



บริษัท ทุ่งเรืองตลอดไป จำกัด (มหาชน)
Glory Forever Public Company Limited

NO. GLORY 2022-8

May 09, 2022

Subject: The Management Discussion and Analysis for 3-month period ended 31 March 2022

To: President
The Stock Exchange of Thailand

Glory Forever Public Company Limited (“the Company”) provides the Management Discussion and Analysis for 3-month period ended 31 March 2022 as follow:

Revenue from sales and services

For 3-month period ended 31 March 2022, the Company had revenue from sales and services of 21.61 million baht, an decrease from the same period of the previous year by 0.16 million baht or by 0.72 percent. Such a decrease was mainly caused by the launching on 26 March 2022 of new platform Jinovel, which targets female customers, especially since literary works in the romance category were partly available free of charge. The promotion was carried out to attract clients. Consequently, this new platform hasn't yet created revenues.

However, the company has gained revenues from the best-sellers in the fun category, such as Asun Phlik Fah, Muen Asun Kom Krap, Thep Pa Yut Haeng Tai La, Khlet Ka Ya Nawa Dara, as well as from some popular literatures which were launched during 2019 to 2021, for example, Ta Lu Mi Ti Pai Pen Pa Ra Ya Chao Suan , Ju Ti Jak Ka Pad Thep Mung Korn , Ju Ti Nom Yut Thep Ra Chan , Karn Kerd Mai Khong But Tree Pa Ra Ya Eak Poh Ngam Lom Meuang. These titles are not yet finished, as a result, the number of active members has continued to increase. The Company's revenue from e-books in the fun category represents 67.32 percent of the total revenue from literary works. And the company has expanded its distribution channels to neighboring websites, which is a supporting factor of its revenue growth.

Other income

Most of the company's other income consists of fees from customer payments, deposit interest, rental income and return investment on liquid assets. In the 3-month period ended 31 March 2022, the Company gained other incomes of 0.86 million baht, representing 3.83 percent of the total income of the same period. These numbers slightly increased from those in the first quarter of 2021 at 0.45 million baht or equivalent to an increase of 111.11 percent.



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Cost of sales and services

For 3-month period ended 31 March 2022, the Company had service cost of 10.30 million baht, representing 45.83 percent of total revenue, which increases from the first quarter of 2021 by 0.92 million baht or 9.84 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, thus resulting in inconsistent revenue and cost recognition over time. The Company's main service costs 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 3-month period ended 31 March 2022 amounted to 11.31 million baht or equivalent to a gross profit margin of 52.34 percent of the service income, a decrease from the previous year of 1.08 million baht or an increase of 8.72 percent.

Distribution and administrative expenses

For 3-month period ended 31 March 2022, the Company's distribution expenses amounted to 1.21 million baht and the ratio of distribution expenses to total revenue of the company is 5.40 percent.

Administrative expenses for 3-month period ended 31 March 2022 amounted to 6.55 million baht, representing 29.14 percent of the total revenue of the company. This expense decreased by 0.78 million baht from the first quarter of 2021, or by 10.66 percent. This was largely due to lower expenses, such as financial advisor service fee and legal advising service fee. These costs were related to the Company's preparation for listing on the SET.

Net profit

The Company has a net profit for 3-month period ended 31 March 2022 of 3.52 million baht or a net profit margin of 15.68 percent. In the first quarter of 2021, the net profit increased by 0.51 million baht or by 16.78 percent compared to the first quarter of 2021. The decrease in expenses was considerably greater than the decrease in revenue, eventually the net profit in the first quarter of 2022 increases from that of the same period in the previous year.

Financial position

Asset

As of March 31, 2022, the Company had total assets of 321.11 million baht. The amount increased from that of December, 31 2021 by 5.31 million baht or 1.68 percent. It was mainly due to the acquisition of new literary copyrights, hence having more intelligible assets.



บริษัท รุ่งเรืองตลอดไป จำกัด (มหาชน)
Glory Forever Public Company Limited

Liability

As of March 31, 2022, the Company had total liabilities of 20.92 million baht, representing 6.52 percent of total liabilities and shareholders' equity, which increased from December 31, 2021 by 1.78 million baht or by 9.30 percent. This was due to having more trade and other payables which were not yet due. Such an increase corresponds to operation of the company's business.

Equity

As of March, 31 2022, the Company's shareholders' equity amounted to 300.19 million baht or 93.48 percent of total liabilities and shareholders' equity. The amount increased from that of December, 30 2021 by 3.52 million baht due to profit from the company's operation in the first quarter of 2022.

Please be informed accordingly

Yours sincerely,

MR. JARUNPAT BOONYANG

Chief Executive Officer