

-Translation-

Ref. WINNER 014/2023

August 10, 2023

Subject: Management Discussion and Analysis for the 3-month and 6-month period ended 30 June 2023

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 2023

Table 1: Operating results for the 3-month period ended 30 June 2023

	Consolidated Financial Statements				Increase (Decrease)				Separate Financial Statements				Increase (Decrease)			
	2023		2022		Thousand Baht		%		2023		2022		Thousand Baht		%	
<b>Total revenues</b>	<b>498,446</b>	<b>508,933</b>	<b>(10,487)</b>	<b>(2.1)</b>	<b>492,039</b>	<b>498,260</b>	<b>(6,221)</b>	<b>(1.2)</b>								
Sales and service income	495,258	506,937	(11,679)	(2.3)	488,395	496,100	(7,705)	(1.6)								
Cost of sales and service	385,735	393,721	(7,986)	(2.0)	379,784	386,616	(6,832)	(1.8)								
<b>Gross profit</b>	<b>109,523</b>	<b>113,216</b>	<b>(3,693)</b>	<b>(3.3)</b>	<b>108,611</b>	<b>109,484</b>	<b>(873)</b>	<b>(0.8)</b>								
Other income	3,188	1,996	1,192	59.7	3,644	2,160	1,484	68.7								
<b>Profit before expenses</b>	<b>112,711</b>	<b>115,212</b>	<b>(2,501)</b>	<b>(2.2)</b>	<b>112,255</b>	<b>111,644</b>	<b>611</b>	<b>0.5</b>								
Selling and distribution expenses	31,031	29,041	1,990	6.9	30,247	28,085	2,162	7.7								
Administrative expenses	46,416	44,182	2,234	5.1	40,659	37,207	3,452	9.3								
<b>Total Expenses</b>	<b>77,447</b>	<b>73,223</b>	<b>4,224</b>	<b>5.8</b>	<b>70,906</b>	<b>65,292</b>	<b>5,614</b>	<b>8.6</b>								
<b>Operating profit</b>	<b>35,264</b>	<b>41,989</b>	<b>(6,725)</b>	<b>(16.0)</b>	<b>41,349</b>	<b>46,352</b>	<b>(5,003)</b>	<b>(10.8)</b>								
Finance cost	(1,864)	(1,198)	(666)	55.6	(1,628)	(967)	(661)	68.4								
Share of loss from investment in associate	(1,365)	(1,433)	68	(4.7)	-	-	-	-								
<b>Profit before income tax expenses</b>	<b>32,035</b>	<b>39,358</b>	<b>(7,323)</b>	<b>(18.6)</b>	<b>39,721</b>	<b>45,385</b>	<b>(5,664)</b>	<b>(12.5)</b>								
Income tax expenses	(7,962)	(9,210)	1,248	(13.6)	(8,058)	(9,113)	1,055	(11.6)								
<b>Profit for the period</b>	<b>24,073</b>	<b>30,148</b>	<b>(6,075)</b>	<b>(20.2)</b>	<b>31,663</b>	<b>36,272</b>	<b>(4,609)</b>	<b>(12.7)</b>								
<b>Gross profit margin</b>	<b>22.1%</b>	<b>22.3%</b>	<b>(0.2%)</b>		<b>22.2%</b>	<b>22.1%</b>	<b>0.1%</b>									
<b>Selling and distribution expenses per sales</b>	<b>6.3%</b>	<b>5.7%</b>	<b>0.6%</b>		<b>6.2%</b>	<b>5.7%</b>	<b>0.5%</b>									
<b>Administrative expense per sales</b>	<b>9.4%</b>	<b>8.7%</b>	<b>0.7%</b>		<b>8.3%</b>	<b>7.5%</b>	<b>0.8%</b>									
<b>Net profit margin</b>	<b>4.8%</b>	<b>5.9%</b>	<b>(1.1%)</b>		<b>6.4%</b>	<b>7.3%</b>	<b>(0.9%)</b>									
<b>Earnings per share (Bath/Share)</b>	<b>0.04</b>	<b>0.05</b>	<b>(0.01)</b>		<b>0.05</b>	<b>0.06</b>	<b>(0.01)</b>									

(Unit: Thousand Baht)

## Revenues

### Revenues from sales and service

Table 2: Revenues from sales separated by main product segment for the 3-month period ended 30 June 2023

(Unit: Thousand Baht)

Product Type	For the 3-month period ended				Increase (Decrease)	
	30 June				Thousand	
	2023	%	2022	%	Baht	%
Industrial food products segment	190,384	38.4	220,965	43.6	(30,581)	(13.8)
Consumer food products segment	296,862	59.9	273,885	54.0	22,977	8.4
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	8,012	1.6	12,087	2.4	(4,075)	(33.7)
<b>Total</b>	<b>495,258</b>	<b>100.0</b>	<b>506,937</b>	<b>100.0</b>	<b>(11,679)</b>	<b>(2.3)</b>

In the second quarter of 2023, the Company and its subsidiary's revenues from sales and service were Baht 495.3 million, decreasing from the same period of previous year amount of Baht 506.9 million or 2.3% which was from industrial food products segment and manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment.

Revenues from sales of industrial food products segment decreased amount of Baht 30.6 million or 13.8% which was from product group of food additive such as stabilizer, thickener, and gelling agent due to customers from juice and dairy products factory reduced in consumption according to a decrease in sales, and also from food ingredient such as native potato starch and modified starch due to price competition, and etc. Revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 4.1 million or 33.7% which at present, the management of the Group is in process of operational management in order to encourage better operating results of this segment in the future.

However, revenues from sales of consumer food products segment increased amount of Baht 23.0 million or 8.4% from product group of snack & confectionary and frozen & chilled food such as French fries, frozen vegetables and fruits, and etc., and also from food ingredient such as margarine & shortening, whipping cream, icing sugar, and etc. which was mainly from the current situation of the Coronavirus-19 pandemic has considerably relieved, so hotel, restaurant and airline businesses have widely reopened as well as a number of tourists increased. As a result, the Company was able to sell more products to customers.

#### ▪ Gross profit

The Company and its subsidiary's gross profit was Baht 109.5 million, decreasing from the same period of previous year amount of Baht 110.8 million. Gross profit margin was 22.1%, slightly decreasing from the same period of previous year by 0.2%.

The Company's gross profit was Baht 108.6 million, decreasing from the same period of previous year amount of Baht 0.9 million which was in accordance with a decrease in sales and service income amount of Baht 7.7 million while cost of sales decreased amount of Baht 6.8 million. The Company's gross profit margin was 22.2%, slightly increasing from the same period of previous year by 0.1%

▪ **Other income**

The Company and its subsidiary's other income was Baht 3.2 million, increasing amount of Baht 1.2 million which was mainly from commission income increased amount of Baht 0.5 million, marketing sponsorship income for exhibition booth at THAIFEX- Anuga Asia increased amount of Baht 0.3 million and other income from damaged products claim increased amount of Baht 0.4 million.

**Expenses**

▪ **Selling and distribution expenses**

The Company and its subsidiary's selling and distribution expenses were Baht 31.0 million, increasing from the same period of previous year amount of Baht 2.0 million or 6.9% which were mainly from marketing expenses increased amount of Baht 2.0 million due to an increase in sales promotion and advertisement via social media.

▪ **Administrative expenses**

The Company and its subsidiary's administrative expenses were Baht 46.4 million, increasing from the same period of previous year amount of Baht 2.2 million or 5.1%

The main reasons were from some expenses increased. For example,

- ▶ Provision for loss from obsolete stock of the Company and its subsidiary increased amount of Baht 1.6 million which was a provision in this period amount of Baht 0.9 million while was a reversal of provision in the same period of previous year amount of Baht 0.7 million. (The Company recorded a provision amount of Baht 0.9 million in this period while reversed a provision amount of Baht 0.8 million in the same period of previous year. However, a subsidiary reversed a provision amount of Baht 0.02 million in this period while recorded a provision amount of Baht 0.1 million in the same period of previous year.)
- ▶ Doubtful debt expenses increased amount of Baht 0.6 million which was a provision in this period amount of Baht 0.4 million while was a reversal of provision in the same period of previous year amount of Baht 0.2 million.
- ▶ External warehouse rental fee increased amount of Baht 0.4 million.
- ▶ Employee expenses slightly increased amount of Baht 0.1 million. (The Company's expenses increased amount of Baht 1.1 million while a subsidiary's expenses decreased amount of Baht 1.0 million due to a decrease in salaries.)
- ▶ Moreover, utility expenses, consulting and professional service fee increased amount of Baht 0.8 million.

Meanwhile, some expenses decreased. For example,

- ▶ Depreciation and amortization expenses decreased amount of Baht 0.6 million.
- ▶ Loss on foreign exchange rate decreased amount of Baht 0.2 million.
- ▶ Moreover, other administrative expenses decreased amount of Baht 0.6 million such as consumable tools and supplies, donation expenses, general maintenance expenses, and etc.

▪ **Finance cost**

Finance cost of the Company and its subsidiary increased amount of Baht 0.7 million which was mainly due to an increase in interest expenses from short-term loans from financial institutions in form of trust receipts payable.

▪ **Share of loss from investment in associate**

Share of loss from investment in associate based on equity method was amount of Baht 1.4 million, slightly decreasing from the same period of previous year amount of Baht 0.1 million.

▪ **Profit for the period**

The Company and its subsidiary's profit for the period was Baht 24.1 million, decreasing from the same period of previous year amount of Baht 6.1 million or 20.2% which was from gross profit decreased amount of Baht 3.7 million, selling and distribution expenses increased amount of Baht 2.0 million, administrative expenses increased amount of Baht 2.2 million, and finance cost increased amount of Baht 0.7 million. However, other income increased amount of Baht 1.2 million, and income tax expenses decreased amount of Baht 1.2 million. Moreover, share of loss from investment in associate decreased amount of Baht 0.1 million.

The Company's profit for the period was Baht 31.7 million, decreasing from the same period of previous year amount of Baht 4.6 million or 12.7% which was mainly from gross profit decreased amount of Baht 0.9 million, selling and distribution expenses increased amount of Baht 2.2 million, administrative expenses increased amount of Baht 3.5 million, and finance cost increased amount of Baht 0.7 million. However, other income increased amount of Baht 1.5 million and income tax expenses decreased amount of Baht 1.1 million.



## 1.2 Analysis of Operating Results for the Company and its subsidiary for the 6-month period ended 30 June 2023

Table 3: Operating results for the 6-month period ended 30 June 2023

	Consolidated Financial Statements				Increase (Decrease)				(Unit: Thousand Baht)			
	2023		2022		Thousand Baht		%		Separate Financial Statements		Increase (Decrease)	
	2023	2022	Thousand Baht	%	2023	2022	Thousand Baht	%	2023	2022	Thousand Baht	%
<b>Total revenues</b>	<b>1,015,770</b>	<b>960,820</b>	<b>54,950</b>	<b>5.7</b>	<b>1,002,000</b>	<b>941,542</b>	<b>60,458</b>	<b>6.4</b>				
Sales and service income	1,007,151	956,317	50,834	5.3	993,634	936,746	56,888	6.1				
Cost of sales and service	783,826	738,521	45,305	6.1	772,355	725,266	47,089	6.5				
<b>Gross profit</b>	<b>223,325</b>	<b>217,796</b>	<b>5,529</b>	<b>2.5</b>	<b>221,279</b>	<b>211,480</b>	<b>9,799</b>	<b>4.6</b>				
Other income	8,619	4,503	4,116	91.4	8,366	4,796	3,570	74.4				
<b>Profit before expenses</b>	<b>231,944</b>	<b>222,299</b>	<b>9,645</b>	<b>4.3</b>	<b>229,645</b>	<b>216,276</b>	<b>13,369</b>	<b>6.2</b>				
Selling and distribution expenses	60,423	55,078	5,345	9.7	58,811	53,025	5,786	10.9				
Administrative expenses	93,839	92,831	1,008	1.1	82,162	78,617	3,545	4.5				
<b>Total Expenses</b>	<b>154,262</b>	<b>147,909</b>	<b>6,353</b>	<b>4.3</b>	<b>140,973</b>	<b>131,642</b>	<b>9,331</b>	<b>7.1</b>				
<b>Operating profit</b>	<b>77,682</b>	<b>74,390</b>	<b>3,292</b>	<b>4.4</b>	<b>88,672</b>	<b>84,634</b>	<b>4,038</b>	<b>4.8</b>				
Finance cost	(3,803)	(2,338)	(1,465)	62.7	(3,340)	(1,848)	(1,492)	80.7				
Share of profit (loss) from investment in associate	(1,140)	666	(1,806)	(271.2)	-	-	-	-				
<b>Profit before income tax expenses</b>	<b>72,739</b>	<b>72,718</b>	<b>21</b>	<b>0.0</b>	<b>85,332</b>	<b>82,786</b>	<b>2,546</b>	<b>3.1</b>				
Income tax expenses	(14,766)	(16,685)	1,919	(11.5)	(14,914)	(16,563)	1,649	(10.0)				
<b>Profit for the period</b>	<b>57,973</b>	<b>56,033</b>	<b>1,940</b>	<b>3.5</b>	<b>70,418</b>	<b>66,223</b>	<b>4,195</b>	<b>6.3</b>				
<b>Gross profit margin</b>	<b>22.2%</b>	<b>22.8%</b>	<b>(0.6%)</b>		<b>22.3%</b>	<b>22.6%</b>	<b>(0.3%)</b>					
<b>Selling and distribution expenses per sales</b>	<b>6.0%</b>	<b>5.8%</b>	<b>0.2%</b>		<b>5.9%</b>	<b>5.7%</b>	<b>0.2%</b>					
<b>Administrative expense per sales</b>	<b>9.3%</b>	<b>9.7%</b>	<b>(0.4%)</b>		<b>8.3%</b>	<b>8.4%</b>	<b>(0.1%)</b>					
<b>Net profit margin</b>	<b>5.7%</b>	<b>5.8%</b>	<b>(0.1%)</b>		<b>7.0%</b>	<b>7.0%</b>	<b>-</b>					
<b>Earnings per share (Bath/Share)</b>	<b>0.10</b>	<b>0.09</b>	<b>0.01</b>		<b>0.12</b>	<b>0.11</b>	<b>0.01</b>					

### Revenues

#### Revenues from sales and service

Table 4: Revenues from sales separated by main product segment for the 6-month period ended 30 June 2023

Product Type	For the 6-month period ended 30 June				Increase (Decrease)	
	2023		2022		Thousand Baht	
	2023	%	2022	%	Thousand Baht	%
Industrial food products segment	409,102	40.6	411,565	43.0	(2,463)	(0.6)
Consumer food products segment	582,752	57.9	523,475	54.8	59,277	11.3
Manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment	15,297	1.5	21,277	2.2	(5,980)	(28.1)
<b>Total</b>	<b>1,007,151</b>	<b>100.0</b>	<b>956,317</b>	<b>100.0</b>	<b>50,834</b>	<b>5.3</b>

In the first half year of 2023, the Company and its subsidiary's revenues from sales and service were Baht 1,007.2 million, increasing from the same period of previous year amount of Baht 50.8 million or 5.3% which was from consumer food products segment.

Revenues from sales of industrial food products segment decreased amount of Baht 2.5 million or 0.6% which was from product group of food ingredient such as native potato starch and modified starch, and etc. Besides, revenues from manufacture of skincare products, cosmetics, food supplements and medicines used to treat skin diseases segment decreased amount of Baht 6.0 million or 28.1% which at present, the management of the Group is in process of operational management in order to encourage better operating results of this segment in the future.

However, revenues from sales of consumer food products segment increased amount of Baht 59.3 million or 11.3% from product group of snack & confectionary and frozen & chilled food such as French fries, frozen Dory, and etc., and also from food ingredient such as whipping cream, raisin, icing sugar, and etc. which was mainly from the current situation of the Coronavirus-19 pandemic has considerably relieved, so hotel, restaurant and airline businesses have widely reopened as well as a number of tourists increased. As a result, the Company was able to sell more products to customers.

#### ▪ Gross profit

The Company and its subsidiary's gross profit was Baht 223.3 million, increasing from the same period of previous year amount of Baht 5.5 million. Gross profit margin was 22.2%, slightly decreasing from the same period of previous year by 0.6%.

The Company's gross profit was Baht 221.3 million, increasing from the same period of previous year amount of Baht 9.8 million which was in accordance with an increase in sales and service income amount of Baht 56.9 million while cost of sales increased amount of Baht 47.1 million. The Company's gross profit margin was 22.3%, decreasing from the same period of previous year by 0.3%. One reason was from an effect of the depreciation of Thai Baht compared with the same period of previous year as in the first half year of 2023, value of Thai Baht against US dollar was between 32.85-35.80, while the same period of previous year was between 32.30-35.71.

#### ▪ Other income

The Company and its subsidiary's other income was Baht 8.6 million, increasing amount of Baht 4.1 million which was mainly from commission income increased amount of Baht 1.1 million and gain on foreign exchange increased amount of Baht 1.5 million which was gain in this period amount of Baht 1.5 million while was loss in the same period of previous year amount of Baht 0.7 million which was presented including in administrative expenses. Moreover, marketing sponsorship income for exhibition booth at THAIFEX- Anuga Asia increased amount of Baht 0.3 million and other income-others increased amount of Baht 1.0 million.

## Expenses

### ▪ Selling and distribution expenses

The Company and its subsidiary's selling and distribution expenses were Baht 60.4 million, increasing from the same period of previous year amount of Baht 5.3 million or 9.7% which were mainly from employee expenses increased amount of Baht 0.8 million (increased from the Company's expenses amount of Baht 1.2 million while a subsidiary decreased in employee expenses amount of Baht 0.4 million due to a decrease in salaries), delivery expenses increased amount of Baht 1.0 million which was in accordance with an increase in sales, and marketing expenses increased amount of Baht 3.4 million due to an increase in sales promotion and advertisement via social media.

### ▪ Administrative expenses

The Company and its subsidiary's administrative expenses were Baht 93.8 million, increasing from the same period of previous year amount of Baht 1.0 million or 1.1%

The main reasons were from some expenses increased. For example,

- ▶ Employee expenses increased amount of Baht 2.5 million. (The Company's expenses increased amount of Baht 4.6 million while a subsidiary's expenses decreased amount of Baht 2.1 million due to a decrease in salaries)
- ▶ External warehouse rental fee increased amount of Baht 1.3 million which was in accordance with an increase in sales.
- ▶ Doubtful debt expenses increased amount of Baht 0.5 million which was a provision in this period amount of Baht 0.4 million while was a reversal of provision in the same period of previous year amount of Baht 0.1 million.
- ▶ Moreover, utility expenses, consulting and professional service fee increased amount of Baht 1.3 million.

Meanwhile, some expenses decreased. For example,

- ▶ Provision for loss from obsolete stock of the Company and its subsidiary decreased amount of Baht 2.6 million which the Company recorded provision in this period amount of Baht 1.1 million, decreasing by Baht 2.4 million while a subsidiary recorded provision in this period amount of Baht 0.1 million, decreasing by Baht 0.2 million.
- ▶ Depreciation and amortization expenses decreased amount of Baht 1.2 million.
- ▶ Loss on foreign exchange rate decreased amount of Baht 0.7 million which was gain in this period amount of Baht 1.5 million that was presented including in other income while was loss in the same period of previous year amount of Baht 0.7 million.

▪ **Finance cost**

Finance cost of the Company and its subsidiary increased amount of Baht 1.5 million which was mainly due to an increase in interest expenses from short-term loans from financial institutions in form of trust receipts payable.

▪ **Share of profit (loss) from investment in associate**

Share of loss from investment in associate based on equity method was amount of Baht 1.1 million while was share of gain in the same period of previous year amount of Baht 0.7 million. As a result, share of loss from investment in associate increased amount of Baht 1.8 million which was mainly due to a decrease in sales of an associate.

▪ **Profit for the period**

The Company and its subsidiary's profit for the period was Baht 58.0 million, increasing from the same period of previous year amount of Baht 1.9 million or 3.5% which was from gross profit increased amount of Baht 5.5 million, other income increased amount of Baht 4.1 million, and income tax expenses decreased amount of Baht 1.9 million. However, selling and distribution expenses increased amount of Baht 5.3 million, administrative expenses increased amount of Baht 1.0 million, and share of loss from investment in associate increased amount of Baht 1.8 million. Moreover, finance cost increased amount of Baht 1.5 million.

The Company's profit for the period was Baht 70.4 million, increasing from the same period of previous year amount of Baht 4.2 million or 6.3% which was mainly from gross profit increased amount of Baht 9.8 million, other income increased amount of Baht 3.6 million and income tax expenses decreased amount of Baht 1.6 million. However, selling and distribution expenses increased amount of Baht 5.8 million, administrative expenses increased amount of Baht 3.5 million, and finance cost increased amount of Baht 1.5 million.

**2. Financial Position Analysis**

Table 5: Overall Financial Position of the Company and its subsidiary as at 30 June 2023

(Unit: Thousand Baht)

	Consolidated Financial Statements				Increase (Decrease)		Separate Financial Statements				Increase (Decrease)	
	30/06/23	%	31/12/22	%	Thousand Baht		30/06/23	%	31/12/22	%	Thousand Baht	
Current Assets	865,882	69.1	938,462	71.1	(72,580)	(7.7)	851,677	68.9	922,887	71.8	(71,210)	(7.7)
Non-Current Assets	387,978	30.9	382,099	28.9	5,879	1.5	384,685	31.1	362,593	28.2	22,092	6.1
<b>Total Assets</b>	<b>1,253,860</b>	<b>100.0</b>	<b>1,320,561</b>	<b>100.0</b>	<b>(66,701)</b>	<b>(5.1)</b>	<b>1,236,362</b>	<b>100.0</b>	<b>1,285,480</b>	<b>100.0</b>	<b>(49,118)</b>	<b>(3.8)</b>
Current Liabilities	609,451	48.6	694,751	52.6	(85,300)	(12.3)	577,773	46.7	659,291	51.3	(81,518)	(12.4)
Non-Current Liabilities	41,912	3.3	39,288	3.0	2,624	6.7	38,966	3.2	34,986	2.7	3,980	11.4
<b>Total Liabilities</b>	<b>651,363</b>	<b>51.9</b>	<b>734,039</b>	<b>55.6</b>	<b>(82,676)</b>	<b>(11.3)</b>	<b>616,739</b>	<b>49.9</b>	<b>694,277</b>	<b>54.0</b>	<b>(77,538)</b>	<b>(11.2)</b>
Shareholders' equity	602,497	48.1	586,522	44.4	15,975	2.7	619,623	50.1	591,203	46.0	28,420	4.8
<b>Total liabilities and shareholders' equity</b>	<b>1,253,860</b>	<b>100.0</b>	<b>1,320,561</b>	<b>100.0</b>	<b>(66,701)</b>	<b>(5.1)</b>	<b>1,236,362</b>	<b>100.0</b>	<b>1,285,480</b>	<b>100.0</b>	<b>(49,118)</b>	<b>(3.8)</b>



## 2.1 Assets

As at 30 June 2023, the Company and its subsidiary had total assets amount of Baht 1,253.9 million which were comprised of current assets amount of Baht 865.9 million or 69.1% of total assets and non-current assets amount of Baht 388.0 million or 30.9% of total assets.

The main compositions of assets were inventories amount of Baht 460.5 million or 36.7%, trade and other receivables amount of Baht 355.7 million or 28.4%, and property, plant and equipment amount of Baht 308.8 million or 24.6%.

- Current assets were Baht 865.9 million, decreasing from the previous year amount of Baht 72.6 million or 7.7%. The main reasons were from trade and other receivables decreased amount of Baht 59.1 million, inventories decreased amount of Baht 28.8 million while cash and cash equivalents increased amount of Baht 11.1 million and derivative assets increased amount of Baht 3.8 million.
- Non-current assets were Baht 388.0 million, increasing from the previous year amount of Baht 5.9 million or 1.5%. The main reasons were from right-of-use assets increased amount of Baht 3.3 million, intangible assets increased amount of Baht 2.0 million, and deferred tax assets increased amount of Baht 4.4 million while property, plant and equipment decreased amount of Baht 1.6 million, investment in associate decreased amount of Baht 1.1 million, and other non-current assets decreased amount of Baht 1.0 million.

## 2.2 Liabilities

As at 30 June 2023, the Company and its subsidiary had total liabilities amount of Baht 651.4 million, which were comprised of current liabilities amount of Baht 609.5 million or 93.6% of total liabilities and non-current liabilities amount of Baht 41.9 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 307.2 million or 47.2% and trade and other payables amount of Baht 262.5 million or 40.3%.

- Current liabilities decreased from the end of previous year amount of Baht 85.3 million or 12.3%. The main reasons were from bank overdrafts and short-term loans from financial institutions decreased amount of Baht 107.0 million, derivative liabilities decreased amount of Baht 4.1 million, and income tax payable decreased amount of Baht 0.8 million while trade and other payables increased amount of Baht 23.5 million, current portion of lease liabilities increased amount of Baht 2.7 million, and other current liabilities increased amount of Baht 0.3 million.
- Non-current liabilities increased from the end of the previous year amount of Baht 2.6 million or 6.7%. The main reasons were from lease liabilities - net of current portion increased amount of Baht 1.2 million and provision for long-term employee benefits increased amount of Baht 1.4 million.

## 2.3 Shareholders' equity

Shareholders' equity as at 30 June 2023 was Baht 602.5 million, increasing from the end of previous year amount of Baht 16.0 million due to the Company and its subsidiary's net profit for the 6-month period ended 30 June 2023 amount of Baht 58.0 million while there was a dividend paid during the period amount of Baht 42.0 million.

## 3. Cash flows Analysis


Table 6: Overall cash flow of the Company and its subsidiary for the 6-month period ended 30 June 2023


(Unit: Thousand Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Cash flows from operating activities	179,223	22,745	183,638	31,984
Cash flows used in investing activities	(13,134)	(11,216)	(18,949)	(24,927)
Cash flows from (used in) financing activities	(154,962)	(3,257)	(153,256)	1,880
<b>Net increase in cash and cash equivalents</b>	<b>11,127</b>	<b>8,272</b>	<b>11,433</b>	<b>8,937</b>
Cash and cash equivalents at beginning of the period	33,963	37,923	32,068	34,805
Cash and cash equivalents at end of the period	45,090	46,195	43,501	43,742


- The Company and its subsidiary had net cash flows from operating activities for the first half year of 2023 amount of Baht 179.2 million.
- Net cash flows used in investing activities


### The Company and its subsidiary

 2023: The Company and its subsidiary's net cash flows used in investing activities were amount of Baht 13.1 million. The main reason was from an acquisition of equipment and intangible assets during the period amount of Baht 10.2 million and Baht 3.1 million, respectively. Meanwhile, there was cash received from sales of equipment amount of Baht 0.1 million and interest income amount of Baht 0.1 million.

 2022: The Company and its subsidiary's net cash flows used in investing activities were amount of Baht 11.2 million. The main reasons were from advance payment for share subscription of an associate amount of Baht 6.8 million, acquisition of equipment and intangible assets during the period amount of Baht 2.9 million and Baht 1.6 million, respectively. Meanwhile, there was cash received from sales of equipment amount of Baht 0.1 million.


#### The Company


 2023: The Company's net cash flows used in investing activities were amount of Baht 18.9 million. The main reasons were from loans to a subsidiary during the period amount of Baht 14.5 million and acquisition of equipment and intangible assets amount of Baht 2.8 million and Baht 3.0 million, respectively. Meanwhile, there was cash received from interest income amount of Baht 1.2 million and sales of equipment amount of Baht 0.1 million.

 2022: The Company's net cash flows used in investing activities were amount of Baht 24.9 million. The main reasons were from advance payment for share subscription of an associate amount of Baht 6.8 million, loans to a subsidiary during the period amount of Baht 15.5 million, and acquisition of equipment and intangible assets amount of Baht 1.9 million and Baht 1.6 million, respectively. Meanwhile, there was cash received from interest income amount of Baht 0.7 million and sales of equipment amount of Baht 0.1 million.


#### ■ Net cash flows from (used in) financing activities


##### The Company and its subsidiary

 2023: The Company and its subsidiary's net cash flows used in financing activities were amount of Baht 155.0 million. The main reasons were from short-term loans from financial institutions in form of trust receipts payable decreased amount of Baht 107.0 million, dividend paid to shareholders amount of Baht 42.0 million, and lease liabilities payment amount of Baht 5.9 million.

 2022: The Company and its subsidiary's net cash flows used in financing activities were amount of Baht 3.3 million. The main reasons were from dividend paid to shareholders amount of Baht 72.0 million, long-term loans from financial institutions repayment amount of Baht 14.3 million, and lease liabilities payment amount of Baht 6.4 million. Meanwhile short-term loans from financial institutions in form of trust receipts payable increased amount of Baht 89.4 million.

##### The Company

 2023: The Company's net cash flows used in financing activities were amount of Baht 153.3 million. The main reasons were from short-term loans from financial institutions in form of trust receipts payable decreased amount of Baht 107.0 million, dividend paid to shareholders amount of Baht 42.0 million, and lease liabilities payment amount of Baht 4.2 million.

 2022: The Company's net cash flows from financing activities were amount of Baht 1.9 million. The main reasons were from short-term loans from financial institutions in form of trust receipt payables increased amount of Baht 92.9 million, while there was cash payment from dividend paid to shareholders amount of Baht 72.0 million, long-term loans from financial institutions repayment amount of Baht 14.3 million, and lease liabilities payment amount of Baht 4.7 million.

Refer to the above information, the Company and its subsidiary increased in cash and cash equivalents during the second quarter of 2023 amount of Baht 11.1 million. When combined with cash and cash equivalents as at 31 December 2022 amount of Baht 34.0 million, the Company and its subsidiary's cash and cash equivalents as at 30 June 2023 were equal to Baht 45.1 million.

Please be informed accordingly.

Yours faithfully,

(Miss Kanokpan Kreangkraikrissada)

CEO

Winner Group Enterprise Plc.

