



บริษัท รุ่งเรืองตลอดไป จำกัด (มหาชน)
Glory Forever Public Company Limited

NO. GLORY 2023-006

May 12, 2023

Subject: The Management Discussion and Analysis for 3-month period ended 31 March 2023

To: President
The Stock Exchange of Thailand

Glory Forever Public Company Limited (“The Company”) and its group of companies (“The Group”) provide the Management Discussion and Analysis for 3 months of 2023 as follow:

Revenue from sales and services

In the first 3 months of 2023, the Group generated sales and service revenue of 24.52 million baht, an increase from the same period last year by 2.91 million baht, representing an increase of 13%. This increase is due to:

1. The Group has expanded production and launched 2 new products, increasing the total products from 4 to 6, and distributed through 7-11 and online marketplaces such as Lazada and Shopee.

2. The Group continues to generate income from its best-seller novels such as Ta Lu Mi Ti Pai Pen Pa Ra Ya Chao Suan, Koh Pen Sethini Nail Yook 80, Meuan Asoon Kom Krab and Thep Pa Yut Heng Tai La, and the novels launched in 2022 which gained popularity among readers such as Meuan Poob Says Tai La, Ta Loop Miti Pai Pen Ying Chon Na Bot Tua Noi Noi, Kwam Mang Kang Rum Ruay Ma Teung Pa Too Khong Than Laew, Palaya Nai Pharn Tua Noi Kub Rabob Ran Ka Meu Song etc.

These titles are mostly ongoing, therefore attracting a consistent reader base. In addition, expanding the distribution channels to neighborhood websites and launching a new platform, "Jinovel", has allowed for the expansion of distribution channels, providing supportive factors for revenue growth.

Other income

The Group's other income mainly consists of fees collected from customer payments, bank deposit interest, returns from investment in liquid assets, rental income, and ERP system consulting fees. The Group's other income amounted to 1.52 million baht, accounting for 6% of the total income for the same period, which increased from other income in the



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first 3 months of 2022, by 0.86 million baht or 77 percent. This is due to the income from ERP system consulting fees, fees from top-ups on the Jinovel and kawebok platforms, and income from interest received and returns on investment in liquid assets.

Cost of sales and services

In the first 3 months of 2023, the company group had a cost of sales and services amounting to 11.46 million baht, accounting for 11 percent of the total revenue in the same period. This represents an increase from the same period of the previous year by 1.16 million baht or 11 percent. The increase was mainly due to the higher cost of new products that the company introduced and the cost of services, most of which are the cost of purchasing copyrights that are amortized evenly over the period the company holds the rights. This results in a mismatch between revenue recognition and cost over time. The company's main service costs consist of fixed costs such as the cost of amortized rights, website maintenance costs, and variable costs such as translation costs, proofreading fees, remuneration for novel authors, etc.

The gross profit of the Group for the first 3 months of 2023 was 13.05 million baht, or a gross profit margin of 53 percent of the service revenue in the same period. Compared to the same period of 2022, which had a gross profit margin of 52 percent, there was a slight increase.

Distribution and administrative expenses

The selling expenses of the Group for the first 3 months of 2023 amounted to 2.89 million baht. Considering the ratio of selling expenses to the company's total revenue, it was 11 percent, which increased from the same period of the previous year by 1.68 million baht. The main reason was the increased expenses in distributing new products and increased advertising expenses on platforms like Google and Facebook.

The administrative expenses of the Group for the first 3 months of 2023 amounted to 7.93 million baht, which increased by 1.38 million baht, or an increase rate of 21 percent compared to the first 3 months of 2022. The main reasons were the increase in expenses such as the administrative expenses of the subsidiary company. Furthermore, as the Group holdings of intangible assets grew, so did the cost of their amortization.



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Net profit

The Group had a net profit for the first 3 months of 2023 of 0.13 million baht, a decrease of 3.40 million baht, or a decrease rate of 96 percent from the same period of the previous year. This was because the company group had a share of loss from investment in joint ventures and subsidiaries, resulting in a decrease of the Group's net profit.

Financial position

Asset

As of 31 March 2023, the Group had total assets of 340.70 million baht, a decrease compared to 31 December 2022, by 14.88 million baht or 4 percent. The main reasons were the collection from trade receivables from product sales, investment in joint ventures, and intangible assets resulting from additional purchases of literary copyrights.

Liability

As of 31 March 2023, the Group had total liabilities amounting to 36.55 million baht, accounting for 10.73 percent of the total liabilities and shareholders' equity. The total liabilities increased compared to 31 December 2022 by 1.19 million baht or 3 percent. The primary cause was from trade payables and other payables arising from normal business operations that have not yet reached the payment due date.

Equity

As of 31 March 2023, the shareholders' equity of the Group was 304.16 million baht, accounting for 89 percent of the total liabilities and shareholders' equity. The shareholders' equity decreased by 16.07 million baht compared to the shareholders' equity as of 31 December 2022. This was due to the profit from the company's operations for the first 3 months of 2023 amounting to 0.13 million baht. Consequently, the company group paid a dividend for the year 2022 amounting to 16.20 million baht.

Please be informed accordingly

Yours sincerely,

MR. JARUNPAT BOONYANG

Chief Executive Officer