

-Translation-

Ref. WINNER 16/2021

August 11, 2021

Subject: Management Discussion and Analysis for the 3-month period and 6-month period ended 30 June 2021

To: The President  
The Stock Exchange of Thailand

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

1.1 Analysis of Operating Results for the Company and its subsidiary for the 3-month period ended 30 June 2021

Table 1: Operating results for the 3-month period ended 30 June 2021

	Consolidated		Increase		Separate Financial		Increase (Decrease)	
	Financial Statements		(Decrease)		Statements		(Decrease)	
	2021	2020	Thousand	%	2021	2020	Thousand	%
			Baht				Baht	
Total revenues	392,275	359,814	32,461	9.0	383,568	346,219	37,349	10.8
Sales and service income	389,186	358,700	30,486	8.5	379,296	344,174	35,122	10.2
Cost of sales and service	299,949	273,084	26,865	9.8	293,421	265,848	27,573	10.4
<b>Gross profit</b>	<b>89,237</b>	<b>85,616</b>	<b>3,621</b>	<b>4.2</b>	<b>85,875</b>	<b>78,326</b>	<b>7,549</b>	<b>9.6</b>
Other income	3,089	1,114	1,975	177.3	4,272	2,045	2,227	108.9
<b>Profit before expenses</b>	<b>92,326</b>	<b>86,730</b>	<b>5,596</b>	<b>6.5</b>	<b>90,147</b>	<b>80,371</b>	<b>9,776</b>	<b>12.2</b>
Selling and distribution expenses	25,377	23,303	2,074	8.9	23,809	21,196	2,613	12.3
Administrative expenses	42,199	43,505	(1,306)	(3.0)	33,807	32,911	896	2.7
Loss from impairment of investment in subsidiary	-	-	-	-	17,750	-	17,750	100.0
<b>Total Expenses</b>	<b>67,576</b>	<b>66,808</b>	<b>768</b>	<b>1.1</b>	<b>75,366</b>	<b>54,107</b>	<b>21,259</b>	<b>39.3</b>
<b>Profit from operating activities</b>	<b>24,750</b>	<b>19,922</b>	<b>4,828</b>	<b>24.2</b>	<b>14,781</b>	<b>26,264</b>	<b>(11,483)</b>	<b>(43.7)</b>
Share of loss from investment in associate	1,016	-	1,016	100.0	-	-	-	-
Finance cost	1,557	2,487	(930)	(37.4)	1,245	2,075	(830)	(40.0)
<b>Profit before income tax expenses</b>	<b>22,177</b>	<b>17,435</b>	<b>4,742</b>	<b>27.2</b>	<b>13,536</b>	<b>24,189</b>	<b>(10,653)</b>	<b>(44.0)</b>
Income tax expenses	6,821	4,926	1,895	38.5	6,809	5,191	1,618	31.2
<b>Profit for the period</b>	<b>15,356</b>	<b>12,509</b>	<b>2,847</b>	<b>22.8</b>	<b>6,727</b>	<b>18,998</b>	<b>(12,271)</b>	<b>(64.6)</b>
<b>Gross profit margin</b>	<b>22.9%</b>	<b>23.9%</b>	<b>(1.0%)</b>		<b>22.6%</b>	<b>22.8%</b>	<b>(0.2%)</b>	
<b>Selling and distribution expenses per net sales</b>	<b>6.5%</b>	<b>6.5%</b>	<b>-</b>		<b>6.3%</b>	<b>6.2%</b>	<b>0.1%</b>	
<b>Administrative expense per net sales</b>	<b>10.8%</b>	<b>12.1%</b>	<b>(1.3%)</b>		<b>8.9%</b>	<b>9.6%</b>	<b>(0.7%)</b>	
<b>Net profit margin</b>	<b>3.9%</b>	<b>3.5%</b>	<b>0.4%</b>		<b>1.8%</b>	<b>5.5%</b>	<b>(3.7%)</b>	
<b>Earnings per share (Bath/Share)</b>	<b>0.04</b>	<b>0.03</b>	<b>0.01</b>		<b>0.02</b>	<b>0.05</b>	<b>(0.03)</b>	

(Unit: Thousand Baht)

■ Revenues from sales and service

Table 2: Revenues from sales separated by main product segment for the 3-month period ended 30 June 2021

(Unit: Thousand Baht)

Product Category	For the 3-month period ended 30 June				Increase (Decrease)	
	2021		2020		Thousand	%
	2021	%	2020	%	Baht	%
Industrial food products segment	176,828	45.4	152,732	42.6	24,096	15.8
Consumer food products segment	200,659	51.6	188,159	52.4	12,500	6.6
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	11,699	3.0	17,809	5.0	(6,110)	(34.3)
<b>Total</b>	<b>389,186</b>	<b>100.0</b>	<b>358,700</b>	<b>100.0</b>	<b>30,486</b>	<b>8.5</b>

In Q2/2021, the Company and its subsidiary had revenues from sales and service amount of Baht 389 million, increasing from the same period of previous year amount of Baht 30 million or 8.5%

Revenues from sales of industrial food products segment increased from the same period of previous year amount of Baht 24 million or 15.8% which was mainly from food ingredient group such as fruit filling & topping, icing sugar, starch, etc. and revenues from sales of consumer food products segment increased amount of Baht 13 million or 6.6% which was mainly from products like almond, snack, frozen vegetable and fruit, etc. However, revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 6 million or 34.3% which was mainly from the Coronavirus 2019 outbreak situation has been being severe and highly affected revenues of this segment.

■ Gross profit

In Q2/2021, the Company and its subsidiary's gross profit was Bath 89 million, increasing from the same period of previous year amount of Baht 4 million. The profit margin was 22.9%, decreasing from the same period of previous year 1.0%.

The Company's gross profit was Baht 86 million, increasing from the same period of previous year amount of Baht 8 million. The profit margin was 22.6%, slightly decreasing from the same period of previous year 0.2%.

■ Other income

Other income for Q2/2021 was Baht 3 million, increasing from the same period of previous year amount of Baht 2 million which was mainly from gain on exchange rate increased amount of Baht 2 million.

## Expenses

### ▪ Selling and distribution expenses

Selling and distribution expenses for Q2/2021 was Baht 25 million, increasing from the same period of previous year amount of Baht 2 million which was consistent with sales increasing. Besides, selling and distribution expenses per net sales was 6.5%, equal to the same period of previous year.

### ▪ Administrative expenses

In Q2/2021, administrative expense was Baht 42 million, slightly decreasing from the same period of previous year amount of Baht 1 million or 3%.

### ▪ Loss from impairment of investment in subsidiary

In Q2/2021, the Company recognised loss from impairment of investment in subsidiary approximately amount of Baht 18 million to present the investment with expected recoverable value as the Coronavirus 2019 outbreak situation has been being severe and affected business activities of the subsidiary. The Company determined the recoverable value of investment by the value in use of assets estimating from future cash flow which expected to be received based on the financial plan.

### ▪ Finance cost

Finance cost of the Company and its subsidiary for Q2/2021 decreased from the same period of previous year amount of Baht 1 million. The main reason was from the Company and its subsidiary decreased in long-term loans due to principle repayment during the period.

### ▪ Share of loss from investment in associate

On 13 May 2021, the Company's Board of Directors' Meeting passed a resolution approving the acquisition of ordinary shares of Winner Agro Innovation Company Limited which engaged in the production and distribution of raw materials, seedling varieties, and extracts of hemp amount of 1,350,000 shares at a price of Baht 10.52 per share, or totally Baht 14.2 million. The investment represents 45% of all issued ordinary shares of such company and the Company made payment for the investment in June 2021.

As at 30 June 2021, the carrying amounts of investment based on equity method was Baht 13.2 million, so the Company recognised share of loss from investment in associate in consolidated financial statements for Q2/2021 amount of Baht 1 million.

- Profit for the period

The Company and its subsidiary's profit for Q2/2021 was Baht 15 million, increasing from the same period of previous year amount of Baht 3 million or 22.8%. Besides, the net profit margin was 3.9%, increasing from the same period of previous year 0.4%.

The Company's profit for the period was Baht 7 million, decreasing from the same period of previous year amount of Baht 12 million or 64.6%. The main reason was due to loss from impairment of investment in subsidiary approximately amount of Baht 18 million. Besides, the net profit margin was 1.8%, decreasing from the same period of previous year 3.7%.

*Nevertheless, analysis of normal operating results excluded such loss from impairment of investment in subsidiary, the Company's profit for Q2/2021 was Baht 24 million which increased from the same period of previous year amount of Baht 5 million or 28.8%. Besides, the normal net profit margin was 6.4%, increasing from the same period of previous year 0.9%.*



## 1.2 Analysis of Operating Results for the Company and its subsidiary for the 6-month period ended 30 June 2021

Table 3: Operating results for the 6-month period ended 30 June 2021

	Consolidated		Increase		Separate Financial		Increase (Decrease)	
	Financial Statements		(Decrease)		Statements		(Decrease)	
	2021	2020	Thousand	%	2021	2020	Thousand	%
			Baht				Baht	
Total revenues	812,622	806,687	5,935	0.7	795,271	784,971	10,300	1.3
Sales and service income	807,629	801,948	5,681	0.7	788,086	778,251	9,835	1.3
Cost of sales and service	621,515	605,328	16,187	2.7	608,274	591,578	16,696	2.8
<b>Gross profit</b>	<b>186,114</b>	<b>196,620</b>	<b>(10,506)</b>	<b>(5.3)</b>	<b>179,812</b>	<b>186,673</b>	<b>(6,861)</b>	<b>(3.7)</b>
Other income	4,993	4,739	254	5.4	7,185	6,720	465	6.9
<b>Profit before expenses</b>	<b>191,107</b>	<b>201,359</b>	<b>(10,252)</b>	<b>(5.1)</b>	<b>186,997</b>	<b>193,393</b>	<b>(6,396)</b>	<b>(3.3)</b>
Selling and distribution expenses	50,907	50,363	544	1.1	47,511	45,664	1,847	4.0
Administrative expenses	86,466	87,711	(1,245)	(1.4)	70,012	66,762	3,250	4.9
Loss from impairment of investment in subsidiary	-	-	-	-	17,750	-	17,750	100.0
<b>Total Expenses</b>	<b>137,373</b>	<b>138,074</b>	<b>(701)</b>	<b>(0.5)</b>	<b>135,273</b>	<b>112,426</b>	<b>22,847</b>	<b>20.3</b>
<b>Profit from operating activities</b>	<b>53,734</b>	<b>63,285</b>	<b>(9,551)</b>	<b>(15.1)</b>	<b>51,724</b>	<b>80,967</b>	<b>(29,243)</b>	<b>(36.1)</b>
Share of loss from investment in associate	1,016	-	1,016	100.0	-	-	-	-
Finance cost	3,279	5,155	(1,876)	(36.4)	2,642	4,288	(1,646)	(38.4)
<b>Profit before income tax expenses</b>	<b>49,439</b>	<b>58,130</b>	<b>(8,691)</b>	<b>(15.0)</b>	<b>49,082</b>	<b>76,679</b>	<b>(27,597)</b>	<b>(36.0)</b>
Income tax expenses	14,184	12,730	1,454	11.4	14,158	15,395	(1,237)	(8.0)
<b>Profit for the period</b>	<b>35,255</b>	<b>45,400</b>	<b>(10,145)</b>	<b>(22.3)</b>	<b>34,924</b>	<b>61,284</b>	<b>(26,360)</b>	<b>(43.0)</b>
<b>Gross profit margin</b>	<b>23.0%</b>	<b>24.5%</b>	<b>(1.5%)</b>		<b>22.8%</b>	<b>24.0%</b>	<b>(1.2%)</b>	
<b>Selling and distribution expenses per net sales</b>	<b>6.3%</b>	<b>6.3%</b>	<b>-</b>		<b>6.0%</b>	<b>5.9%</b>	<b>0.1%</b>	
<b>Administrative expense per net sales</b>	<b>10.7%</b>	<b>10.9%</b>	<b>(0.2%)</b>		<b>8.9%</b>	<b>8.6%</b>	<b>0.3%</b>	
<b>Net profit margin</b>	<b>4.3%</b>	<b>5.6%</b>	<b>(1.3%)</b>		<b>4.4%</b>	<b>7.8%</b>	<b>(3.4%)</b>	
<b>Earnings per share (Bath/Share)</b>	<b>0.09</b>	<b>0.11</b>	<b>(0.02)</b>		<b>0.09</b>	<b>0.15</b>	<b>(0.06)</b>	

### ■ Revenues from sales and service

Table 4: Revenues from sales separated by main product segment for the 6-month period ended 30 June 2021

Product Category	For the 6-month period ended 30 June				Increase (Decrease)	
	2021		2020		Thousand	
		%		%	Baht	%
Industrial food products segment	357,982	44.3	332,494	41.5	25,488	7.7
Consumer food products segment	427,954	53.0	441,938	55.1	(13,984)	(3.2)
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	21,693	2.7	27,516	3.4	(5,823)	(21.2)
<b>Total</b>	<b>807,629</b>	<b>100.0</b>	<b>801,948</b>	<b>100.0</b>	<b>5,681</b>	<b>0.7</b>

For the first half-year of 2021, the Company and its subsidiary had revenues from sales and service amount of Baht 807 million, slightly increasing from the same period of previous year amount of Baht 6 million or 0.7%

Revenues from sales of industrial food products segment increased amount of Baht 25 million or 7.7% which was from food ingredient group such as fruit filling & topping, icing sugar, starch, frozen & chilled products, etc. while revenues from sales of consumer food products segment decreased amount of Baht 14 million or 3.2% which was mainly from products such as snack and confectionery group and gourmet food group, etc. Moreover, revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 6 million or 21.2% which was mainly from the effect of Coronavirus 2019 outbreak situation that has been being severe.

▪ Gross profit

For the first half-year of 2021, the Company and its subsidiary's gross profit was Bath 186 million, decreasing from the same period of previous year amount of Baht 11 million, which was comprised of the Company's gross profit amount of Baht 180 million, decreasing from the same period of previous year amount of Baht 7 million

The Company and its subsidiary's gross profit margin was 23.0%, decreasing 1.5%, which was the Company's gross profit margin 22.8%, decreasing from the same period of previous year 1.2%. The main reasons were from increasing in discount promotions and free products from the same period of previous year to boost up sales due to purchasing power of consumers was reduced since the Coronavirus 2019 outbreak situation has been being severe as mentioned above.

▪ Other income

For the first half-year of 2021, the Company and its subsidiary's other income was Bath 5 million, insignificantly changed from the same period of previous year.

Expenses

▪ Selling and distribution expenses

The Company and its subsidiary's selling and distribution expenses for the first half-year of 2021 was Baht 51 million, slightly increasing from the same period of previous year amount of Baht 1 million or 1.1% which was consistent with sales increasing. Besides, selling and distribution expenses per net sales was 6.3%, equal to the same period of previous year.

▪ Administrative expenses

For the first half-year of 2021, the Company and its subsidiary's administrative expenses was Baht 86 million, slightly decreasing from the same period of previous year amount of Baht 1 million or 1.4%. The Company's administrative expenses increased approximately Baht 3 million which was mainly from employee expenses increased amount of Baht 4 million, warehouse rental expenses increased amount of Baht 1 million and depreciation expenses increased amount of Baht 1 million. However, provision for loss from stock obsoleted decreased amount of Baht 4 million. On the other hand, the subsidiary's administrative expenses decreased amount of Baht 4 million which was mainly from employee expenses decreased amount of Baht 3 million and depreciation expenses decreased amount of Baht 1 million.

▪ Loss from impairment of investment in subsidiary

The Company recognised loss from impairment of investment in subsidiary during the first half-year of 2021 approximately amount of Baht 18 million to present the investment with expected recoverable value as the Coronavirus 2019 outbreak situation has been being severe and affected business activities of the subsidiary. The Company determined the recoverable value of investment by the value in use of assets estimating from future cash flow which expected to be received based on the financial plan.

▪ Finance cost

Finance cost of the Company and its subsidiary for the first half-year of 2021 decreased from the same period of previous year amount of Baht 2 million. The main reason was from the Company and its subsidiary decreased in long-term loans due to principle repayment during the period.

▪ Share of loss from investment in associate

On 13 May 2021, the Company's Board of Directors' Meeting passed a resolution approving the acquisition of ordinary shares of Winner Agro Innovation Company Limited which engaged in the production and distribution of raw materials, seedling varieties, and extracts of hemp amount of 1,350,000 shares at a price of Baht 10.52 per share, or totally Baht 14.2 million. The investment represents 45% of all issued ordinary shares of such company and the Company made payment for the investment in June 2021.

As at 30 June 2021, the carrying amounts of investment based on equity method was Baht 13.2 million, so the Company recognised share of loss from investment in associate in consolidated financial statements for the first half-year of 2021 amount of Baht 1 million.

▪ Profit for the period

The Company and its subsidiary's profit for the first 6-month period of 2021 was Baht 35 million, decreasing from the same period of previous year amount of Baht 10 million or 22.3%. Besides, the net profit margin was 4.3%, decreasing from the same period of previous year 1.3%.

The Company's profit for the period was Baht 35 million, decreasing from the same period of previous year amount of Baht 26 million or 43.0%. The main reason was due to loss from impairment of investment in subsidiary approximately amount of Baht 18 million. Besides, the net profit margin was 4.4%, decreasing from the same period of previous year 3.4%.

*Nevertheless, analysis of normal operating results excluded such loss from impairment of investment in subsidiary, the Company's profit for the first 6-month period of 2021 was Baht 53 million which decreased from the same period of previous year amount of Baht 9 million or 14.0%. Besides, the normal net profit margin was 6.6%, increasing from the same period of previous year 1.2%.*

## 2. Financial Position Analysis

Table 5: Overall Financial Position of the Company and its subsidiary as at 30 June 2021

(Unit: Thousand Baht)

	Consolidated Financial Statements				Increase (Decrease)		Separate Financial Statements				Increase (Decrease)	
	30/6/21	%	31/12/20	%	Thousand Baht	%	30/6/21	%	31/12/20	%	Thousand Baht	%
Current Assets	657,110	56.8	681,707	57.7	(24,597)	(3.6)	643,468	55.7	665,521	56.7	(22,053)	(3.3)
Non-Current Assets	499,866	43.2	499,438	42.3	428	0.1	510,780	44.3	508,701	43.3	2,079	0.4
<b>Total Assets</b>	<b>1,156,976</b>	<b>100.0</b>	<b>1,181,145</b>	<b>100.0</b>	<b>(24,169)</b>	<b>(2.0)</b>	<b>1,154,248</b>	<b>100.0</b>	<b>1,174,222</b>	<b>100.0</b>	<b>(19,974)</b>	<b>(1.7)</b>
Current Liabilities	466,933	40.4	444,004	37.6	22,929	5.2	426,438	36.9	401,229	34.2	25,209	6.3
Non-Current Liabilities	75,540	6.5	117,893	10.0	(42,353)	(35.9)	66,313	5.8	106,420	9.0	(40,107)	(37.7)
<b>Total Liabilities</b>	<b>542,473</b>	<b>46.9</b>	<b>561,897</b>	<b>47.6</b>	<b>(19,424)</b>	<b>(3.5)</b>	<b>492,751</b>	<b>42.7</b>	<b>507,649</b>	<b>43.2</b>	<b>(14,898)</b>	<b>(2.9)</b>
Shareholders' equity	614,503	53.1	619,248	52.4	(4,745)	(0.8)	661,497	57.3	666,573	56.8	(5,076)	(0.8)
<b>Total liabilities and shareholders' equity</b>	<b>1,156,976</b>	<b>100.0</b>	<b>1,181,145</b>	<b>100.0</b>	<b>(24,169)</b>	<b>(2.0)</b>	<b>1,154,248</b>	<b>100.0</b>	<b>1,174,222</b>	<b>100.0</b>	<b>(19,974)</b>	<b>(1.7)</b>

### 2.1 Assets

As at 30 June 2021, the Company and its subsidiary had total assets amount of Baht 1,157 million which were comprised of current assets amount of Baht 657 million or 56.8% of total assets and non-current assets amount of Baht 500 million or 43.2% of total assets.

The main compositions of assets were inventories amount of Baht 351 million or 30.3%, property, plant and equipment amount of Baht 327 million or 28.2%, trade and other receivables amount of Baht 247 million or 21.3% and goodwill amount of Baht 94 million or 8.2%.

- Current assets were Baht 657 million, decreasing from the end of previous year amount of Baht 682 million or 3.6%, which were mainly from trade and other receivables decreased amount of Baht 81 million according to decreasing in sales from the late previous year while inventories increased amount of Baht 55 million which were stored to respond to sales volume of the second half-year of 2021.
- Non-current assets were Baht 500 million, insignificantly changed from the end of previous year. The composition which mainly changed was property, plant and equipment that decreased amount of Baht 10 million due to assets acquisition amount of Baht 3 million, assets disposal amount of Baht 2 million, and depreciation expenses amount of Baht 11 million during the period. On the other hand, investment in associate increased amount of Baht 13 million because the Company acquired investment in associate approximately amount of Baht 14 million during Q2/2021 and recognised share of loss from investment in associate in consolidated financial statements for the first half-year of 2021 amount of Baht 1 million.



## 2.2 Liabilities

As at 30 June 2021, the Company and its subsidiary had total liabilities amount of Baht 542 million, which were comprised of current liabilities amount of Baht 467 million or 86.1% of total liabilities and non-current liabilities amount of Baht 75 million or 13.9% of total liabilities.

The main compositions of liabilities were trade and other payables amount of Baht 222 million or 40.9%, bank overdrafts and short-term loans from financial institutions amount of Baht 163 million or 30.1%, current portion of long-term loans from financial institutions amount of Baht 41 million or 7.6% and long-term loans from financial institutions net of current portion amount of Baht 35 million or 6.5%.

- Current liabilities increased from the end of previous year amount of Baht 23 million or 5.2% which were mainly from short-term loans from financial institutions in form of trust receipts increased amount of Baht 73 million while trade and other payables decreased amount of Baht 48 million.
- Non-current liabilities decreased from the end of previous year amount of Baht 42 million or 35.9% which were mainly from long-term loans from financial institutions - net of current portion decreased amount of Baht 41 million from loans repayment during the period.

## 2.3 Shareholders' equity

Shareholders' equity as at 30 June 2021 was Baht 614 million, decreasing from the end of previous year amount of Baht 5 million due to net profit for the first 6-month period of 2021 of the Company and its subsidiary amount of Baht 35 million and dividend payment during the period amount of Baht 40 million.

## 3. Cash flows Analysis

Table 6: Overall cash flow of the Company and its subsidiary for the 6-month period ended 30 June 2021

(Unit: Thousand Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash flows from operating activities	21,408	55,603	28,561	67,932
Cash flows used in investing activities	(16,179)	(4,164)	(25,774)	(20,363)
Cash flows used in financing activities	(13,004)	(4,418)	(9,824)	(1,285)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(7,775)</b>	<b>47,021</b>	<b>(7,037)</b>	<b>46,284</b>
Cash and cash equivalents at beginning of the period	43,813	37,327	40,819	35,724
Cash and cash equivalents at end of the period	36,038	84,348	33,782	82,008

- The Company and its subsidiary had net cash flows from operating activities for the first 6-month period of 2021 amount of Baht 21 million which was the Company's net cash flows amount of Baht 29 million.

▪ Net cash flows used in investing activities

✚ **The Company and its subsidiary**

✚ 2021: The Company and its subsidiary's net cash flows used in investing activities was amount of Baht 16 million which was mainly due to acquisition of investment in associate approximately amount of Baht 14 million and acquisition of right-of-use car amount of Baht 3 million and equipment amount of Baht 1 million. Meanwhile, there was cash received from sales of equipment amount of Baht 2 million.

✚ 2020: The Company and its subsidiary's net cash flows used in investing activities was amount of Baht 4 million which was mainly due to acquisition of equipment and intangible assets during the period amount of Baht 3 million and Baht 1 million, respectively.

✚ **The Company**

✚ 2021: The Company's net cash flows used in investing activities was amount of Baht 26 million which was mainly due to acquisition of investment in associate approximately amount of Baht 14 million, short-term loans to subsidiary during the period amount of Baht 13 million, and acquisition of right-of-use car and equipment amount of Baht 3 million and Baht 1 million, respectively. Meanwhile, there was cash received from sales of equipment amount of Baht 2 million and long-term loans repayment from subsidiary amount of Baht 1 million.


✚ 2020: The Company's net cash flows used in investing activities was amount of Baht 20 million which was mainly due to loans to subsidiary during the period amount of Baht 21 million and acquisition of equipment and intangible assets during the period amount of Baht 3 million and Baht 1 million, respectively. Meanwhile, the Company received interest income from subsidiary amount of Baht 4 million.

▪ Net cash flows used in financing activities

✚ **The Company and its subsidiary**

✚ 2021: The Company and its subsidiary's net cash flows used in financing activities was amount of Baht 13 million which was mainly due to dividend paid to shareholders amount of Baht 40 million, long-term loans repayment to financial institutions amount of Baht 41 million, and payment under lease liabilities amount of Baht 5 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 73 million.

✚ 2020: The Company and its subsidiary's net cash flows used in financing activities was amount of Baht 4 million which was mainly due to dividend paid to shareholders amount of Baht 40 million, long-term loans repayment to financial institutions amount of Baht 18 million and payment under lease liabilities amount of Baht 5 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 59 million.

 **The Company**

 2021: The Company's net cash flows used in financing activities was amount of Baht 10 million which was mainly due to dividend paid to shareholders amount of Baht 40 million, long-term loans repayment to financial institutions amount of Baht 39 million, and payment under lease liabilities amount of Baht 4 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 73 million.

 2020: The Company's net cash flows used in financing activities was amount of Baht 1 million which was mainly due to dividend paid to shareholders amount of Baht 40 million, long-term loans repayment to financial institutions amount of Baht 17 million and payment under lease liabilities amount of Baht 3 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 59 million.

Refer to the above information, the Company and its subsidiary decreased in net cash and cash equivalents during the first 6-month period of 2021 amount of Baht 8 million. Including with cash and cash equivalents as at 31 December 2020 amount of Baht 44 million, the Company and its subsidiary's cash and cash equivalents as at 30 June 2021 was totally amount of Baht 36 million.

Please be informed accordingly.

Yours faithfully,



(Jane Wongisariyakul)

CEO

Winner Group Enterprise Public Co., Ltd.

