed price
<u>Transactions with associate</u>					
Other income	0.5	0.3	0.5	0.3	Contract price

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiary				
Aesthetic Zecret (AT-ZE) Company Limited	-	-	113	56
Associate				
Winner Agro Innovation Company Limited	42	45	42	45
Total	42	45	155	101
<u>Advance payment for goods - related party</u>				
(included in other current assets in the statement of financial position)				
Subsidiary				
Aesthetic Zecret (AT-ZE) Company Limited	-	-	83	-
Total	-	-	83	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade and other payables - related parties (Note 18)				
Subsidiary				
Aesthetic Zecret (AT-ZE) Company Limited	-	-	117	12
Associate				
Winner Agro Innovation Company Limited	30	-	30	-
Total	30	-	147	12

Loans to related party

As at 31 December 2022 and 2021, the balances of loans between the Company and its related party and the movement in loans are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2021	Increase during the year	Decrease during the year	Balance as at 31 December 2022
Loans to subsidiary				
Aesthetic Zecret (AT-ZE)				
Company Limited	62,600	31,000	(6,900)	86,700
Less: Amount expected to be received within a year	-			-
Loans to subsidiary - net of amount expected to be received within a year	62,600			86,700

Loans to subsidiary are unsecured promissory notes, carrying interest at 2.1 and 2.5 percent per annum and is to be repaid within 3 months from the drawdown date.

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and managements as below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term employee benefits	28,385	27,720	25,714	25,437
Post-employment benefits	1,433	1,417	1,404	1,389
Total	29,818	29,137	27,118	26,826

Guarantee obligations with its related party

The Company has outstanding guarantee obligations with its related party, as described in Note 31.3 to the financial statements.

7. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	132	143	95	98
Bank deposits	33,831	37,780	31,973	34,707
Total	33,963	37,923	32,068	34,805

As at 31 December 2022, bank deposits in saving accounts carried interests between 0.05 and 0.33 percent per annum (2021: between 0.05 and 0.13 percent per annum).

8. Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related party</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	-	-	8	10
Total trade receivables - related party	-	-	8	10
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	308,350	262,419	307,228	261,362
Past due				
Up to 3 months	79,026	73,481	74,762	73,347
3 - 6 months	197	40	197	40
6 - 12 months	109	355	109	341
Over 12 months	1,410	1,730	1,410	1,530
Total	389,092	338,025	383,706	336,620
Less: Allowance for expected credit losses	(945)	(1,021)	(789)	(790)
Total trade receivables - unrelated parties - net	388,147	337,004	382,917	335,830
Total trade receivables - net	388,147	337,004	382,925	335,840

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Other receivables</u>				
Interest receivables - related party (Note 6)	-	-	75	16
Accrued income - related party (Note 6)	42	45	42	45
Accrued income	4,825	3,034	4,825	3,034
Other receivables - related party (Note 6)	-	-	30	30
Other receivables	274	-	274	-
Total other receivables	5,141	3,079	5,246	3,125
Total trade and other receivables - net	393,288	340,083	388,171	338,965

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	377,945	261,580	(5,467)	(3,834)	372,478	257,746
Work in process	505	689	(169)	(193)	336	496
Raw materials	13,616	14,791	(4,507)	(4,277)	9,109	10,514
Packaging supplies	4,434	4,564	(465)	(640)	3,969	3,924
Goods in transit	103,410	116,145	-	-	103,410	116,145
Total	499,910	397,769	(10,608)	(8,944)	489,302	388,825

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	374,343	258,474	(3,423)	(2,007)	370,920	256,467
Work in process	116	27	(1)	(2)	115	25
Raw materials	4,984	6,353	(62)	(100)	4,922	6,253
Packaging supplies	2,455	2,457	-	-	2,455	2,457
Goods in transit	103,410	116,145	-	-	103,410	116,145
Total	485,308	383,456	(3,486)	(2,109)	481,822	381,347

During the current year, the Group reduced cost of inventories by Baht 4.1 million (2021: Baht 3.6 million) (The Company only: Baht 3.5 million (2021: Baht 2.1 million)), to reflect the net realisable value. This was included in cost of sales and administrative expenses. In addition, the Group reduced the write-down of cost of inventories by Baht 2.4 million (2021: Baht 6.4 million) (The Company only: Baht 2.1 million (2021: Baht 6.4 million)) and reduced the cost of sales during the year, since the Group destroyed obsolete inventories.

10. Restricted bank deposits

These represent subsidiary's fixed deposits pledged with the banks to secure bank guarantees.

11. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for Impairment		(Unit: Thousand Baht) Carrying amounts based on cost method - net	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)						
Aesthetic Zecret (AT-ZE) Company Limited	180,000	180,000	100	100	263,851	263,851	(235,140)	(78,670)	28,711	185,181

During the current year, the Company recorded losses from impairment of investment in subsidiary of approximately Baht 156 million (2021: Baht 37 million) based on its review of the carrying amount of the investment in the subsidiary through the comparison of the net book value and the recoverable value, determined using the value-in-use method. The key assumptions used in calculation are disclosed in Note 13 to the financial statements.

The Group's management is currently implementing financial and operational measures to improve the subsidiary's future performance.

12. Investment in associate

(Unit: Thousand Baht)										
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements				Separate financial statements	
					Carrying amounts based on equity method				Carrying amounts based on cost method	
			Cost		Carrying amounts based on equity method		Carrying amounts based on cost method			
			2022 (%)	2021 (%)	2022	2021	2022	2021	2022	2021
Winner Agro Innovation Company Limited	Production and distribution of raw materials, seedling varieties, and hemp extract	Thailand	45	45	20,952	14,202	23,209	17,371	20,952	14,202

On 10 May 2022, the Board of directors meeting of the Company passed a resolution to approve the acquisition of 0.68 million additional ordinary shares of Winner Agro Innovation Company Limited (the associate) at a price of Baht 10 per share, or a total of Baht 6.8 million, and as a result, its shareholding in the associate is unchanged at 45% of the associate's issued capital. The Company made payment for such increased share capital in June 2022 and the associate registered the increase in its share capital with the Ministry of Commerce on 8 July 2022.

During the current year, the Group has recognised its share of loss from investment in associate in the consolidated financial statements amounting to Baht 0.9 million. (2021: share of profit amounting to Baht 3.2 million.)

13. Goodwill

The net book values of goodwill as at 31 December 2022 and 2021 represent goodwill from purchase of investment in Aesthetic Zecret (AT-ZE) Company Limited (the subsidiary) which are presented below.

(Unit: Thousand Baht)		
	Consolidated financial statements	
	2022	2021
Goodwill	94,446	94,446
Less: Allowance for impairment	(94,446)	-
Goodwill - net	-	94,446

The Company determines the recoverable amount of the cash generating unit from the value in use of assets by estimating future cash flow expected to receive based on the financial plan approved by the management which covers a five-year period.

Key assumptions used in value in use calculation are summarised below.

(Unit: Percent per annum)

Long-term growth rate	1.5
Pre-tax discount rate	10.0

The management determined long-term growth rates based on expected market growth in the industry and economic growth. Pre-tax discount rate reflects the risk specific to each cash generating unit.

During the current year, the Company recognised an impairment loss for goodwill in full in the statement of comprehensive income.

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land	Land improvements, buildings, building improvement and leasehold improvement	Machinery and equipment	Tools and equipment	Furniture and fixtures	Vehicles and labor-saving equipment	Assets under installation	Total
Cost:								
1 January 2021	148,560	217,866	67,066	29,167	44,336	26,285	258	533,538
Additions	-	-	203	598	2,999	33	719	4,552
Disposals/written-off	-	-	(1,057)	(754)	(704)	(7,498)	-	(10,013)
Transfers in (out)	-	155	61	556	8	-	(780)	-
31 December 2021	148,560	218,021	66,273	29,567	46,639	18,820	197	528,077
Additions	-	-	903	2,059	2,789	-	6,750	12,501
Disposals/written-off	-	(10,748)	(793)	(739)	(2,828)	(54)	-	(15,162)
Transfer from right-of use assets	-	-	-	-	-	5,479	-	5,479
Transfers in (out)	-	3,788	192	164	262	-	(4,406)	-
31 December 2022	148,560	211,061	66,575	31,051	46,862	24,245	2,541	530,895

Consolidated financial statements

[illegible]

(Unit: Thousand Baht)

Separate financial statements

	Land	Land improvements, buildings, building improvement and leasehold improvement	Machinery and equipment	Tools and equipment	Furniture and fixtures	Vehicles and labor-saving equipment	Assets under installation	Total
Cost:								
1 January 2021	114,250	110,396	42,535	21,878	35,082	23,485	258	347,884
Additions	-	-	203	486	2,534	33	719	3,975
Disposals/written-off	-	-	(1,057)	(388)	(393)	(7,498)	-	(9,336)
Transfers in (out)	-	155	61	556	8	-	(780)	-
31 December 2021	114,250	110,551	41,742	22,532	37,231	16,020	197	342,523
Additions	-	-	629	1,974	2,652	-	4,427	9,682
Disposals/written-off	-	-	(337)	(396)	(1,640)	-	-	(2,373)
Transfer from right-of use assets	-	-	-	-	-	5,479	-	5,479
Transfers in (out)	-	2,985	192	164	262	-	(3,603)	-
31 December 2022	114,250	113,536	42,226	24,274	38,505	21,499	1,021	355,311

Separate financial statements

[illegible]

As at 31 December 2022, the Group had certain items of plant and equipment which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 102 million (2021: Baht 106 million) (The Company only: Baht 90 million (2021: Baht 81 million)).

15. Leases

The Group entered into lease agreements of assets to be used in its operation. The leases terms are generally between 3 - 5 years.

15.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Office			Total
	Building spaces	equipment	Motor vehicles	
1 January 2021	26,833	543	14,834	42,210
Increase	3,854	438	4,736	9,028
Decrease	(523)	(50)	-	(573)
Depreciation for the year	(9,675)	(306)	(2,971)	(12,952)
31 December 2021	20,489	625	16,599	37,713
Increase	7,005	241	-	7,246
Decrease	-	(1)	-	(1)
Depreciation for the year	(10,185)	(297)	(3,045)	(13,527)
Transfer to property, plant and equipment - net book value as at the transferred date	-	-	(2,264)	(2,264)
31 December 2022	17,309	568	11,290	29,167

(Unit: Thousand Baht)

	Separate financial statements			
	Building spaces	Office equipment	Motor vehicles	Total
1 January 2021	12,249	301	14,834	27,384
Increase	3,854	438	4,736	9,028
Decrease	(336)	(50)	-	(386)
Depreciation for the year	(6,382)	(203)	(2,971)	(9,556)
31 December 2021	9,385	486	16,599	26,470
Increase	7,005	241	-	7,246
Decrease	-	(1)	-	(1)
Depreciation for the year	(6,705)	(194)	(3,044)	(9,943)
Transfer to property, plant and equipment - net book value as at the transferred date	-	-	(2,264)	(2,264)
31 December 2022	9,685	532	11,291	21,508

15.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	23,773	29,699	16,791	18,980
Less: Deferred interest expenses	(1,256)	(1,765)	(920)	(1,006)
Total	22,517	27,934	15,871	17,974
Less: Portion due within one year	(9,394)	(12,470)	(5,988)	(9,156)
Lease liabilities - net of current portion	13,123	15,464	9,883	8,818

Movements of the lease liabilities account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	27,934	33,942	17,974	20,831
Increase	7,246	9,028	7,246	9,028
Accretion of interest	938	1,177	515	626
Payments	(13,600)	(15,649)	(9,863)	(12,124)
Decrease	(1)	(564)	(1)	(387)
Balance at end of year	22,517	27,934	15,871	17,974

A maturity analysis of lease payments is disclosed in Note 33.2 to the financial statements under the liquidity risk.

15.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	13,527	12,952	9,943	9,556
Interest expense on lease liabilities	938	1,177	515	626
Expense relating to short-term leases	3,956	3,217	3,956	3,217

15.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 17.5 million (2021: Baht 18.7 million) (The Company only: Baht 13.8 million (2021: Baht 15.2 million)), including the cash outflow related to short-term lease.

16. Intangible assets

The net book value of intangible assets as at 31 December 2022 and 2021 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2022:			
Cost	23,718	1,085	24,803
<u>Less</u> Accumulated amortisation	(17,170)	-	(17,170)
Net book value	6,548	1,085	7,633
As at 31 December 2021:			
Cost	21,569	684	22,253
<u>Less</u> Accumulated amortisation	(14,969)	-	(14,969)
Net book value	6,600	684	7,284

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2022:			
Cost	20,752	846	21,598
<u>Less</u> Accumulated amortisation	(15,106)	-	(15,106)
Net book value	5,646	846	6,492
As at 31 December 2021:			
Cost	18,671	684	19,355
<u>Less</u> Accumulated amortisation	(13,341)	-	(13,341)
Net book value	5,330	684	6,014

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	7,284	9,942	6,014	8,407
Acquisition of computer software	3,474	1,085	3,168	887
Amortisation (included in administrative expenses)	(3,125)	(3,743)	(2,690)	(3,280)
Net book value at end of year	7,633	7,284	6,492	6,014

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

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Short-term loans from financial institutions	2.20 - 2.50	23,500	27,000	-	-
Trust receipts	1.10 - 2.15	390,727	230,151	390,727	230,151
Total		414,227	257,151	390,727	230,151

The credit facilities of the subsidiary are guaranteed by the Company.

18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related party (Note 6)	30	-	129	5
Trade payables - unrelated parties	156,273	183,564	154,596	181,209
Other payables - related party (Note 6)	-	-	18	7
Other payables - unrelated parties	18,530	20,604	16,976	19,882
Accrued expenses	46,182	37,752	44,744	36,421
Total	<u>221,015</u>	<u>241,920</u>	<u>216,463</u>	<u>237,524</u>

19. Long-term loans from financial institution

Movements of the long-term loans from financial institution account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	14,252	116,643	14,252	112,600
Repayment during the year	(14,257)	(102,624)	(14,257)	(98,574)
Amortisations of prepaid loan fees	5	233	5	226
Ending balance	<u>-</u>	<u>14,252</u>	<u>-</u>	<u>14,252</u>

During the current year, the Company made a full repayment of the loan before the maturity date.

20. Provision for goods return

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements
At 1 January 2021	5,095
Increase during the year	8,337
Utilised	(9,375)
At 31 December 2021	4,057
Increase during the year	6,714
Utilised	(7,995)
At 31 December 2022	<u>2,776</u>

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
Provision for long-term employee benefits at beginning of year	23,899	19,317	23,095	18,706
Included in profit or loss:				
Current service cost	4,982	4,380	4,619	4,091
Interest cost	384	308	368	298
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	2,343	-	2,234	-
Financial assumptions changes	(5,477)	-	(5,404)	-
Experience adjustments	(293)	-	66	-
Benefits paid during the year	-	(106)	-	-
Provision for long-term employee benefits at end of year	25,838	23,899	24,978	23,095

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits is 17 years (2021: 19 years) (The Company only: 15 years, (2021: 16 years)).

Significant actuarial assumptions are summarised below:

	Consolidated		(Unit: Percent per annum)	
	financial statements		Separate	
	2022	2021	2022	2021
Discount rate	3.64 - 3.80	1.60 - 1.90	3.64	1.60
Salary increase rate	4.00 - 5.00	3.00 - 6.30	5.00	3.60 - 6.30
Turnover rate	2.39 - 40.11	0.00 - 33.30	2.39 - 28.65	2.90 - 33.30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	31 December 2022			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(2.5)	2.9	(2.4)	2.8
Salary increase rate	2.8	(2.5)	2.7	(2.4)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(1.9)	2.2	(1.8)	2.1

(Unit: Million Baht)

	31 December 2021			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(2.7)	3.2	(2.6)	3.0
Salary increase rate	3.2	(2.8)	3.1	(2.6)
	<u>Increase 10%</u>	<u>Decrease 10%</u>	<u>Increase 10%</u>	<u>Decrease 10%</u>
Turnover rate	(1.4)	1.5	(1.3)	1.4

22. Share capital

On 27 April 2022, the Annual General Meeting of the Company's shareholders passed a resolution to approve a decrease of the Company's registered share capital by cancelling of unissued 25,338 ordinary shares, at the par value of Baht 0.25 each from the existing registered capital of Baht 150,000,000 to be Baht 149,993,665.50. The Company registered the decrease in its registered capital with the Ministry of Commerce on 5 May 2022.

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

24. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expenses on borrowings	4,831	4,934	4,322	4,294
Interest expenses on lease liabilities	938	1,177	515	626
Amortisations of prepaid loan fees	5	233	5	226
Total	5,774	6,344	4,842	5,146

25. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries, wages and other employee benefits	198,044	193,768	170,546	161,035
Depreciation	34,674	34,888	21,778	22,031
Amortisation	3,125	3,743	2,690	3,280
Marketing expenses	16,452	11,875	15,810	11,346
Purchases for finished goods	1,577,149	1,345,116	1,578,741	1,354,276
Raw materials and packaging supplies used	85,633	83,407	75,710	70,395
Changes in finished goods and work in process	(116,181)	(84,416)	(115,958)	(85,955)

26. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	37,578	32,791	37,578	32,791
Adjustment in respect of income tax of previous year	6	11	6	11
Deferred tax:				
Relating to origination and reversal of temporary differences	4,443	(774)	(3,601)	791
Income tax expense reported in profit or loss	42,027	32,028	33,983	33,593

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gain	686	-	621	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	51,430	140,704	14,262	129,008
Applicable tax rate (percent)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	10,286	28,141	2,852	25,802
Adjustment in respect of income tax of previous year	6	11	6	11
Tax loss and temporary difference which deferred tax assets have not been recognised and write-down of previous deferred tax assets	31,754	3,476	31,294	7,424
Temporary difference on leases which deferred tax liabilities have been recognised	-	288	-	288
Additional capital expenditure deductions allowed	(219)	-	(219)	-
Other effects on tax	200	112	50	68
Income tax expense reported in profit or loss	42,027	32,028	33,983	33,593

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Allowance for expected credit losses	189	198	158	158
Allowance for diminution in value of inventories	2,122	1,789	698	422

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Provision for goods return	555	811	555	811
Accumulated depreciation - leasehold improvement and equipment	1	286	-	-
Unused capital expenditure	708	1,063	708	1,063
Unused tax loss	5,149	13,226	-	-
Provision for long-term employee benefits	5,168	4,780	4,996	4,619
Deferred revenue	2,873	-	2,873	-
Total	<u>16,765</u>	<u>22,153</u>	<u>9,988</u>	<u>7,073</u>
Deferred tax liabilities				
Accumulated depreciation - Building and equipment	2,587	2,298	2,587	2,298
Fair value of property, plant and equipment through business combination	6,192	6,293	-	-
Leases	2,084	2,531	2,177	2,531
Total	<u>10,863</u>	<u>11,122</u>	<u>4,764</u>	<u>4,829</u>

As at 31 December 2022, the Group has unused tax losses amounting to Baht 111 million (2021: Baht 45 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 136 million will expire within 2027.

27. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

28. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as executive committee.

For management purposes, the Group is organised into business units based on its products and services, the distribution channel and management factors and have three reportable segments as follows:

- (a) Industrial food product segment
- (b) Consumer food product segment
- (c) Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

(Unit: Thousand Baht)

	Industrial food product segment		Consumer food product segment		Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment		Adjustments and eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues	814,952	729,356	1,173,919	1,011,339	39,297	53,335	(1,694)	(9,177)	2,026,474	1,784,853
Segment profit (loss)	168,127	146,239	137,289	147,010	(24,929)	(24,885)	620	(1,655)	281,107	266,709
Unallocated expenses									(134,318)	(129,174)
Loss from impairment of goodwill									(94,446)	-
Share of profit (loss) from investment in associate									(912)	3,169
Income tax expenses									(42,027)	(32,028)
Profit for the year									9,404	108,676

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2022, the Group has revenue from a major customer in amount of Baht 476 million, arising from consumer food product segment (2021: Baht 375 million derived from a major customer, arising from consumer food product segment).

29. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contributes to the fund monthly at the rate of 3 or 5 percent of basic salary. And employees contribute to the fund monthly at the rate of 3 to 15 percent of basic salary. The fund, which is managed by Bangkok Capital Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 4.2 million (2021: Baht 4.0 million) (the Company only: Baht 3.7 million (2021: Baht 3.5 million)) were recognised as expenses.

30. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2020	Annual General Meeting of the shareholder on 22 April 2021	40	0.10
Interim dividends for 2021	Extraordinary General Meeting of the shareholder on 28 September 2021		
- Cash dividend		6	0.01
- Stock dividend		50	0.13
Total		96	0.24
Final dividends for 2021	Annual General Meeting of the shareholder on 27 April 2022	72	0.12
Interim dividends for 2022	Board of directors Meeting on 10 August 2022	36	0.06
Total		108	0.18

31. Commitments and contingent liabilities

31.1 Service commitments

The Group has outstanding commitments in respect of service agreements. Future minimum payment required under these service agreements are as follows.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Payable:				
In up to 1 year	2.2	2.2	1.7	1.7
In over 1 and up to 3 years	0.1	0.1	0.1	0.1

(Unit: Million Baht)

31.2 Royalty agreements

On 4 May 1993, the Company entered into an agreement with a supplier in the US, under which the Company was granted the right to be an exclusive independent sales distributor in the Territory of Thailand. Under the agreement, the Company has to pay royalty fees to the supplier at the rates stipulated in the agreement, based on purchases of product, for a period of 5 years. After that initial term and in the absence of any notice of termination, the agreement will automatically extend on a year to year basis.

During the year 2022, the Company recorded royalty fees under the above agreement amounting to Baht 17.4 million (2021: Baht 13.9 million).

31.3 Guarantees

- a) There were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Letters of guarantee for trade				
contractual performance	1.2	1.4	1.2	1.4
Letters of guarantee for				
electricity use	0.9	0.8	0.7	0.7
Total	<u>2.1</u>	<u>2.2</u>	<u>1.9</u>	<u>2.1</u>

- b) As at 31 December 2022, credit facilities of the subsidiary are guaranteed by the Company amounting to Baht 47.5 million (2021: Baht 47.5 million).

31.4 Litigation

The Company had litigation relating to the alleged breach of agreement with respect to a security deposit claim with an amount in dispute of Baht 5.1 million. In July 2022, the Court of First Instance ordered the Company to return the security deposit of Baht 1.0 million with interest thereon to the plaintiffs. However, in October 2022, the Company filed an appeal with the Court of Appeal and believes that they will not incur significant losses when the case is finalised.

32. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements / Separate financial statements	
		2022	2021
		<u>Level 2</u>	<u>Level 2</u>
Assets measured at fair value			
Derivatives			
	Foreign exchange forward contracts	-	205
Liabilities measured at fair value			
Derivatives			
	Foreign exchange forward contracts	4,074	-

The fair value of forward foreign exchange contracts have been determined using 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.

During the current year, there were no change in the method and assumptions used in estimating the fair value of financial instruments and there were no transfers within the fair value hierarchy.

33. Financial instruments

33.1 Derivatives

		(Unit: Thousand Baht)	
		Consolidated financial statements/ Separate financial statements	
		<u>2022</u>	<u>2021</u>
Derivative asset			
<i>Derivative asset not designated as hedging instruments</i>			
	Foreign exchange forward contracts	-	205
Derivative liability			
<i>Derivative liability not designated as hedging instruments</i>			
	Foreign exchange forward contracts	4,074	-

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within a year.

33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, bank overdrafts and loans from financial institutions, trade and other payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to deposits with banks and trade and other receivable. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates for the trade receivable are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into foreign exchange forward contracts to hedge the foreign currency risk arising on the import of goods denominated in foreign currency.

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from purchase of goods that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements/ Separate financial statements			
	Financial liabilities		Average exchange rate	
	2022 (Million)	2021 (Million)	2022 (Baht per 1 foreign currency unit)	2021 (Baht per 1 foreign currency unit)
US dollar	4.4	4.6	35.99	33.54
Euro	-	0.1	37.16	38.53

To manage the foreign currency risk exposure, the Company entered into foreign exchange forward contracts as summarised below.

As at 31 December	Foreign currency	Bought amount (Million)	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
2022	US dollar	3.6	34.13 - 37.29	06/02/23 - 30/06/23
2021	US dollar	6.4	32.53 - 33.93	04/01/22 - 30/06/22

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Consolidated financial statements/ Separate financial statements			
	2022		2021	
	Increase/ Decrease (%)	Effect on profit before tax (Thousand Baht)	Increase/ Decrease (%)	Effect on profit before tax (Thousand Baht)
US Dollar	+1	(2,763)	+1	(3,668)
	-1	2,763	-1	3,668

Interest rate risk

The Group's exposure to interest rate risk relates primarily to bank overdrafts and loans from financial institutions and lease liabilities. Most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2022					
	Fixed interest rates					
	Within 1 year	1-5 Years	Floating interest rate	Non - interest bearing	Total	Interest rate (% per annum)
Financial assets						
Cash and cash equivalents	-	-	27	7	34	0.05 - 0.33
Trade and other receivables	-	-	-	393	393	-
Financial liabilities						
Bank overdrafts and short-term						
loans from financial institutions	414	-	-	-	414	1.10 - 2.50
Trade and other payables	-	-	-	221	221	-
Lease liabilities	9	13	-	-	22	0.94 - 5.00

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2021					
	Fixed interest rates					
	Within	1-5	Floating	Non - interest		
	1 year	Years	interest rate	bearing	Total	Interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	31	7	38	0.05 - 0.13
Trade and other receivables	-	-	-	340	340	-
Financial liabilities						
Bank overdrafts and short-term						
loans from financial institutions	257	-	-	-	257	1.10 - 2.20
Trade and other payables	-	-	-	242	242	-
Lease liabilities	12	16	-	-	28	0.94 - 5.00
Long-term loans from financial						
institution	14	-	-	-	14	3.75

(Unit: Million Baht)

Separate financial statements

As at 31 December 2022

	Fixed interest rates		Floating interest rate	Non - interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1-5 Years				
Financial assets						
Cash and cash equivalents	-	-	25	7	32	0.05 - 0.33
Trade and other receivables	-	-	-	388	388	-
Loans to subsidiary	87	-	-	-	87	2.10 - 2.50
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	391	-	-	-	391	1.10 - 2.15
Trade and other payables	-	-	-	216	216	-
Lease liabilities	6	10	-	-	16	0.94 - 3.75

(Unit: Million Baht)

Separate financial statements

As at 31 December 2021

	Fixed interest rates		Floating interest rate	Non - interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1-5 years				
Financial assets						
Cash and cash equivalents	-	-	29	6	35	0.05 - 0.13
Trade and other receivables	-	-	-	339	339	-
Loans to subsidiary	63	-	-	-	63	2.20
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	230	-	-	-	230	1.10 - 1.30
Trade and other payables	-	-	-	238	238	-
Lease liabilities	9	9	-	-	18	0.94 - 4.13
Long-term loan from financial institution	14	-	-	-	14	3.75

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and loans from bank. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2022				
On demand	Less than 1 year	1 to 5 Years	> 5 years	Total
Non-derivatives				
Bank overdrafts and short-term loans				
from financial institutions	-	415,293	-	415,293
Trade and other payables	-	221,015	-	221,015
Lease liabilities	-	10,105	13,668	23,773
Total non-derivatives	-	646,413	13,668	660,081
Derivative				
Derivative liabilities	-	4,074	-	4,074

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2021				
On demand	Less than 1 year	1 to 5 Years	> 5 years	Total
Non-derivatives				
Bank overdrafts and short-term loans				
from financial institutions	-	257,299	-	257,299
Trade and other payables	-	241,920	-	241,920
Lease liabilities	-	13,383	16,316	29,699
Long-term loans from financial institution	-	14,371	-	14,371
Total non-derivatives	-	526,973	16,316	543,289

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2022					
	On demand	Less than 1 year	1 to 5 Years	> 5 years	Total
Non-derivatives					
Bank overdrafts and short-term loans					
from financial institutions	-	391,665	-	-	391,665
Trade and other payables	-	216,463	-	-	216,463
Lease liabilities	-	6,444	10,347	-	16,791
Total non-derivatives	-	614,572	10,347	-	624,919
Derivative					
Derivative liabilities	-	4,074	-	-	4,074

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2021					
	On demand	Less than 1 year	1 to 5 Years	> 5 years	Total
Non-derivatives					
Bank overdrafts and short-term loans					
from financial institutions	-	230,299	-	-	230,299
Trade and other payables	-	237,524	-	-	237,524
Lease liabilities	-	9,647	9,333	-	18,980
Long-term loans from financial institution	-	14,371	-	-	14,371
Total non-derivatives	-	491,841	9,333	-	501,174

33.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates which are close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

34. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2022, the Group's debt-to-equity ratio was 1.3:1 (2021: 0.9:1) and the Company's debt-to-equity ratio was 1.2:1 (2021: 0.8:1).

35. Events after the reporting period

On 27 February 2023, the Board of directors meeting passed the resolution to raise the agenda to Annual General Meeting for approval to pay a dividend for the year 2022 from the Company's retained earnings to the shareholders of Baht 0.13 per share, a total of Baht 78 million. The Company has already paid an interim dividend of Baht 0.06 per share, a total of Baht 36 million. The remaining dividend is Baht 0.07 per share, a total of Baht 42 million will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2023.



Section 4




Data Authentication

Data Authentication

The company has carefully reviewed the information in this annual statement. The company hereby certifies that such information is true, complete, no false and does not mislead by others, or lack of information that should be notified in material aspects. In addition, the Company hereby certifies that

- (1) Financial statements and financial information summarized in the annual statement are accurate and complete on essential matters relating to the financial position, performance, and the Company's cashflows and its subsidiaries.
- (2) The company has established a good information disclosure system to ensure that the significant information has been correctly and completely disclosed as for an important parts of the Company and its subsidiaries as well as to control and supervise the implementation of the above system.
- (3) The company has established a good internal control system and supervised the implementation of the system. Also, the Company has informed the assessment of the internal control system as of **February 27, 2023** to the auditor and the company's Audit Committee which covered the shortcomings and important changes in the internal control system including wrongful acts that may affect the financial reports of the company and its subsidiaries.

As an evidence that all documents are the same set of certified documents by the company, **Miss Kanollas Wongisariyakul** has been assigned to be the person who signs these documents on every page. If any document does not have **Miss Kanollas Wongisariyakul**'s initial, the company will consider that the information is not what the company has certified the accuracy of the above information.

	Name	Title	Signature
	<u>Authorized Directors bound by Certificates</u>		
1.	Mr. Jane Wongisariyakul	Director	
2.	Miss Kanollas Wongisariyakul	Director	
	<u>Attorney</u>		
	Miss Kanollas Wongisariyakul	Director	



Attachments

Attachment 1

Detail of the Board of Directors, Executives, Regulator and Company Secretary of the Winner Group Enterprise Public Company Limited as of December 31, 2022

1. Mr. Prakarn Tawisuwan Age (Years): 76	
Current Position	<i>(Date of Appointment: April 10, 2013)</i>
Chairman of the Board Director / Independent Director / Chairman of the Audit Committee	
Education / Training	
<ul style="list-style-type: none"> - Master of Business Administration Program (XMBA), Thammasat University - Bachelor of Economics, Thammasat University - Director Certification Program (DCP) 75/2006, Thai Institute of Directors - Advanced Audit Committee Program (AACP) 26/2017, Thai Institute of Directors 	
No. of Share held	
- None -	
Relationship with Directors and Management	
- None -	
Work Experience (Last 5 Years)	
<u>Listed Companies</u>	
2013 - Present	Chairman of Board of Directors / Independent Director / Chairman of the Audit Committee - Winner Group Enterprise Plc.
<u>Non-Listed Companies</u>	
2022 - Present	Chairman of the Audit Committee - Advice IT Infinite PCL
2015 - Present	Director and Vice Chairman - M.R. Rosalins Gagananga Foundation Under the Royal Patronage of HRH Princess Maha Chakri Sirindhorn

2. Mr. Jane Wongisariyakul | Age (Years): 70**Current Position***(Date of Appointment: April 10, 2013)*

Director / Chairman of Executive Committee / Chairman of Risk Management Committee / CEO

*(Authorized Director)***Education / Training**

- Master of Business Administration Program (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
- Role of Nomination and Governance Committee (RNG) 5/2013, Thai Institute of Directors
- Certificate of Public Economics Management for Executives (Batch 8), The College of Politics and Governance, King Prajadhipok's Institute
- Capital Market Academy Executive Program (Class 23), Capital Market Academy, the Stock Exchange of Thailand
- Thai - Chinese Leadership Studies#2, Huachiew Chalermprakiet University

No. of Share held

31.24% (as at August 26, 2022)

Relationship with Directors and Management

- Spouse of Mrs. Vannaporn Wongisariyakul
- Father of Ms.Kanollas Wongisariyakul

Work Experience (Last 5 Years)Listed Companies

- 2020 - Present Director / Chairman of Executive Committee / Chairman of Risk Management Committee / CEO
- Winner Group Enterprise Plc.
- 2006 - Present Independent Director / Audit Committee Member / Nomination and Remuneration Committee
Member - Eason & Co Plc.
- 2013 - 2020 President & CEO - Winner Group Enterprise Plc.

Non-Listed Companies

- 2022 - Present Director - Chula Business Enterprise Co., Ltd.
- 2021 - Present Director - CU Singum Enterprise Co., Ltd.
- 2021 - Present Director - Winner Agro Innovation Co., Ltd.
- 2019 - Present Director and Independent Director - CU Enterprise Co., Ltd.
- 2018 - Present Director - Aesthetic Zecret (AT-ZE) Co., Ltd.
- 2017 - Present Director - Winner Fam Co. Ltd.
- 2012 - Present Director - Jamjuree Innovations Ltd.
- 2010 - Present Vice Chairman - Faculty of Science Foundation, Chulalongkorn University
- 2008 - Present Director - Jamjuree Innovations Products Ltd.
- 2011 - 2017 Director - Jamchuri Testing Laboratory Ltd.

3. Mrs. Vannaporn Wongisariyakul | Age (Years): 67**Current Position***(Date of Appointment: April 10, 2013)*

Director / Member of Executive Committee / Member of Risk Management Committee

*(Authorized Director)***Education / Training**

- 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
- Lean Supply Chain by TMB (TMB Lean Six Sigma White and Blue Belt Course), Batch#10, Food and Beverage Industry in 2017

No. of Share held

8.78% (as at August 26, 2022)

Relationship with Directors and Management

- Spouse of Mr. Jane Wongisariyakul
- Mother of Miss Kanollas Wongisariyakul

Work Experience (Last 5 Years)Listed Companies

- 2018 - Present Director / Executive Committee Member / Risk Management Committee Member
 - Winner Group Enterprise Plc.
- 2013 - 2018 Deputy Managing Director
 - Winner Group Enterprise Plc.

Non-Listed Companies

- 2018 - Present Director - Aesthetic Zecret (AT-ZE) Co., Ltd.
- 2017 - Present Director - Winner Fam Co. Ltd.

4. Miss Kanokpan Kreangkraikrissada | Age (Years): 53**Current Position***(Date of Appointment: April 10, 2013)*

Director / Member of Executive Committee / Member of Risk Management Committee

*(Authorized Director)***Education / Training**

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

No. of Share held

2.85% (as at August 26, 2022)

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2018 - Present Director / Executive Committee Member / Risk Management Committee Member

- Winner Group Enterprise Plc.

2013 - 2018 Deputy Managing Director

- Winner Group Enterprise Plc.

Non-Listed Companies

2018 - Present Director - Aesthetic Zecret (AT-ZE) Co., Ltd.

5. Miss Kanollas Wongisariyakul | Age (Years): 40**Current Position***(Date of Appointment: April 10, 2013)*

Director / Member of Executive Committee / Member of Risk Management Committee /

Managing Director / CFO

*(Authorized Director)***Education / Training**

- Master of Executive Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business Administration (Finance), Thammasat University
- Directors Accreditation Program (DAP) 91/ 2011, Thai Institute of Directors
- How to Develop a Risk Management Plan (HRP) 8/2015, Thai Institute of Directors
- Successful Formulation & Execution of Strategy (SFE) 27/2016, Thai Institute of Directors
- Chief Financial Officer Certificate Program Batch #20, Federation of Accounting Professions under the Royal Patronage of his Majesty the King

No. of Share held

5.75% (as at August 26, 2022)

Relationship with Directors and Management

- Daughter of Mr. Jane and Mrs. Vannaporn Wongisariyakul

Work Experience (Last 5 Years)Listed Companies

- 2020 - Present Director / Member of Executive Committee / Member of Risk Management Committee /
Managing Director / CFO
- Winner Group Enterprise Plc.
- 2015 - 2020 EVP
- Winner Group Enterprise Plc.

Non-Listed Companies

- 2018 - Present Director / Managing Director - Aesthetic Zecret (AT-ZE) Co., Ltd.
- 2017 - Present Director - Winner Fam Co. Ltd.

6. Mr. Surapat Rojchanavisart | Age (Years): 70**Current Position***(Date of Appointment: April 10, 2013)*

Director / Member of Nomination Remuneration and Corporate Governance Committee

Education / Training

- 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
- Role of the Compensation Committee (RCC) 21/2016, Thai Institute of Directors
- Role of the Nomination & Governance Committee Program (RNG) 8/2016, Thai Institute of Directors

No. of Share held

2.50% (as at August 26, 2022)

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2016 - Present Director / Member of Nomination Remuneration and Corporate Governance Committee

 - Winner Group Enterprise Plc.

Non-Listed Companies

2012 - Present Executive Committee - Chai's Clansman Association of Thailand

2010 - Present Director - Pro Master Pack Co., Ltd.

7. Miss Thipawan Uthaisang | Age (Years): 65**Current Position***(Date of Appointment: April 10, 2013)*

Independent Director / Member of the Audit Committee / Chairman of Nomination Remuneration and Corporate Governance Committee

Education / Training

- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University
- Director Certification Program (DCP) 29/2003, Thai Institute of Directors
- Audit Committee Program (ACP) 23/2008, Thai Institute of Directors
- Role of the Compensation Committee (RCC) 17/2013, Thai Institute of Directors
- Advanced Audit Committee Program (AACP) 26/2017, 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
- The Joint State - Private Sector Course Class 23/2010, Thailand National Defence College

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

- 2013 - Present Independent Director / Member of Audit Committee / Chairman of NRCG
- Winner Group Enterprise Plc.
- 2013 - Present Independent Director / Chairman of Audit Committee
- Prodigy PCL
- 2009 - Present Independent Director / Member of Audit Committee
- Ladprao General Hospital PCL
- 2005 - Present Independent Director / Member of Audit Committee
- Eason & Co PCL

Non-Listed Companies

- 2015 - Present Independent Director / Chairman of Audit Committee - Aira & Aiful PCL
- 2007 - Present Executive Director / Managing Director - Papermate (Thailand) Co., Ltd.

8. Dr. Warunee Varanyanond | Age (Years): 73**Current Position***(Date of Appointment: April 10, 2013)*

Independent Director / Member of the Audit Committee / Member of Nomination Remuneration and Corporate Governance

Education / Training

- 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
- Advanced Audit Committee Program (AACP) 26/2017, Thai Institute of Directors

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2013 - Present Independent Director / Member of the Audit Committee / Member of NRCG
- Winner Group Enterprise Plc.

Non-Listed Companies

2017 - Present Qualified Person - Kasetsart University Research and Development Institute
2015 - Present Advisor - Food Science and Technology Association of Thailand
2010 - Present Advisor & Qualified Person - Institute of Food Research and Product Development (IFRPD), Kasetsart University
2009 - Present Qualified Person - The Agricultural Research Development Agency (Public Organization)
2007 - Present Qualified Person of Agriculture and Biology - National Research Council of Thailand
2009 - 2022 Qualified Person - National Innovation Agency (Public Organization)
2014 - 2021 Qualified Person - Biodiversity-Based Economy Development Office (Public Organization)
2009 - 2021 Executive Committee - Office of Certification Body of Thailand Institute of Scientific and Technological Research (TISTR)

9. Mrs. Suwannee Kongkitkul | Age (Years): 53**Current Position**

VP-Sales and Marketing

Education / Training

- Master of Business Administration, Ramkhamhaeng University
- Bachelor of Science in Food Science & Technology, Kasetsart University

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2018 - Present	VP-Sales and Marketing
	- Winner Group Enterprise Plc.
2015 - 2018	Industrial Products Manger
	- Winner Group Enterprise Plc.

10. Ms. Prapasiri Pisitsangkakan | Age (Years): 51**Current Position**

VP-Financial and Accounting / Member of Risk Management Committee

Education / Training

- Master of Business Administration, Thammasat University
- Bachelor of accounting, Chulalongkorn University
- CFO in Practice (Certification Program) 7/2017 Federation of Accounting Professions Under the Royal Pat
- How to Develop a Risk Management Plan (HRP) Program 8/2015, Thai Institute of Directors Association

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2018 - Present	VP-Financial and Accounting / Member of Risk Management Committee
	- Winner Group Enterprise Plc.
2013 - 2018	Accounting Manager / Member of Risk Management Committee
	- Winner Group Enterprise Plc.

11. Mr. Banjongsin Wong-Ngern | Age (Years): 50**Current Position**

VP-Production

Education / Training

- Master of Business Administration Ramkhamhaeng University
- Bachelor of Engineering, Chiang Mai University
- Competency Principles in Management and Performance Program, Ministry of Labor
- Safety officer in work at executive level Program, Safety and Health at work Promotion Association (Thailand) under Patronage

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2019 - Present VP-Production - Winner Group Enterprise Plc.

Non-Listed Companies

2015 - 2018 VP-Production - Pandora Production Co., Ltd.

12. Mrs. Nuttamon Theppitak | Age (Years): 53**Current Position**

VP-Corporate Services

Education / Training

- Master of Science, University of the Thai Chamber of Commerce
- Bachelor of Administration, Rangsit University
- Personal Data Protection Act Courses, B.E. 2019, Processes and Guidelines #6, Political Science Association of Kasetsart University
- PDPA Laws For Human Resources Management, Political Science Association of Kasetsart University

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

2019 - Present VP-Corporate Services - Winner Group Enterprise Plc.

Non-Listed Companies

2015 - 2018 Human Resources Manager - Jardine Schindler (Thai) Co., Ltd.

13. Miss Pannita Kanchanaharuthai | Age (Years): 36**Current Position**

Corporate Secretary / Investor Relations / Compliance

**Miss Pannita has resigned effective from October 3, 2022. However, Miss Kanollas Wongisariyakul, Managing Director, will be acting for the position until the new corporate secretary is appointed.*

Education / Training

- Master of Business Administration (Finance), University of the Thai Chamber of Commerce
- Bachelor of Engineering, King Mongkul's Institute of Technology Ladkrabang
- Advances for secretaries (4 days), Thai Limited Companies Association 2/2558
- Board Reporting Program (BRP) 22/2017, Thai Institute of Directors Association
- Effective Minutes Taking (EMT) 40/2018, Thai Institute of Directors Association
- S01-S06 Program, The Stock Exchange of Thailand (SET)

No. of Share held

- None -

Relationship with Directors and Management

- None -

Work Experience (Last 5 Years)Listed Companies

- | | |
|----------------|---|
| 2020 - Present | Corporate Secretary / Investor Relations / Compliance
- Winner Group Enterprise Plc. |
| 2019 - 2020 | Assistant Manager of Company Secretary section
- Platinum Group PCL |
| 2016 - 2019 | Secretary of CEO
- Platinum Group PCL |

Non-Listed Companies

- | | |
|-------------|--|
| 2010 - 2016 | Secretary of Managing Director - Paradise Park Co., Ltd. |
|-------------|--|

Remark:

- Detail of The Board of Directors, Executives and Regulator from 1-8 was appointed on April 10, 2013
- Director No.1-8 including regulator and executives no. 9-12 in the past 5 years no criminal record under the Securities and Exchange Act B.E. 2535 or the Derivatives Act B.E. 2546.
- Director No.5 was CFO and executive No.10 was Accounting Supervisor.
- Listed Companies was companies listed on the Stock Exchange of Thailand or the Market for Alternative Investment (MAI).

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.

The company secretary appointed by the Board of Directors is the person that the board deems appropriate, knowledgeable and capable of managing the company secretary under the Office of Chief Executive Officer and Investor Relations which support the work of the company secretary to comply with the law regulations as well as being responsible for work of good corporate governance.

**Detail of The Board of Directors, Executives and Regulator
of the Winner Group Enterprise Public Company Limited as of December 31, 2022**

List of Directors and Executives	Winner Group Enterprise Plc.	Aesthetic Zecret (AT-ZE) Co., Ltd. “Subsidiary”	Winner Agro Innovation Co., Ltd. “Associate”
Mr. Prakarn Tawisuwan	X, XX, /	-	-
Mr. Jane Wongisariyakul	/, //, ///	X, /	/
Mrs. Vannaporn Wongisariyakul	/, //	/	-
Ms. Kanokpan Kreangkraikrissada	/, //	/	-
Ms. Kanollas Wongisariyakul	/, //, ///, V	/	-
Mr. Surapat Rojchanavisart	XXXXX, /	-	-
Dr. Warunee Varayanond	XXX, XXXX, /	-	-
Ms. Thipawan Uthaisang	XXX, XXXXX, /	-	-
Mrs. Suwannee Kongkitkul	///	-	-
Ms. Prapasiri Pisitsangkakan	///, V	-	-
Mr. Banjongsin Wong-Ngern	///	-	-
Mrs. Nuttmon Theppitak	///	-	-

Remark: x = Chairman of the Board of Director
 xx = Chairman of the Audit Committee
 xxx = Member of the Audit Committee
 xxxx = Chairman of the Nomination Remuneration and Corporate Governance Committee
 xxxxx = Member of the Nomination Remuneration and Corporate Governance Committee
 / = Member of the Board of Director
 // = Member of the Executive Committee
 /// = Executive
 V = CFO / Accounting Supervisor

Attachment 2

Detail of the Director of the Subsidiary Company as of December 31, 2022

List of Directors	Aesthetic Zecret (At-Ze) Co., Ltd.
Mr. Jane Wongisariyakul	X, /
Mrs. Vannaporn Wongisariyakul	/
Miss Kanokpan Kreangkraikrissada	/
Miss Kanollas Wongisariyakul	/

Detail of the Director of the Associated Company as of December 31, 2022

รายชื่อกรรมการ	Winner Agro Innovation Co., Ltd.
Mr. Jane Wongisariyakul	X

Remark: x = Chairman of the Director
 / = Director

Attachment 3

Details regarding the Company's head of internal audit and the Company's head of supervisory unit

In 2022, the Company hired Dharmniti Internal Audit Company Limited to act as the Company's third party of internal auditor and report directly to the Audit Committee. The internal auditor has come up with annual internal audit plan and proposed to the Audit Committee for consideration and approval. This was to ensure that the audit plans have been established appropriately in consistent with environmental business risk factors that may be changing constantly.

Dharmniti Internal Audit Company Limited has assigned Ms. Anutsaya Raksasorn to be the primary responsible duty personnel to conduct internal audit to comply with the laws, rules, regulations, policies and requirements of the Company and its related involvement. Following is Ms. Anutsaya's Curriculum Vitae: -

Name: Ms. Anutsaya Raksasorn

Position: Executive Director - Dharmniti Internal Audit Co., Ltd.

Education:

- Master's Degree from the Faculty of Commerce and Accountancy in Insurance Statistics, Chulalongkorn University
- Bachelor's Degree from the Faculty of Management Sciences in Accountancy, Prince of Songkla University

Work Experiences:

- Executive Director - Dharmniti Internal Audit Co., Ltd.
- Director - Dharmniti Internal Audit Co., Ltd.
- Deputy Director - Dharmniti Internal Audit Co., Ltd.

Certification:

- Dharmniti Young Executive, Batch No. 1
- Certified Professional Internal Auditors of Thailand (CPIAT)
- Preparation Course for Certified Internal Auditor (Pre-CIA), Batch No. 26

The Company has assigned the Corporate Secretary to coordinate with Dharmniti Internal Audit Company Limited

Details regarding the Company's head of supervisory unit

The Corporate Secretary shall act as head of supervisory unit. (Details in [Attachment 1](#))

Attachment 4

Asset Used in Business Operation

1. Main Fixed Asset Used in Business Operation

As of 31 December 2022, Winner Group Enterprise Public Company Limited (“the Company”) has main fixed assets used in business operation with net book value of 189.89 million baht or 13.17 percent of the total assets.

Details of fixed assets are as follows:

Property Type	Ownership	Net Book Value (Million baht) As of 31 Dec 2022	Obligation
1. Land Location: Bangna Warehouse 1, Bangna Warehouse 2 and Bang Pa-In Factory Total area of 11 Rai 3 Ngan 79 Square Wa	The Company	114.25	- None -
2. Building and building improvement 2.1 Warehouse 1 (Bangna) 2.2 Warehouse 2 (Bangna) 2.3 Factory (Bang Pa-In)	The Company The Company The Company	46.06	- None -
3. Machinery and equipment	The Company	8.40	- None -
4. Tool and equipment	The Company	4.23	- None -
5. Furniture and office supply	The Company	6.53	- None -
6. Vehicle and labor-saving machine	The Company	9.40	- None -
7. Asset under installation	The Company	1.02	- None -
Total net book value		189.89	

As of 31 December 2022, Aesthetic Zecret (AT-ZE) Co., Ltd. (“Subsidiary”) has main fixed assets used in its business operation with net book value of 89.55 million baht or 79.08 percent of the total assets. Details of fixed assets are as follows:

Property Type	Ownership	Net Book Value (Million baht) As of 31 Dec 2022	Obligation
1. Land Location: Chachoengsao Factory Total area of 11 Rai 3 Ngan 79 Square Wa	Subsidiary	30.00	- None -
2. Building and factory improvement (Chachoengsao)	Subsidiary	49.45	- None -
3. Machinery and equipment	Subsidiary	7.56	- None -
4. Tool and equipment	Subsidiary	0.52	- None -
5. Furniture and office supply	Subsidiary	0.50	- None -
6. Vehicle and labor-saving machine	Subsidiary	0.00	- None -
7. Assets under installation	Subsidiary	1.52	- None -
Total net book value		89.55	

2. Intangible Asset

As of 31 December 2022, Winner Group Enterprise Public Company Limited (“Company”) has intangible assets used in business operation with net book value of 6.50 million baht or 0.45 percent of the total assets. Details are as follows.

Type	Ownership	Net Book Value
Computer software	The Company	5.65
Computer software during installation	The Company	0.85
Total net book value		6.50

As of 31 December 2022, Aesthetic Zecret (AT-ZE) Co., Ltd. (“Subsidiary”) has intangible assets used in its business operation with net book value of 1.14 million baht or 1.01 percent of the total assets. Details are as follows.

Type	Ownership	Net Book Value
Computer software	Subsidiary	0.90
Computer software during installation	Subsidiary	0.24
Total net book value		1.14


3. Trademark, Service Mark and Petty Patent Used in Business Operation

As of 31 December 2022, the company has a total of 296 domestic trademarks and service marks. The trademarks that are important to the company's business operation are as follows:



3.1 Trademark

Trademark Image	Product	Expiration Date	Ownership
	Baking powder, icing sugar	30 August 2029	The Company
	Tapioca Starch	5 October 2031	The Company
	Baking powder, icing sugar	30 August 2029	The Company
BAKETEX เบคเทกซ์	Baking powder	15 July 2029	The Company
WINGUM วินกัม	Chemicals used in food industry	10 April 2026	The Company
WINSOFT วินซอฟท์	Chemicals used in food industry	30 March 2025	The Company
WINPHOS วินฟอส	Chemicals used in food industry	15 July 2029	The Company
WINSWEET วินสวีท	Flavoring additives other than essential oil	10 April 2026	The Company
	Wheat flour, baking powder	14 September 2025	The Company
	Wheat flour	14 September 2025	The Company
	Wheat flour	14 September 2025	The Company
WINNER วินเนอร์	cocoa powder	14 October 2024	The Company

Trademark Image	Product	Expiration Date	Ownership
WINNER วินเนอร์	Baking powder, Chemicals used in food industry	2 February 2025	The Company
	Cocoa powder	27 January 2026	The Company
	Wheat flour	27 January 2026	The Company
	Tomato puree, champignon in brine	28 February 2029	The Company
	Frozen eel	29 August 2029	The Company
	Green tea	2 July 2030	The Company
	Skin cream, supplements from plant extracts	30 January 2030	The Company
	Skin cream, supplements from plant extracts	6 February 2030	The Company
	Almond, Raisin	15 December 2026	The Company
	Baking powder, baking flour, crispy flour, potato starch, wheat flour, corn starch, seasoning, chocolate, cocoa powder	27 January 2026	The Company
	Chocolate	28 September 2031	The Company
	Cocoa powder	2 January 2032	The Company
CANNABINI แคนนาบีนี	Plant extracts for skincare, supplements from plant extracts, plant extracts in food applications	28 September 2031	The Company

Trademark Image	Product	Expiration Date	Ownership
	Supplements	30 January 2030	Subsidiary

3.2 Service Mark

Trademark Image	Service	Expiration Date	Ownership
	Food and beverage services	21 July 2026	The Company
	Food, beverage and bakery services / multiple-product selling service on online media / services	21 July 2026	The Company

4. Significant Contract in Business

4.1 Lease Agreement for Head Office Building

4.1.1 Lease Agreement for the Company's Head Office Building

As of 31 December 2022, the company has a lease agreement for the building where the head office is located with a monthly rental fee of 294,130 baht and a monthly service fee of 294,130 baht. Details of the contract are as follows:

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. ("Lessor") Winner Group Enterprise Plc. ("Tenant")	<ol style="list-style-type: none"> The rental area is located at 43 Thai CC Tower, Room No. 214 - 219, 21st Floor, South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120, with a total usable area of 1,116 square meters and a lease term is 3 years. <ol style="list-style-type: none"> Rental area of room no. 218 - 219: From 1 December 2022 - 30 November 2025 Rental area of room no. 215 - 217: From 15 March 2020 - 14 March 2023 Rental area of room number 214: From 1 November 2021 - 31 October 2024 In case Tenant does not stay within the expiration of the lease term, Tenant agrees that the paid deposit can be confiscated by Lessor.

Contract	Summary of the contract
<u>Service contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	1. Tenant agrees to pay service fees to Lessor to maintain cleanliness, orderliness and security in the common area of Thai CC Tower, as well as other related expenses. 2. The term of the contract is 3 years, with the beginning and ending period of the service contract of the office space equivalent to the beginning and ending period of the lease of the building space in each contract.

4.1.2 Lease Agreement for Subsidiary’s Head Office Building

As of 31 December 2022, the company has a lease agreement for the building where the head office is located, with a monthly rental fee of 150,960 baht and a monthly service fee of 150,960 baht. Details of the contract are as follows:

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. (“Lessor”) Aesthetic Zecret (AT-ZE) Co., Ltd. (“Tenant”)	1. The rental area is located at 43 Thai CC Tower, Room No. 175-178, 17 th Floor, South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120, with a total usable area of 592 square meters, with a lease term of 1 year from 1 December 2022 - 30 November 2023. 2. In case Tenant does not stay within the expiration of the lease term, Tenant agrees that the paid deposit can be confiscated by Lessor.
<u>Service contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. (“Lessor”) Aesthetic Zecret (AT-ZE) Co., Ltd. (“Tenant”)	1. Tenant agrees to pay service fees to Lessor to maintain cleanliness, orderliness and security in the common area of Thai CC Tower, as well as other related expenses. 2. The term of the contract is 1 years, with the beginning and ending period of the service contract of the office space equivalent to the beginning and ending period of the lease of the building space in each contract.

4.2 Lease Agreement for D  lic   Restaurant Area

As of 31 December 2021, the company has a lease agreement for the building where D  lic   restaurant is located. The monthly rent is set for a total of 45,000 baht and monthly service and utility bills for a total of 45,000 baht. Significant details of the contract are as follows:

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	1. The rental area is located at 43 Thai CC Tower, Unit 2, Floor G, South Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok 10120, with a total usable area of 42.07 square meters, with a lease term of 1 year starting from 1 July 2022 - 30 June 2023.

Contract	Summary of the contract
	<ol style="list-style-type: none"> The rental area is located at 43 Thai CC Tower, Unit 3, Floor G, South Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok 10120, with a total usable area of 31.16 square meters, with a lease term of 1 year starting from 1 April 2022 - 31 March 2023. In case Tenant does not stay within the expiration of the lease term, Tenant agrees that the paid deposit can be confiscated by Lessor.
<u>Service contract</u> <u>Partners of contract</u> Sri Siam Properties Co., Ltd. ("Lessor") Winner Group Enterprise Plc. ("Tenant")	<ol style="list-style-type: none"> Tenant agrees to pay service fees to Lessor to maintain cleanliness, orderliness and security in the common area of Thai CC Tower, as well as other related expenses. The term of the contract is 1 year, with the beginning and ending period of the service contract of the office space equivalent to the beginning and ending period of the lease of the building space in each contract.

4.3 Lease Agreement for Warehouse

As of 31 December 2022, the company has a lease agreement for the building where the warehouse is located to store raw materials and chemicals. The monthly rental fee is set at 122,800 baht and the monthly service fee is 119,300 baht. Significant details of the contract are as follows:

4.3.1 Lease Agreement for Warehouse 1

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. ("Lessor") Winner Group Enterprise Plc. ("Tenant")	<ol style="list-style-type: none"> The rental space is located at 69/16, Moo. 2, Soi Nam Daeng - Bang Phli 17, Nam Daeng - Bang Phli Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province, with a total usable area of 700 square meters. The rental period is 7 months from 1 June 2022 - 31 December 2022. Tenant agrees to place a security deposit to Lessor as an insurance to guarantee that Tenant will abide by the duration of the lease. In case Tenant wishes to renew or terminate the lease, Tenant has to notify Lessee in the period of more than 3 months and not less than 1 month before the expiration of the lease agreement.
<u>Service contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. ("Service Provider") Winner Group Enterprise Plc. ("Service Receiver")	<ol style="list-style-type: none"> Service Receiver agrees to pay service fees to the service provider and Service Provider agrees to provide services, including 24-hour security, road and other equipment maintenance, sanitary maintenance in the common areas and facility management. The term of contract is 7 months. In case of termination of the lease agreement, this service agreement shall also be terminated.

4.3.2 Lease Agreement for Warehouse 2

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	<ol style="list-style-type: none"> 1. The rental space is located at 69/15, Moo. 2, Soi Nam Daeng - Bang Phli 17, Nam Daeng - Bang Phli Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province, with a total usable area of 600 square meters. 2. The rental period is 5 months, from 1 August 2022 - 31 December 2022. 3. Tenant agrees to place a security deposit to Lessor as an insurance to guarantee that Tenant will abide by the duration of the lease. 4. In case Tenant wishes to renew or terminate the lease, Tenant has to notify Lessee in the period of more than 3 months and not less than 1 month before the expiration of the lease agreement.
<u>Service contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Service Provider”) Winner Group Enterprise Plc. (“Service Receiver”)	<ol style="list-style-type: none"> 1. Service Receiver agrees to pay service fees to the service provider and Service Provider agrees to provide services, including 24-hour security, road and other equipment maintenance, sanitary maintenance in the common areas and facility management. 2. The term of contract is 5 months. In case of termination of the lease agreement, this service agreement shall also be terminated.

4.3.3 Lease agreement for warehouse 3

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	<ol style="list-style-type: none"> 1. The rental space is located at 69/11-1, Moo. 2, Soi Nam Daeng - Bang Phli 17, Nam Daeng - Bang Phli Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province, with a total usable area of 375 square meters. 2. The rental period is 1 year 3 months, from 1 October 2021 - 31 December 2022. 3. Tenant agrees to place a security deposit to Lessor as an insurance to guarantee that Tenant will abide by the duration of the lease. 4. In case Tenant wishes to renew or terminate the lease, Tenant has to notify Lessee in the period of more than 3 months and not less than 1 month before the expiration of the lease agreement.
<u>Service contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Service Provider”) Winner Group Enterprise Plc. (“Service Receiver”)	<ol style="list-style-type: none"> 1. Service Receiver agrees to pay service fees to the service provider and Service Provider agrees to provide services, including 24-hour security, road and other equipment maintenance, sanitary maintenance in the common areas and facility management. 2. The term of contract is 1 year 3 months. In case of termination of the lease agreement, this service agreement shall also be terminated.

4.3.4 Lease agreement for warehouse 4

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	<ol style="list-style-type: none"> The rental space is located at 69/11-2, Moo. 2, Soi Nam Daeng - Bang Phli 17, Nam Daeng - Bang Phli Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province, with a total usable area of 375 square meters. The rental period is 1 year 10 months, from 1 March 2021 - 31 December 2022. Tenant agrees to place a security deposit to Lessor as an insurance to guarantee that Tenant will abide by the duration of the lease. In case Tenant wishes to renew or terminate the lease, Tenant has to notify Lessee in the period of more than 3 months and not less than 1 month before the expiration of the lease agreement.
<u>Service contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Service Provider”) Winner Group Enterprise Plc. (“Service Receiver”)	<ol style="list-style-type: none"> Service Receiver agrees to pay service fees to the service provider and Service Provider agrees to provide services, including 24-hour security, road and other equipment maintenance, sanitary maintenance in the common areas and facility management. The term of contract is 1 year 10 months. In case of termination of the lease agreement, this service agreement shall also be terminated.

4.3.5 Lease agreement for warehouse 4

Contract	Summary of the contract
<u>Rental contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Lessor”) Winner Group Enterprise Plc. (“Tenant”)	<ol style="list-style-type: none"> The rental space is located at 69/18, Moo. 2, Soi Nam Daeng - Bang Phli 17, Nam Daeng - Bang Phli Road, Bang Kaeo Subdistrict, Bang Phli District, Samut Prakan Province, with a total usable area of 375 square meters. The rental period is 9 months, from 1 April 2022 - 31 December 2022. Tenant agrees to place a security deposit to Lessor as an insurance to guarantee that Tenant will abide by the duration of the lease. In case Tenant wishes to renew or terminate the lease, Tenant has to notify Lessee in the period of more than 3 months and not less than 1 month before the expiration of the lease agreement.
<u>Service contract</u> <u>Partners of contract</u> Sannarong Co., Ltd. (“Service Provider”) Winner Group Enterprise Plc. (“Service Receiver”)	<ol style="list-style-type: none"> Service Receiver agrees to pay service fees to the service provider and Service Provider agrees to provide services, including 24-hour security, road and other equipment maintenance, sanitary maintenance in the common areas and facility management. The term of contract is 9 months. In case of termination of the lease agreement, this service agreement shall also be terminated.

4.4 Distribution Contract

The company has entered into the exclusive distributor agreement in Thailand with 6 foreign manufacturers, namely AVEBE UA, Inc, Igreca SA, JB Cocoa SDN. BHD and Osterberg International A/S. The company is also an authorized distributor agreement for foreign manufacturers such as CP Kelco Singapore Pte., Ltd. Details of the contract are as follows:

4.4.1 Exclusive Distributor Agreement

1. Distribution contract with AVEBE U.A.

- Contract partner : AVEBE U.A. (Netherlands)
- Contract start date : 1 October 2007 (updated on 27 July 2020)
- Contract period : 1 year
- Contract detail : The company is the exclusive distributor of potato starch products under the trade name "AVEBE" in Thailand.
- Renewal of contract : Upon expiration of the contract, it shall be automatically regarded as a renewal of the contract for a period of 12 months, unless any party provides a written notice for termination of the contract at least 6 months in advance.

2. Distribution contract with General Mills, Inc.

- Contract partner : General Mills, Inc (USA)
- Contract start date : 4 May 1993 (updated on 15 July 2016)
- Contract period : 3 years
- Contract detail : The company is the exclusive distributor of food products for consumption under the trade name "Bugles[®]" of General Mills, Inc. in Thailand
- Renewal of contract : Upon expiration of the contract, the parties must review the conditions before contract renewing. To terminate the contract, a written notice must be provided at least 90 days in advance.

3. Distribution contract with Igreca SA.

- Contract partner : Igreca SA (France)
- Contract start date : 1 February 2013
- Contract period : 1 year
- Contract detail : The company is the exclusive distributor of egg powder products under the trade name "IGRECA" of Igreca SA. in Thailand. However, the company has no right to sell to certain customers that the grantor has reserved right in the contract.

Renewal of contract : Upon expiration of the contract, it shall be automatically regarded as a renewal of the contract, unless any party provides a written notice for termination of the contract at least 4 months in advance.

4. Distribution contract with JB Cocoa SDN. BHD.

Contract partner : JB Cocoa SDN. BHD (Malaysia)

Contract start date : 25 March 2013

Contract period : 1 year

Contract detail : The company is the exclusive distributor of cocoa powder products under the trade name “JB Cocoa” of JB Cocoa SDN. BHD in Thailand. However, the company has no right to sell to certain customers that the grantor has reserved right in the contract.

Renewal of contract : Upon expiration of the contract, it shall be automatically regarded as a renewal of the contract, unless any party provides a written notice for termination of the contract at least 4 months in advance.

5. Distribution contract with Osterberg International A/S

Contract partner : Osterberg International A/S (Denmark)

Contract start date : 8 September 2014

Contract period : 3 years

Contract detail : The company is the exclusive distributor of processed fruit under the trade name “Orana” and “Osterberg” of Osterberg International A/S in Thailand.

Renewal of contract : Upon expiration of the contract, it shall be automatically regarded as a renewal of the contract for a period of 3 years, unless any party provides a written notice for termination of the contract at least 6 months in advance.

4.4.2 Authorized Distributor Agreement

1. Distribution contract with CP Kelco Singapore Pte., Ltd.

Contract partner : CP Kelco Singapore Pte., Ltd. (Singapore)

Contract start date : 8 November 2012 (updated on 26 November 2020)

Contract period : 2 years

Contract detail : The company is a distributor of Bio Gum and Food Gum products under the trade name “CP Kelco” of CP Kelco Singapore Pte., Ltd. However, the company has no right to sell to certain customers that the grantor has reserved right in the contract.

Renewal of contract : Upon expiration of the contract, it shall be automatically regarded as a renewal of the contract without the period of expiration, unless any party provides a written notice for termination of the contract.

4.5 Significant Commercial Contract

Winner Group Enterprise PLC. has year-to-year commercial agreements with many modern trade retailers to commercialize the company's food products. Winner Group Enterprise Plc. has continuously been able to renew the agreements and never received any contract termination requests from any partners.

Aesthetic Zecret (AT-ZE) Co., Ltd., a subsidiary of the company, has engaged in the original equipment manufacturing business for cosmetics and cosmeceuticals (“Contractor”). Naturally, when forming deals with clients, there will be a Confidentiality Agreement for production of the formula with contract partners and customers (“Customer”). The essence of the contract with all manufacturers who are involved in production is that Contractor will not disclose or disseminate formula or ingredients of the product, production techniques, production process, production license number, registration documents from Food and Drug Administration (FDA) or other documents regarding Contractor carrying out production of the products according to the law and sell by themselves to other parties. However, such conditions only remain effective while Customer is still hiring Contractor for production and will continue to be effective for a period of 1-5 years (conditions may vary depending on negotiation) unless each party requests for cancellation in writing.

4.6 Investment Policy in Subsidiaries and Associated Companies

Winner Group Enterprise PLC. has set out a policy to expand the scope of business operation by potentially setting up subsidiaries, joint ventures or investments in a business that can support and synergize with the company in the future. The company will consider the return on investment, suitable investment ratio, and other benefits that the company expects to receive from the investment, mainly for the benefits of the company's shareholders.

To establishment of subsidiaries, joint ventures or other investments must be approved by the Board of Directors and/or the shareholders' meeting, depending on the case. The company has a policy to supervise subsidiaries and/or associates by sending directors and/or assigned persons of the company as representatives according to the proportion of shares the company is holding or to serve in such subsidiaries or associated companies as directors to jointly formulate important operational policies to ensure that operations are align.

The company has invested in a subsidiary on 2 April 2018, Aesthetic Zecret (AT-ZE) Company Limited (“AT-ZE”), in which the company holds 100 percent of the shares. AT-ZE is engaged in the Original Equipment Manufacturing (OEM) business for skin care products, cosmetics, supplements and drugs used to treat skin diseases. Currently, there is only 1 distribution channel, which is the OEM customer group. The company has sent 4 representatives, namely Mr. Jane Wongisariyakul, Mrs. Vannaporn Wongisariyakul, Miss Kanokpan Kreangkraikrissada and Miss Kanollas Wongisariyakul, to serve as directors for AT-ZE, from a total of 5 directors, to supervise the operation for AT-ZE to be in accordance with the policies and goals set by the company.

On May 13, 2021, the meeting of the Board of Directors No. 2/2021 resolved to approve the investment in Winner Agro Innovation Company Limited by purchasing ordinary shares in the proportion of 45% of the paid-up capital,

which Winner Agro Innovation Company Limited is engaged in the manufacturing and distributing business of raw materials, seedling, hemp extract and all kinds of agricultural products. The company has sent 1 representative to serve in the position of director, namely Mr. Jane Wongisariyakul, to participate in considering the company's policies and goals.

4.7 Details of asset evaluation items as of 31 December 2022

- No data -

Attachment 5

Full Version of the Policies and Guidelines for Corporate Governance and Code of Conduct

Please to be studying policy and Corporate Governance Guideline and Code of Conducts full version at www.winnergroup.co.th >> “Investor Relation” >> “Corporate Governance” link as follow: -

Corporate Governance Policy

<http://www.winnergroup.co.th/good-governance/17.html>

Code of Conducts

<http://www.winnergroup.co.th/good-governance/616.html>

The Board of Director Committee charter and Sub-Committees Charter

<http://www.winnergroup.co.th/good-governance/19.html>

Attachment 6

Report of 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 2022, the Audit Committee held a total of 5 meetings, each committee member attended the meetings as shown in the following details.

1. Mr. Prakarn Tawisuwan	Chairman of Audit Committee	attended 5/5 meetings
2. Miss Thipawan Uthaisang	Member of Audit Committee	attended 5/5 meetings
3. Dr. Warunee Varanyanond	Member of Audit Committee	attended 5/5 meetings

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

1. Quarterly review 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 2022, 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. Consider the connected transactions and transactions which may cause conflicts of interest, in compliance with the laws and regulations of the Stock Exchange of Thailand. 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 were reasonable and benefit to the Company.
3. Review the Company's internal audit and internal control to ensure the independency and efficiency. joint-reviewed annual internal audit plan as well as joined meeting with Company's auditor and/or Company's internal audit without Management at least once a year which will be held on Quarter 4 of the year, advised and followed up corrective action 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. Review and monitor 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. Review the appropriateness and adequacy of risk management, by monitoring the risk management plans of 2022 and evaluating the risk management measures.
6. Consider, select and recommend 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. Consider, select and recommend 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. Report the committee's performance to the Board every quarter and make 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 27, 2023

Report of Nomination Remuneration and Corporate Governance Committee

The Nomination Remuneration and Corporate Governance Committee of Winner Group Enterprise Public Company Limited has been appointed by the Board of Directors, this consists of 2 independent directors and 1 non-executive director.

The Nomination Remuneration and Corporate Governance Committee has performed duties as assigned by the Board of Directors, which is in accordance with the Charter and the good corporate governance guidelines provided by the Securities and Exchange Commission and the Stock Exchange of Thailand.

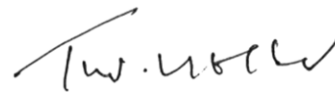
In 2022, the Nomination Remuneration and Corporate Governance Committee held a total of 2 meetings, each committee member attended the meetings as shown in the following details.

1. Ms. Thipawan	Uthaisang	Chairman of NRCG	attended 2/2 meetings
2. Dr. Warunee	Varanyanond	Member of NRCG	attended 2/2 meetings
3. Mr. Surapat	Rojchanavisart	Member of NRCG	attended 2/2 meetings

The Nomination Remuneration and Corporate Governance Committee performance can be summarized as follows:

1. Review and nominated people who are legally qualified and pass the rules relating to the positioning of the board of directors as replacement of persons retire by rotation, by outlining recruitment method from relevant business experience and industry knowledge and using Board Skill Matrix to help in director recruitment and conform to corporate strategy as appropriate, to propose to the board of directors meeting and the general meeting of shareholders for further consideration. The directors who have interests will abstain from voting.
2. Consider the remuneration of the board of directors and sub-committees, by carefully scrutinizing the various suitability and compare with reference from the same industry, and economic conditions, as well as the appropriateness and responsibility of the number of the board of directors and sub-committees, to present to the board of directors and the shareholders' meeting for approval.
3. Encourage and supported the company to allow shareholders to propose agendas for the 2022 annual general meeting of shareholders and nominate qualified persons to be considered for election as a director according to the criteria disclosed on the company's website from 22 December 2021 to 21 February 2022.
4. Consider assessment of CEO's Performance and propose to the board of directors' meeting for agreed. Also, the assessment result of CEO will bring to consider remuneration of CEO and propose to the board of directors' meeting for approval.
5. Plan for succession of senior management and prepare the readiness of next potential generation to be successor.
6. Oversee the Board of Directors, sub committees and executives for good corporate governance and code of conduct.

7. Review good corporate governance manual and code of conduct of the company to compare with international standards and The Stock Exchange of Thailand and present to the Board of Directors for consideration of improvement.
8. Arrange to assess the performance of the Nomination Remuneration and Corporate Governance Committee for the year 2022 and report the assessment results to the Board of Directors to be develop in effective operations.
9. Consider and review the charter of the Nomination Remuneration and Corporate Governance Committee in light of the current situation and Good Corporate Governance.



(Ms. Thipawan Uthaisang)

Chairman of the Nomination Remuneration and
Corporate Governance Committee

February 27, 2023

Report of Risk Management Committee

The Risk Management Committee of Winner Group Enterprise Public Company Limited has been appointed by the Board of Directors, this consists of 4 executive directors and 1 management.

In 2022, the Risk Management Committee held a total of 4 meetings, each committee member attended the meetings as shown in the following details.

1. Mr. Jane	Wongisariyakul	Chairman of RMC	attended 4/4 meetings
2. Mrs. Vannaporn	Wongisariyakul	Member of RMC	attended 4/4 meetings
3. Ms. Kanokpan	Kreangkraikrissada	Member of RMC	attended 4/4 meetings
4. Ms. Kanollas	Wongisariyakul	Member of RMC	attended 4/4 meetings
5. Ms. Prapasiri	Pisitsangkakan	Member of RMC	attended 4/4 meetings

The Risk Management Committee performance can be summarized as follows:

1. Review risk management policies, objective, and Enterprise Risk Management Framework as framework for the organization's risk management processes. To be in the same direction and in accordance with the company's goal and strategies.
2. Monitor risk identification which consider both external and internal factor which affect to the company about no able achieve objectives and risk assessment both impact and likelihood of the identified risk. In order to prioritize risks and select appropriate risk treatment methods including analysis, following and reporting systematic.
3. Report the Risk Management Committee's performance to the Board of Directors every quarter.
4. Arrange to assess the performance of the Risk Management Committee for the year 2022 and report the assessment results to the Board of Directors to be develop in effective operations.
5. Consider and review the charter of the Risk Management Committee in light of the company's objectives, the company's strategies, and the current situation.



(Mr. Jane Wongisariyakul)

Chairman of Risk Management Committee

February 27, 2023

