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Ref. WINNER 024/2021

November 11, 2021

Subject: Management Discussion and Analysis for the 3-month period and 9-month period ended 30 September 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 September 2021

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

(Unit: Thousand Baht)

	Consolidated Financial Statements		Increase (Decrease)		Separate Financial Statements		Increase (Decrease)	
	2021	2020	Thousand Baht	%	2021	2020	Thousand Baht	%
Total revenues	454,830	423,747	31,083	7.3	447,122	411,639	35,483	8.6
Sales and service income	452,728	421,688	31,040	7.4	444,393	408,381	36,012	8.8
Cost of sales and service	353,800	326,511	27,289	8.4	349,050	317,072	31,978	10.1
Gross profit	98,928	95,177	3,751	3.9	95,343	91,309	4,034	4.4
Other income	2,102	2,059	43	2.1	2,729	3,258	(529)	(16.2)
Profit before expenses	101,030	97,236	3,794	3.9	98,072	94,567	3,505	3.7
Selling and distribution expenses	25,257	25,530	(273)	(1.1)	23,831	23,090	741	3.2
Administrative expenses	41,244	44,286	(3,042)	(6.9)	33,660	35,188	(1,528)	(4.3)
Total Expenses	66,501	69,816	(3,315)	(4.7)	57,491	58,278	(787)	(1.4)
Profit from operating activities	34,529	27,420	7,109	25.9	40,581	36,289	4,292	11.8
Share of loss from investment in associate	709	-	709	100.0	-	-	-	-
Finance cost	1,680	2,424	(744)	(30.7)	1,390	2,043	(653)	(32.0)
Profit before income tax expenses	32,140	24,996	7,144	28.6	39,191	34,246	4,945	14.4
Income tax expenses	7,900	6,549	1,351	20.6	7,848	6,722	1,126	16.8
Profit for the period	24,240	18,447	5,793	31.4	31,343	27,524	3,819	13.9
Gross profit margin	21.9%	22.6%	(0.7%)		21.5%	22.4%	(0.9%)	
Selling and distribution expenses per net sales	5.6%	6.1%	(0.5%)		5.4%	5.7%	(0.3%)	
Administrative expense per net sales	9.1%	10.5%	(1.4%)		7.6%	8.6%	(1.0%)	
Net profit margin	5.3%	4.4%	0.9%		7.0%	6.7%	0.3%	
Earnings per share (Bath/Share) ***	0.04	0.03	0.01		0.05	0.05	-	
Weighted average number of ordinary shares (Thousand shares) ***	599,975	599,975			599,975	599,975		

*** Remark:

- Earnings per share is calculated by dividing profit for the period by the weighted average number of ordinary shares issued during the period after adjusting the number of ordinary shares to reflect a result of the approval on the distribution of the stock dividend and the previous period's earnings per share was recalculated as if the stock dividend has been distributed since the beginning of the earliest period reported.
- On 28 September 2021, the Extraordinary General Meeting of the Company's shareholders passed a resolution to approve an increase of the Company's registered capital by Baht 50 million from the existing registered share capital of Baht 100 million to Baht 150 million by issuing new ordinary shares amount of 200 million shares, with a par value of Baht 0.25 each, to accommodate the stock dividend payment. The Company registered the increase in its registered capital with the Ministry of Commerce on 8 October 2021. Besides, on 20 October 2021, the Company paid the stock dividends amount of 199,974,662 ordinary shares and registered the increase in its paid-up capital with the Ministry of Commerce on 20 October 2021.

■ Revenues from sales and service

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

(Unit: Thousand Baht)

Product Category	For the 3-month period ended				Increase (Decrease)	
	30 September				Thousand Baht	%
	2021	%	2020	%		
Industrial food products segment	175,159	38.7	185,858	44.1	(10,699)	(5.8)
Consumer food products segment	264,374	58.4	222,303	52.7	42,071	18.9
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	13,195	2.9	13,527	3.2	(332)	(2.5)
Total	452,728	100.0	421,688	100.0	31,040	7.4

In Q3/2021, the Company and its subsidiary had revenues from sales and service amount of Baht 452.7 million, increasing from the same period of previous year amount of Baht 31.0 million or 7.4%

Revenues from sales of consumer food products segment increased amount of Baht 42.1 million or 18.9% which was from food ingredient group and snack & confectionary group while revenue from sales of industrial food products segment decreased amount of Baht 10.7 million or 5.8% which was mainly from food specialty group. By the way, revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 0.3 million or 2.5% which was mainly due to the current Coronavirus 2019 outbreak situation still affects most of business and industries, so the demand for products of consumers in this segment decreased.

■ Gross profit

In Q3/2021, the Company and its subsidiary's gross profit was Bath 98.9 million, increasing from the same period of previous year amount of Baht 3.8 million. The profit margin was 21.9%, decreasing from the same period of previous year 0.7%.

The Company's gross profit was Baht 95.3 million, increasing from the same period of previous year amount of Baht 4.0 million while the profit margin was 21.5%, decreasing from the same period of previous year 0.9%.

- Other income

Other income for Q3/2021 was Baht 2.1 million, insignificantly changed from the same period of previous year.

Expenses

- Selling and distribution expenses

Selling and distribution expenses for Q3/2021 was Baht 25.3 million, slightly decreasing from the same period of previous year amount of Baht 0.3 million or 1.1% which was due to employee expenses decreased amount of Baht 0.6 million and marketing expenses decreased amount of Baht 1.0 million. Meanwhile, delivery expenses increased amount of Baht 1.3 million which was in accordance with sales and oil price increasing.

- Administrative expenses

In Q3/2021, administrative expense was Baht 41.2 million, decreasing from the same period of previous year amount of Baht 3.0 million or 6.9% which was mainly due to employee expenses decreased amount of Baht 0.6 million, external warehouse rental expenses decreased amount of Baht 0.3 million, allowance for doubtful accounts decreased amount of Baht 1.3 million, provision for loss from stock obsoleted decreased amount of Baht 0.9 million and damaged stock destruction decreased amount of Baht 0.4 million. Meanwhile bad debt expenses increased amount of Baht 0.4 million.

- 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 September 2021, the carrying amounts of investment based on equity method was Baht 12.5 million which the Company has already recognised share of loss from investment in associate in Q2 amount of Baht 1.0 million, so the Company recognised the additional such loss from investment in Q3/2021 amount of Baht 0.7 million.

- Finance cost

Finance cost of the Company and its subsidiary for Q3/2021 decreased from the same period of previous year amount of Baht 0.7 million or 30.7%. The main reason was from decreasing in long-term loans due to principle repayment during the period.

■ Profit for the period

The Company and its subsidiary's profit for Q3/2021 was Baht 24.2 million, increasing from the same period of previous year amount of Baht 5.8 million or 31.4% while the net profit margin was 5.3%, increasing from the same period of previous year 0.9%.

The Company's profit for the period was Baht 31.3 million, increasing from the same period of previous year amount of Baht 3.8 million or 13.9% while the net profit margin was 7.0%, increasing from the same period of previous year 0.3%

1.2 Analysis of Operating Results for the Company and its subsidiary for the 9-month period ended 30 September 2021

Table 3: Operating results for the 9-month period ended 30 September 2021

(Unit: Thousand Baht)

	Consolidated Financial Statements		Increase (Decrease)		Separate Financial Statements		Increase (Decrease)	
	2021	2020	Thousand Baht	%	2021	2020	Thousand Baht	%
Total revenues	1,267,452	1,230,434	37,018	3.0	1,242,393	1,196,610	45,783	3.8
Sales and service income	1,260,357	1,223,636	36,721	3.0	1,232,479	1,186,632	45,847	3.9
Cost of sales and service	975,315	931,839	43,476	4.7	957,324	908,650	48,674	5.4
Gross profit	285,042	291,797	(6,755)	(2.3)	275,155	277,982	(2,827)	(1.0)
Other income	7,095	6,798	297	4.4	9,914	9,978	(64)	(0.6)
Profit before expenses	292,137	298,595	(6,458)	(2.2)	285,069	287,960	(2,891)	(1.0)
Selling and distribution expenses	76,164	75,893	271	0.4	71,342	68,754	2,588	3.8
Administrative expenses	127,710	131,997	(4,287)	(3.2)	103,672	101,950	1,722	1.7
Share of loss from investment in subsidiary	-	-	-	-	17,750	-	17,750	100.0
Total Expenses	203,874	207,890	(4,016)	(1.9)	192,764	170,704	22,060	12.9
Profit from operating activities	88,263	90,705	(2,442)	(2.7)	92,305	117,256	(24,951)	(21.3)
Share of loss from investment in associate	1,725	-	1,725	100.0	-	-	-	-
Finance cost	4,959	7,579	(2,620)	(34.6)	4,032	6,331	(2,299)	(36.3)
Profit before income tax expenses	81,579	83,126	(1,547)	(1.9)	88,273	110,925	(22,652)	(20.4)
Income tax expenses	22,084	19,279	2,805	14.5	22,006	22,117	(111)	(0.5)
Profit for the period	59,495	63,847	(4,352)	(6.8)	66,267	88,808	(22,541)	(25.4)
Gross profit margin	22.6%	23.8%	(1.2%)		22.3%	23.4%	(1.1%)	
Selling and distribution expenses per net sales	6.0%	6.2%	(0.2%)		5.8%	5.8%	-	
Administrative expense per net sales	10.1%	10.8%	(0.7%)		8.4%	8.6%	(0.2%)	
Net profit margin	4.7%	5.2%	(0.5%)		5.3%	7.4%	(2.1%)	
Earnings per share (Bath/Share) ***	0.10	0.11	(0.01)		0.11	0.15	(0.04)	
Weighted average number of ordinary shares (Thousand shares) ***	599,975	599,975			599,975	599,975		

■ Revenues from sales and service

Table 4: Revenues from sales separated by main product segment for the 9-month period ended 30 September 2021

(Unit: Thousand Baht)

Product Category	For the 9-month period ended 30 September				Increase (Decrease)	
	2021	%	2020	%	Thousand Baht	%
	Industrial food products segment	533,142	42.3	518,353	42.4	14,789
Consumer food products segment	692,327	54.9	664,240	54.3	28,087	4.2
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	34,888	2.8	41,043	3.3	(6,155)	(15.0)
Total	1,260,357	100.0	1,223,636	100.0	36,721	3.0

For the first 9-month period of 2021, the Company and its subsidiary had revenues from sales and service amount of Baht 1,260.4 million, increasing from the same period of previous year amount of Baht 36.7 million or 3.0%

Revenues from sales of industrial food products segment increased amount of Baht 14.8 million or 2.9% which was mainly from food ingredient group. Revenues from sales of consumer food products segment increased amount of Baht 28.1 million or 4.2% which was mainly from food ingredient group and snack & confectionary group. By the way, revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 6.2 million or 15.0% which was mainly from the current Coronavirus 2019 outbreak situation still affects most of business and industries, so the demand for products of consumers in this segment decreased.

■ Gross profit

For the first 9-month period of 2021, the Company and its subsidiary's gross profit was Bath 285.0 million, decreasing from the same period of previous year amount of Baht 6.8 million, which was comprised of the Company's gross profit amount of Baht 275.2 million, decreasing from the same period of previous year amount of Baht 2.8 million

The Company and its subsidiary's gross profit margin was 22.6%, decreasing 1.2% while the Company's gross profit margin was 22.3%, decreasing from the same period of previous year 1.1%. 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 the purchasing power of consumers decreased according to the Coronavirus 2019 outbreak situation as mentioned above.

■ Other income

For the first 9-month period of 2021, the Company and its subsidiary's other income was Bath 7.1 million, slightly increasing from the same period of previous year amount of Baht 0.3 million which was from commission income increased amount of Baht 1.1 million and other income increased amount of Baht 0.2 million. Meanwhile, gain on exchange rate decreased amount of Baht 1.0 million which was such gain in this period amount of Baht 0.9 million while amount of Baht 1.9 million in previous period.

Expenses

▪ Selling and distribution expenses

The Company and its subsidiary's selling and distribution expenses for the first 9-month period of 2021 was Baht 76.2 million, slightly increasing from the same period of previous year amount of Baht 0.3 million or 0.4%. The main reasons were due to delivery expenses increased amount of Baht 3.2 million, which was in accordance with sales and oil price increasing, and other selling expenses increased amount of Baht 0.3 million. Meanwhile, marketing expenses decreased amount of Baht 2.4 million and employee expense decreased amount of Baht 0.8 million.

▪ Administrative expenses

For the first 9-month period of 2021, the Company and its subsidiary's administrative expenses was Baht 127.7 million, decreasing from the same period of previous year amount of Baht 4.3 million or 3.2%. The main reasons were from provision for loss from stock obsoleted decreased amount of Baht 5.1 million (the Company: Baht 3.2 million, subsidiary: Baht 1.9 million), allowance for doubtful accounts decreased amount of Baht 1.5 million and damaged stock destruction decreased amount of Baht 0.7 million. Meanwhile, provision for long-term employee benefits based on actuarial basis increased amount of Baht 1.3 million, external warehouse rental expenses increased amount of Baht 0.6 million, depreciation expenses increased amount of Baht 0.6 million and bad debt expenses increased amount of Baht 0.4 million.

▪ Loss from impairment of investment in subsidiary

The Company recognised loss from impairment of investment in subsidiary during the first 9-month period of 2021 approximately amount of Baht 18 million to present the investment with expected recoverable value as the Coronavirus 2019 outbreak situation affected the 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.

▪ 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 September 2021, the carrying amounts of investment based on equity method was Baht 12.5 million, so the Company recognised such loss from investment in associate in consolidated financial statements for the first 9-month period of 2021 amount of Baht 1.7 million.

■ Finance cost

Finance cost of the Company and its subsidiary for the first 9-month period of 2021 decreased from the same period of previous year amount of Baht 2.6 million or 34.6% which was from decreasing in long-term loans due to principle repayment during the period.

■ Profit for the period

The Company and its subsidiary's profit for the first 9-month period of 2021 was Baht 59.5 million, decreasing from the same period of previous year amount of Baht 4.4 million or 6.8% while the net profit margin was 4.7%, decreasing from the same period of previous year 0.5%.

The Company's profit for the period was Baht 66.3 million, decreasing from the same period of previous year amount of Baht 22.5 million or 25.4%. The main reason was due to loss from impairment of investment in subsidiary approximately amount of Baht 18 million while the net profit margin was 5.3%, decreasing from the same period of previous year 2.1%.

Nevertheless, analysis of normal operating results excluded such loss from impairment of investment in subsidiary, the Company's profit for the first 9-month period of 2021 was Baht 84.0 million, decreasing from the same period of previous year amount of Baht 4.8 million or 5.4%. Besides, the normal net profit margin was 6.8%, decreasing from the same period of previous year 0.6%.

2. Financial Position Analysis

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

(Unit: Thousand Baht)

	Consolidated Financial Statements				Increase (Decrease)		Separate Financial Statements				Increase (Decrease)	
	30/9/21	%	31/12/20	%	Thousand Baht	%	30/9/21	%	31/12/20	%	Thousand Baht	%
Current Assets	763,175	60.9	681,707	57.7	81,468	12.0	751,205	59.6	665,521	56.7	85,684	12.9
Non-Current Assets	489,067	39.1	499,438	42.3	(10,371)	(2.1)	508,542	40.4	508,701	43.3	(159)	(0.0)
Total Assets	1,252,242	100.0	1,181,145	100.0	71,097	6.0	1,259,747	100.0	1,174,222	100.0	85,525	7.3
Current Liabilities	625,977	50.0	444,004	37.6	181,973	41.0	587,855	46.7	401,229	34.2	186,626	46.5
Non-Current Liabilities	43,078	3.4	117,893	10.0	(74,815)	(63.5)	34,608	2.7	106,420	9.0	(71,812)	(67.5)
Total Liabilities	669,055	53.4	561,897	47.6	107,158	19.1	622,463	49.4	507,649	43.2	114,814	22.6
Shareholders' equity	583,187	46.6	619,248	52.4	(36,061)	(5.8)	637,284	50.6	666,573	56.8	(29,289)	(4.4)
Total liabilities and shareholders' equity	1,252,242	100.0	1,181,145	100.0	71,097	6.0	1,259,747	100.0	1,174,222	100.0	85,525	7.3

2.1 Assets

As at 30 September 2021, the Company and its subsidiary had total assets amount of Baht 1,252.2 million which were comprised of current assets amount of Baht 763.2 million or 60.9% of total assets and non-current assets amount of Baht 489.0 million or 39.1% of total assets.

The main compositions of assets were inventories amount of Baht 372.7 million or 29.8%, property, plant and equipment amount of Baht 321.7 million or 25.7%, trade and other receivables amount of Baht 280.3 million or 22.4%, goodwill amount of Baht 94.4 million or 7.5% and cash and cash equivalents amount of Baht 81.3 million or 6.5%.

- Current assets were Baht 763.2 million, increasing from the end of previous year amount of Baht 81.5 million or 12.0%, which were mainly from inventories increased amount of Baht 76.8 million and advance payment for inventories increased amount of Baht 10.7 million to accommodate sales volume in the last quarter of 2021. Cash and cash equivalents increased amount of Baht 37.5 million while trade and other receivables decreased amount of Baht 47.5 million which was consistent with the decrease in sales from the late previous year.
- Non-current assets were Baht 489.1 million, decreasing from the end of previous year amount of Baht 10.4 million. The main reasons were from property, plant and equipment decreased amount of Baht 15.0 million due to depreciation expenses during the period amount of Baht 16.5 million and assets disposal amount of Baht 2.1 million. However, assets acquisition increased amount of Baht 3.6 million. Right-of-use assets decreased amount of Baht 4.9 million and intangible assets decreased amount of Baht 1.9 million. Meanwhile, investment in associate increased amount of Baht 12.5 million due to during Q2/2021, the Company acquired investment in associate amount of Baht 14.2 million and recognised loss from investment in such associate in consolidated financial statements for the first 9-month period of 2021 amount of Baht 1.7 million.

2.2 Liabilities

As at 30 September 2021, the Company and its subsidiary had total liabilities amount of Baht 669.1 million, which were comprised of current liabilities amount of Baht 626.0 million or 93.6% of total liabilities and non-current liabilities amount of Baht 43.1 million or 6.4% of total liabilities.

The main compositions of liabilities were bank overdrafts and short-term loans from financial institutions amount of Baht 264.9 million or 39.6%, trade and other payables amount of Baht 230.6 million or 34.5%, accrued dividend amount of Baht 55.6 million or 8.3% and current portion of long-term loans from financial institutions amount of Baht 41.3 million or 6.2%.

- Current liabilities increased from the end of previous year amount of Baht 182.0 million or 41.0% which were mainly from short-term loans from financial institutions in form of trust receipts increased amount of Baht 175.1 million and accrued dividend amount of Baht 55.6 million (the Extraordinary General Meeting of the Company's shareholders on 28 September 2021 passed a resolution to pay stock dividend Baht 50 million and dividend Baht 5.6 million to accommodate withholding tax payment). Meanwhile, trade and other payables decreased amount of Baht 38.9 million and income tax payable decreased amount of Baht 7.2 million.
- Non-current liabilities decreased from the end of previous year amount of Baht 74.8 million or 63.5% which were from long-term loans from financial institutions - net of current portion decreased amount of Baht 71.8 million from loans repayment during the period and lease liabilities - net of current portion decreased amount of Baht 6.4 million. Meanwhile, provision for long-term employee benefits increased amount of Baht 3.4 million.

2.3 Shareholders' equity



Shareholders' equity of the Company and its subsidiary as at 30 September 2021 was Baht 583.2 million, decreasing from the end of previous year amount of Baht 36.1 million which was resulted from net profit for the first 9-month period of 2021 amount of Baht 59.5 million and dividend payment during the period amount of Baht 95.6 million.

3. Cash flows Analysis

Table 6: Overall cash flow of the Company and its subsidiary for the 9-month period ended 30 September 2021

(Unit: Thousand Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash flows from operating activities	1,318	71,071	8,862	83,503
Cash flows used in investing activities	(16,311)	(8,904)	(28,383)	(26,529)
Cash flows from (used in) financing activities	52,495	(57,397)	57,267	(52,660)
Net increase in cash and cash equivalents	37,502	4,770	37,746	4,314
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	81,315	42,097	78,565	40,038

- The Company and its subsidiary had net cash flows from operating activities for the first 9-month period of 2021 amount of Baht 1.3 million which was the Company's net cash flows amount of Baht 8.9 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 16.3 million which was mainly due to the Company acquired investment in associate approximately amount of Baht 14.2 million and acquired equipment and intangible assets amount of Baht 3.3 million and Baht 0.9 million, respectively. Meanwhile, there was cash received from sales of equipment amount of Baht 2.0 million.

✚ 2020: The Company and its subsidiary's net cash flows used in investing activities was amount of Baht 8.9 million which was mainly due to acquisition of equipment and intangible assets during the period amount of Baht 7.2 million and Baht 1.7 million, respectively.

✚ **The Company**

✚ 2021: The Company's net cash flows used in investing activities was amount of Baht 28.4 million which was due to the Company acquired investment in associate approximately amount of Baht 14.2 million and acquired additional investment in subsidiary amount of Baht 100.0 million (In Q3/2021, the subsidiary increased registered ordinary share from Baht 80.0 million to a new one amount of Baht 180.0 million), provided short-term loans to subsidiary during the period amount of Baht 5.8 million, and acquired equipment and intangible assets amount of Baht 2.8 million and Baht 0.6 million, respectively. Meanwhile, there was cash received from long-term loans repayment from subsidiary amount of Baht 89.0 million and interest income received from subsidiary amount of Baht 4.0 million. Moreover, the Company received cash from sales of equipment amount of Baht 2.0 million.

✚ 2020: The Company's net cash flows used in investing activities was amount of Baht 26.5 million which was mainly due to short-term loans to subsidiary during the period amount of Baht 28.0 million and acquisition of equipment and intangible assets during the period amount of Baht 6.2 million and Baht 1.4 million, respectively. Meanwhile, the Company received interest income from subsidiary amount of Baht 8.6 million.

▪ **Net cash flows from (used in) financing activities**

✚ **The Company and its subsidiary**

✚ 2021: The Company and its subsidiary's net cash flows from financing activities was amount of Baht 52.5 million which was due to short-term loans from financial institutions in form of trust receipts increased amount of Baht 175.1 million. Meanwhile, dividend paid to shareholders was amount of Baht 40.0 million, long-term loans repayment to financial institutions was amount of Baht 71.2 million and payment under lease liabilities was amount of Baht 11.4 million.

✚ 2020: The Company and its subsidiary's net cash flows used in financing activities was amount of Baht 57.4 million which was due to dividend paid to shareholders during the period amount of Baht 80.0 million, long-term loans repayment to financial institutions amount of Baht 63.7 million and payment under lease liabilities amount of Baht 7.9 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 94.2 million.

✚ **The Company**

✚ 2021: The Company's net cash flows from financing activities was amount of Baht 57.3 million which was due to dividend paid to shareholders amount of Baht 40.0 million, long-term loans repayment to financial institutions amount of Baht 68.6 million, and payment under lease liabilities amount of Baht 9.2 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 175.1 million.

✚ 2020: The Company's net cash flows used in financing activities was amount of Baht 52.7 million which was due to dividend paid to shareholders amount of Baht 80.0 million, long-term loans repayment to financial institutions amount of Baht 61.2 million and payment under lease liabilities amount of Baht 5.7 million. Meanwhile, short-term loans from financial institutions in form of trust receipts increased amount of Baht 94.2 million.

Refer to the above information, the Company and its subsidiary increased in net cash and cash equivalents during the first 9-month period of 2021 amount of Baht 37.5 million. Including with cash and cash equivalents as at 31 December 2020 amount of Baht 43.8 million, the Company and its subsidiary's cash and cash equivalents as at 30 September 2021 was totally amount of Baht 81.3 million.

Please be informed accordingly.

Yours faithfully,



(Jane Wongisariyakul)

CEO

Winner Group Enterprise Public Co., Ltd.

