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May 12, 2023

Subject Management Discussion and Analysis for the first Quarter ended March 31, 2023.

To The President
The Stock Exchange of Thailand

Winnergy Medical Public Company Limited and its subsidiary (the "Company") would like to announce the Company's operating results for the period ended March 31, 2023 are detailed below.

Income Statement of the 1st Quarter of 2023 compared to the 1st Quarter of 2022

Revenue

Statement of Comprehensive Income	Q1/2023		Q1/2022		Increase (Decrease)	
	(Million Baht)	Proportion	(Million Baht)	Proportion	(Million Baht)	% Change
Revenue from Sales and Services	126.54	91.07%	144.93	92.25%	(18.39)	(12.69%)
Rental Income	12.41	8.93%	12.17	7.75%	0.24	1.96%
Total Revenues	138.95	100.00%	157.10	100.00%	(18.15)	(11.55%)
Cost of Sales and Services	(71.12)	(56.20%)	(95.52)	(65.91%)	24.40	(25.54%)
Cost of Rental	(6.93)	(55.89%)	(6.99)	(57.41%)	0.06	(0.75%)
Total Costs	(78.06)	(56.18%)	(102.51)	(65.25%)	24.45	(23.85%)
Gross Profit	60.89	43.82%	54.59	34.75%	6.30	11.54%
Other Income	0.34	0.25%	6.63	4.22%	(6.29)	(94.86%)
Distribution Costs	(24.93)	(17.94%)	(21.40)	(15.40%)	(3.53)	16.51%
Administrative Expense	(27.38)	(19.71%)	(24.94)	(17.95%)	(2.44)	9.78%
Profit (Loss) before Financial Cost and Tax	8.92	6.42%	14.88	5.62%	(5.96)	(40.07%)
Financial Cost	(1.85)	(1.33%)	(0.90)	(0.65%)	(0.95)	105.88%
Profit before Income Tax Expense	7.07	5.09%	13.99	10.07%	(6.92)	(49.45%)
Income Tax Expense	(0.90)	(0.65%)	(1.09)	(0.79%)	0.19	(17.25%)
Profit for the Period	6.17	4.44%	12.89	9.28%	(6.73)	(52.18%)

In the first quarter of 2023, the Company had a total operating income of 138.95 million baht, a decrease of 18.15 million baht, or 11.55%, compared to the same period last year, a total operating income of 157.10 million baht. The primary reason is that the resolution of the pandemic caused by the COVID-19 virus coincides with the resumption of almost normal levels of economic and social activity. Consequently, the Company's existing products line tends to grow steadily according to the structure of the product group income breakdown as follows:

Table demonstrating the revenue structure by product group.

Revenues Structure (Million Baht)	Q1/2023		Q1/2022		Increase (Decrease)	
	(Million Baht)	Proportion	(Million Baht)	Proportion	(Million Baht)	% Change
Revenues from medical products	134.62	96.88%	102.69	95.61%	31.93	31.10%
Sexual and Reproductive Care (SRC) product group	55.54	39.97%	39.52	33.13%	16.02	40.54%
Blood Transfusion Medicine (BTM) product group	74.46	53.59%	55.94	59.25%	18.52	33.10%
Cell & Molecular Technology (CMT) product group	4.24	3.05%	4.03	3.20%	0.21	5.34%
Winmed Clinic and Laboratory (WCL) product group	0.38	0.27%	3.20	0.03%	(2.82)	(88.13%)
Consumer product group	4.33	3.12%	54.41	4.39%	(50.08)	(92.04%)
Operating Revenues	138.95	100.00%	157.10	100.00%	(18.15)	(11.55%)

1. The demand for reproductive health care products continues to increase as more hospitalized patients return to utilize the service and hospital health screenings recover. It also received support for cervical cancer screening from the NHSO Project. As a consequence, the number of individuals enduring screening for cervical cancer has increased.
2. The portions of blood banking and blood safety began to recover. As a result of the utilization of operating room services resuming normal in hospitals, the demand for blood and blood platelets keeps increasing. The mobile automated blood donation machine project has been well received. This facilitates blood donors and allows them to utilize the service continuously.
3. The revenue growth of cell and molecular technology product lines resulted from the research projects laboratories in treating cancer patients at various medical student institutions. The treatment program has begun, and research can now commence. Consequently, there has been an increase in reagent purchases.
4. The unfolding crisis with the transmission of the COVID-19 virus has translated into decreased revenues for consumer products, particularly those related to COVID-19, such as Antigen Test Kits (ATK) and medical laboratories.

Costs and Gross Profit Margin

The Company's cost of sales has decreased, and its gross profit margin has increased compared to the same period last year. The details are listed below.

Total costs in the first quarter of 2023 and the first quarter of 2022 were 78.06 million baht and 102.51 million baht, respectively, or the total cost to operating income was 56.18% and 65.25%, resulting in a gross profit of 60.89 million baht and 54.59 million baht, or a gross profit margin of 43.82% and 34.75%, an increase of 6.30 million baht or 11.54% compared to the same period last year. Due primarily to these factors, the gross profit margin increased.

- Since each product type has a distinctive gross profit margin, the proportion of products sold (Product Mix) is a crucial factor. In 2022, the new ATK products were to generate lower profits than the Company's current line of products. Hence, the total cost was less than during the previous year's period.

Distribution costs and administrative expenses

The Company's distribution costs and administrative expenses amounted to 52.31 million baht, an increase of 5.97 million baht, or 12.88 %, compared to last year. In order to conform to its management structure, the Company has increased its personnel and employee count. In addition, costs are associated with expanding product distribution channels, sales support expenses for increasing product awareness, and an increase in depreciation. Nonetheless, the increased expenses were preparations for expanding the business and generating sales growth according to the Company's investment budget and business plan.

Financial costs and income tax expenses

The Company's financial costs is 1.96 million baht, an increased of 0.95 million baht compared to the same period last year due to an increase in the use of credit limits for purchasing products from overseas.

Net profit for the period

Due to the net profit items in the first quarter of 2022, the net profit from operations for the first quarter of 2023 decreased to 6.17 million baht, or 4.44% of total revenue, from 6.73 million baht in the first quarter of 2022. In addition, 5.71 million baht in dividends from investments in Professional Laboratories Management Corp Public Company Limited are included in other income. Consequently, the net profit differs, as specified. Therefore, if only the operating profit for the first quarter of 2023 is considered, the profit is 6.17 million baht compared to 7.19 million baht after deducting items received. Due to dividends from investments, the profit has decreased by 1.02 million baht from the previous year.

In this regard, the Company's first-quarter 2023 earnings per share amount to 0.02 baht per share.

Overview of the Company's financial position

Financial Position Statement	31 March 2023		31 December 2022		Increase (Decrease)	
	(Million Baht)	Proportion	(Million Baht)	Proportion	(Million Baht)	% Change
Asset						
Current Asset	424.27	49.96%	439.78	51.86%	(15.51)	(3.53%)
Non-Current Asset	424.94	50.04%	408.46	48.15%	16.48	4.03%
Total Asset	849.21	100.00%	848.24	100.00%	0.96	0.11%
Liabilities and Shareholder's Equity						
Current Liabilities	172.73	20.34%	173.57	20.46%	(0.84)	(0.48%)
Non-Current Liabilities	75.39	8.88%	79.75	9.40%	(4.37)	(5.47%)
Total Liabilities	248.12	29.22%	253.32	29.86%	(5.20)	(2.05%)
Total Shareholder's Equity	601.09	70.78%	594.92	70.14%	6.17	1.04%
Total Liabilities and Shareholder's Equity	849.21	100.00%	848.24	100.00%	0.96	0.11%

Assets

As of March 31, 2023, the Company had total assets of 849.21 million baht, an increase of 0.96 million baht from December 31, 2022, or an increase of 0.11%, with the following details:

Current Assets

The Company's total current assets decreased by 15.51 million baht, or 3.53%, to 424.27 million baht as of March 31, 2023, principally due to a decrease in trade accounts receivable.

Non-Current Assets

As of March 31, 2023, the Company's non-current assets increased by 16.48 million baht, or 4.03%, compared to December 31, 2022, with the majority of the increase attributable to an increase in property, plant, and equipment resulting from investments in medical equipment and laboratory buildings according to the Company's business expansion plan.

Liabilities and Equity Ratio

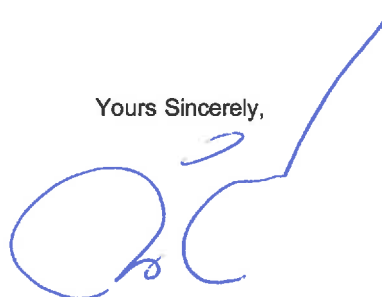
The Company's total liabilities decreased by 5.20 million baht or 2.05% from December 31, 2022 to March 31, 2023, mainly due to bank overdrafts and short-term loans from financial institutions.

As of March 31, 2023, the Company's shareholders' equity was 601.09 million baht, compared with 6.17 million baht as of December 31, 2022, or an increase of 1.04% due to an increase in net profit.

In this regard, the Company's debt-to-equity ratio as of March 31, 2023, was 0.41 times, a decrease of 0.02 compared to December 31, 2022.

Please be informed accordingly.

Yours Sincerely,



(Mr. Nanthiya Darakananda)

Chief Executive Officer

Winnergy Medical Public Company Limited