



บริษัท รุ่งเรืองตลอดไป จำกัด (มหาชน)
Glory Forever Public Company Limited

NO. GLORY 2021-002

October 21, 2021

Subject: The Management Discussion and Analysis for the first half of 2021

To: President
The Stock Exchange of Thailand

Glory Forever Public Company Limited (“the Company”) provides the Management Discussion and Analysis for the first half of 2021 as follow:

Revenue from sales and services

For the first half of 2021, the Company had revenue from sales and services of 45.43 million baht, an increase from the same period of the previous year by 7.38 million baht or an increase of 25.46 per cent. Such an increase was mainly due to the success in the distribution of literary works in the fun category, such as อสูรพลิกฟ้า หมิ่นอสูรกั๊กกราบ เทพยุทธแห่งใต้หิ้ง เคลิ็ดกายานวศาร่า and literature that began to be released in 2019-2020 has become more popular, such as แพทย์หญิงหมื่นพิษ ปกรณ์รักข้ามภพ. Most of the aforementioned literary works are not yet complete. As a result, the number of members who continue to follow and read each literature has continued to increase. The Company's revenue from literary works in the fun category accounted for 70.27 per cent of the total revenue from literary works. And the company has increased distribution channels to neighboring websites, thus allowing more distribution channels to be expanded as a supporting factor.

Other income

Most of the company's other income consists of fees from customer payments, deposit interest and rental income. For the other income for the first half of 2021, the Company had other income of 0.51 million baht, accounting for 5.03 per cent of the total income of the same period which slightly increased from other income in the first six months of 2020 at 0.03 million baht or equivalent to an increase of 5.85 per cent

Cost of sales and services

For the first half of 2021, the Company had service cost of 19.57 million baht, representing 42.58 per cent of total revenue of the same period which is close to the first half of 2020 at 43.44 percent. Service costs, which are mainly the cost of acquiring literature copyrights, are amortized on a straight-line basis for the same amount over the duration of the copyright holding, resulting in inconsistent revenue and cost recognition over time. The Company's main service costs



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consist of fixed costs, which are amortized royalties, website maintenance fee, and variable costs incurred for novel translation, proofreading fees, remuneration for authors, etc.

The gross profit of the Company for the first half of 2021 amounted to 25.87 million baht or equivalent to a gross profit margin of 56.93 per cent, an increase from the same period of the previous year at 4.55 million baht or an increase of 21.02 per cent.

Distribution and administrative expenses

For the first half of 2021, the Company's distribution expenses is amounted to 2.27 million baht, considering the proportion of distribution expenses to total revenue of the company at 4.93 per cent. Administrative expenses for the first half of 2021 amounted to 15.25 million baht, representing 33.19 per cent of the total revenue of the company. An increased when compared to the same period of the previous year amounting to 7.26 million baht or an increase of 90.80 per cent mainly due to increase in salary from increasing the number of employees to support the expansion, employee bonus, audit fee, internal audit expenses, meeting allowance and other remuneration of directors, financial advisor service fee, legal advisory service fee which related to the Company's preparation for listing on the SET.

Net profit for the year

The Company has a net profit for the first half of 2021 equal to 7.40 million baht or a net profit margin of 16.10 per cent. In the first half of 2021, the net profit has decreased by 2.65 million baht, representing a decrease of 26.39 per cent compared to the same period of the previous year, due to the fact that although the company has higher revenue from literature sales, however, the Company has expenses related to the preparation to be listed on the SET, resulting in the overall performance deterioration.

Financial position

Asset

As of June 30, 2021, the Company had total assets of 130.26 million baht. The decrease in total assets as of June 30, 2021 compared to as of December 31, 2020 was 6.30 million baht. The decrease was mainly due to the decrease in cash amount from the company's dividend payment.

Liability

As of June 30, 2021, the Company had total liabilities of 21.34 million baht, representing 16.38 per cent of total liabilities and shareholders' equity, which was slightly decreased from December 31, 2020 at 0.70 million baht or representing a decrease of a 3.40 per cent. The decrease in liabilities as of June 30, 2021 compared to December 31, 2020 was mainly due to a decrease in accrued dividends.

Equity



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As of June 30, 2021, the Company's shareholders' equity amounted to 108.92 million baht or 83.62 per cent of total liabilities and shareholders' equity. The decrease in shareholders' equity of 5.60 million baht when compared to shareholders' equity at the end of 2020 due to the following changes:

1. The company has a profit from operations of 7.40 million baht.
2. The 2021 Annual General Meeting of Shareholders on March 10, 2021 resolved to pay a dividend at the rate of 1.30 baht per share from the number of ordinary shares of 10.00 million shares, amounting to 13.00 million baht.

At the Board of Directors Meeting No. 3/2021, held on August 13, 2021, resolved to approve the Company to pay interim dividends to shareholders, at the rate of 0.03 baht per share, 200,000,000 shares, amounting to 6,000,000 baht, from the Company's operating results for the period ended June 30, 2021. The company has already paid dividends to shareholders as of August 25, 2021.

Please be informed accordingly

Yours sincerely,

MR. JARUNPAT BOONYANG

Chief Executive Officer