



Management Discussion & Analysis

for the Period Ended 31 March 2024

SISB PUBLIC COMPANY LIMITED

13 May 2024

Re: Management Discussion & Analysis for the Period Ended 31 March 2024

To: The President of the Stock Exchange of Thailand (SET)

SISB PUBLIC COMPANY LIMITED ("the company") would like to provide an explanation regarding our significant events, financial performance, and position for the 3-month period ended 31 March 2024 as follows:

Executive Summary

Consolidated financial statement	31 March 2023	31 March 2024	Change
(THB million)			
Revenue from sales and services	425.88	560.91	31.71%
Total revenues	435.47	572.05	31.36%
Tuition and services cost	188.71	251.58	33.32%
Gross Profit	237.17	309.33	30.42%
EBITDA	203.45	271.95	33.67%
Net Profit	159.03	211.92	33.26%
Gross Profit Margin (%)	55.69%	55.15%	-0.54%
EBITDA Margin (%)	46.72%	47.54%	0.82%
Net Profit Margin (%)	36.52%	37.04%	0.53%

Q1'2024 Key Financial Highlight

Revenue from sales and services

- The Company's revenue from sales and services for the 3-month period ended 31 March 2023 and 2024 were THB 425.88 million and THB 560.91 million respectively. Revenue increased by THB 135.03 million or 31.71%. This mainly came from the opening of new schools (Nonthaburi Campus and Rayong Campus), higher number of students both Thai students and Foreign students and increased tuition fee of AY2023/2024.

Net Profit and Net Profit Margin

- The company reported net income of THB 211.92 million in Q1'2024, with net profit margin at 37.04%, an increase from the same period of previous year of THB 159.03 million. The increase in net profit was due to the increase in the revenue and most administrative expenses of the Company are fixed.

Significant Events

Campus and Education Development

- The company entered into a building construction agreement and has commenced the construction of the second phase of Singapore International School Chiangmai. The construction was completed in February 2024
- The company planned the construction of the third phase of Singapore International School Bangkok and expected to open in August 2025.
- The company commenced the construction of the third phase of Singapore International School Thonburi and expected to open in August 2024 for Phase 3.1 and in Year 2025 for Phase 3.2.



Significant Events

SISB Public Company Limited is committed to its vision to be the leading education provider and making quality education accessible to all. The Company recognizes the significance of sustainable business development and aims to support the United Nation for Sustainability Development Goals (SDGs) by considering the impacts of its business operations on environment, society, and stakeholders. Accordingly, the Company has identified the business value chain and stakeholder engagement. Moreover, the Company has identified accessed and ranked materiality topic. The company use materiality topic in sustainability to set up Sustainability Management Policy and use those topics throughout the organization with disclosure the performance information in three demission: Environmental dimension, Social dimension and Governance dimension

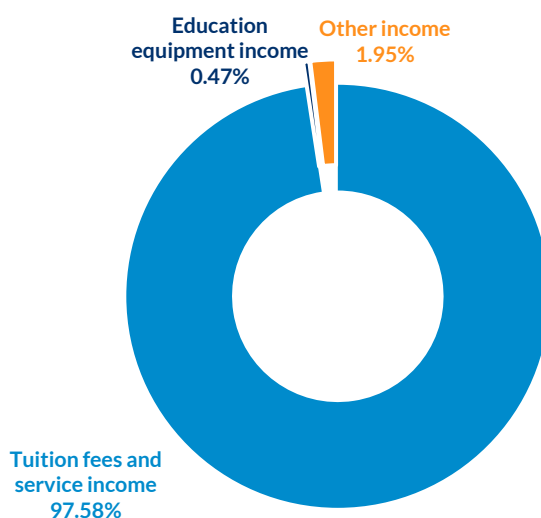
The company has revealed details according to the information mentioned above and progress in sustainable business development at <https://sisb.ac.th/esg/>

Financial Performance

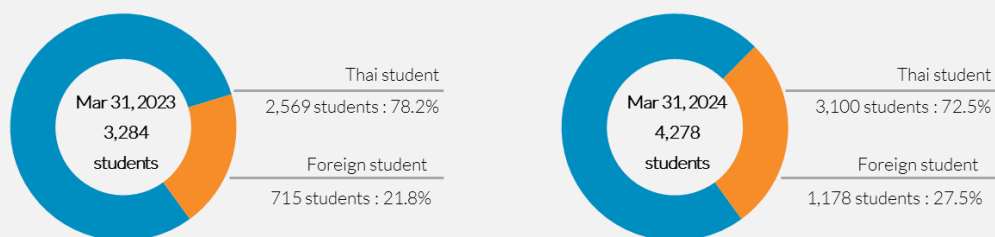
Statement of Income	Consolidated financial statement for 3-month period					
	31 March 2023		31 March 2024		Change	
	Million THB	%	Million THB	%	Million THB	%
<u>Revenues</u>						
Revenues from sales and services	425.88	97.80	560.91	98.05	135.03	31.71
- Tuition fees and services income	422.90	97.11	558.22	97.58	135.32	32.00
- Education equipment income	2.98	0.69	2.69	0.47	(0.29)	(9.73)
Other income	9.59	2.20	11.14	1.95	1.55	16.16
Total revenues	435.47	100.00	572.05	100.00	136.58	31.36
<u>Expenses</u>						
Tuition and services cost	188.71	43.34	251.58	43.98	62.87	33.32
Administrative expenses	87.06	19.99	111.03	19.41	23.97	27.53
Total expenses	275.77	63.33	362.61	63.39	86.84	31.49
Share of profit (loss) from investment accounted for under equity method	3.92	0.90	7.10	1.24	3.18	81.12
Finance revenue	1.98	0.46	4.41	0.77	2.43	122.73
Finance cost	6.43	1.48	7.21	1.26	0.78	12.13
Profit before income tax expense	159.17	36.55	213.74	37.36	54.57	34.28
Income tax expenses (revenue)	0.14	0.03	1.82	0.32	1.68	1,200.00
Profit for the year	159.03	36.52	211.92	37.04	52.89	33.26

Analysis of Statement of Income

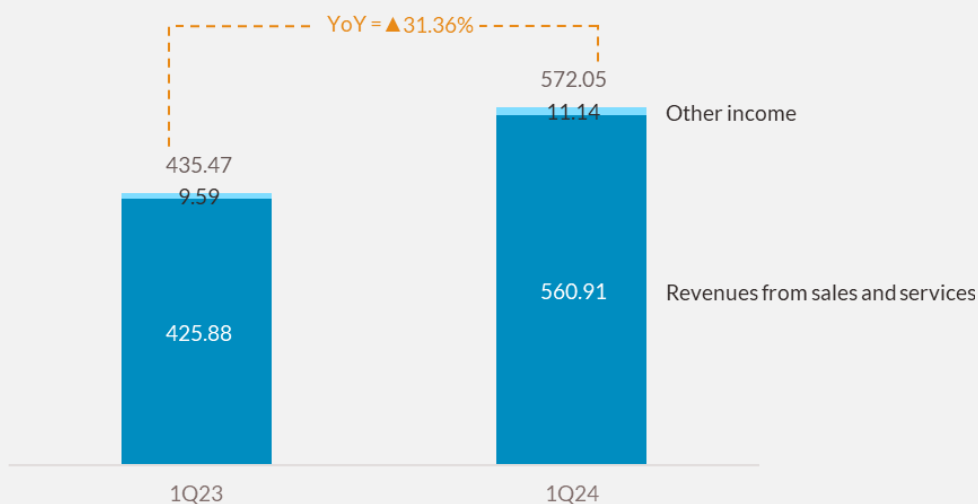
Revenue
Revenue Breakdown in Q1'2024



Number of Student by Nationality

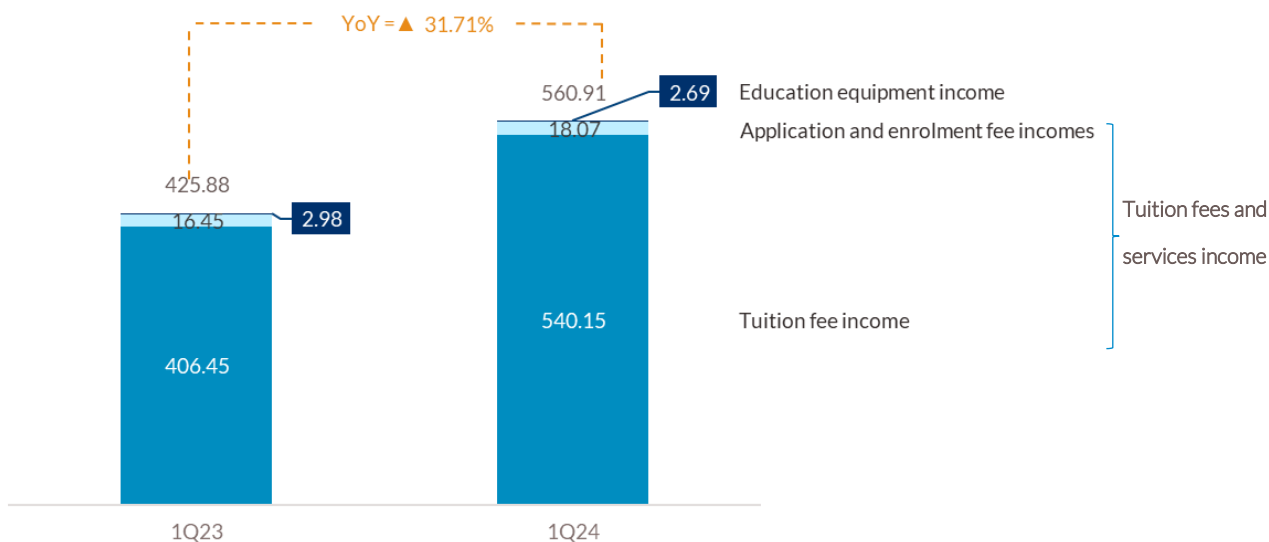


The Company's revenue for the 3-month period ended 31 March 2023 and 2024 were THB 435.47 million and THB 572.05 million respectively. Revenue increased by THB 136.58 million or 31.36%. The summary is as follows:



Revenues from sales and services

Revenues from sales and services of the company for 3-month period ended 31 March 2023 and 2024 were THB 425.88 million and THB 560.91 million respectively. Revenues from sales and services consist of Tuition fees and services income and Education equipment income which accounted for 99.52% and 0.48% of revenues from sales and services in 3-month period 2024 respectively.



Tuition fees and services income

Tuition fees and services income consists of Tuition fee income and Application and enrolment fee income. The detail is as follows:

Tuition fee income

Tuition fee income for Q1'2023 and 2024 was THB 406.45 million and THB 540.15 million respectively, increasing by 32.89% resulting from the number of students increased from both Thai students and Foreign students from 3,003 to 3,892 (excluded the number of students from Singapore International School Chiang Mai). In addition, average tuition fee income per student increased from THB 0.55 million to THB 0.56 million per student or 0.97%, mainly came from the opening of new schools in Nonthaburi and Rayong, majority of students were in nursery, kindergarten and primary level and increased tuition fee of AY2023/2024 which is related to the industry and increased in staff remunerations.

Application and enrolment fee incomes

Application and enrolment fee incomes of the company for Q1'2023 and 2024 were THB 16.45 million and THB 18.07 million respectively. Application and enrolment fee increased by 9.85% from the same period of previous year, due to increasing number of student.

Education equipment income

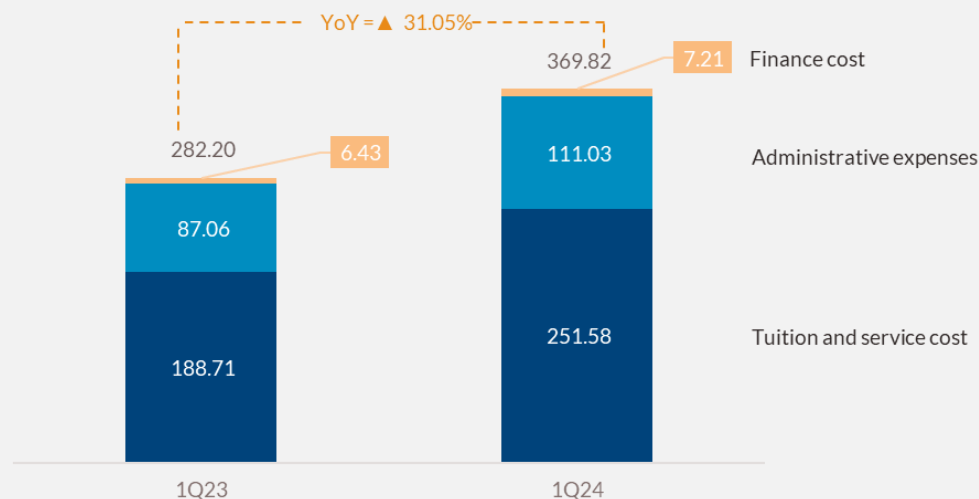
Education equipment income for Q1'2023 and 2024 were THB 2.98 million and THB 2.69 million respectively, decreased by THB 0.29 million or 9.73%. Education equipment income mainly consisted of income from school uniform.

Other incomes

Other incomes for the Q1'2023 and 2024 were THB 9.59 million and THB 11.14 million respectively. Other incomes mainly consisted of income from food and beverage, credit card fee income.

Costs and Expenses

Costs and expenses of the company consist of tuition and services cost, administrative expenses, other expenses, and finance cost. Costs and expenses for Q1'2023 and 2024 were THB 282.20 million and THB 369.82 million respectively, which accounted for 64.80% and 64.65% of total revenue.



Tuition and services cost

Tuition and services cost were the major component of the company's total cost. For Q1'2023 and 2024, tuition and services cost were THB 188.71 million and THB 251.58 million respectively, increasing by THB 62.87 million or 33.32%. Tuition and services cost consisted of cost of education and cost of building management, the detail is as follows:

Cost of Education

The company reported cost of education at THB 179.08 million for Q1'2024 increased from THB 134.92 million in the same period of previous year. The cost increased related to increasing in tuition fees income and adjustment in academic staff remunerations at the beginning of academic year, increasing in number of academic staffs for existing campuses and new campuses (Nonthaburi and Rayong). Cost of education to revenue from sales and services increased from 31.68% in the 3-month period of 2023 to 31.93% in the 3-month period of 2024.

Cost of Building Management

Cost of building management for Q1'2024 was THB 72.50 million. The cost increased from the same period of the previous year at THB 53.79 million. This mainly came from depreciation cost, utilities cost of new campuses. Cost of building management to Tuition fee and service income was at 12.93% for Q1'2024 which increased from 12.63% at the same period of the previous year.

Administrative expenses

The company reported administrative expenses at THB 111.03 million which is 19.41% of total revenue. The expenses consisted of employee-related expenses which amounted to THB 79.66 million. The expenses increased mainly came from increased staff for new campuses. Administrative expenses to total revenue decreased from 19.99% in Q1'2023 to 19.41% in Q1'2024, due to an increase in total revenue while most of administrative expenses were fixed cost.

Finance cost

The company reported finance cost at THB 7.21 million in Q1'2024 which increased from the same period of last year at THB 6.43 million mainly due to interest from right of use assets under TFRS 16 Leases.

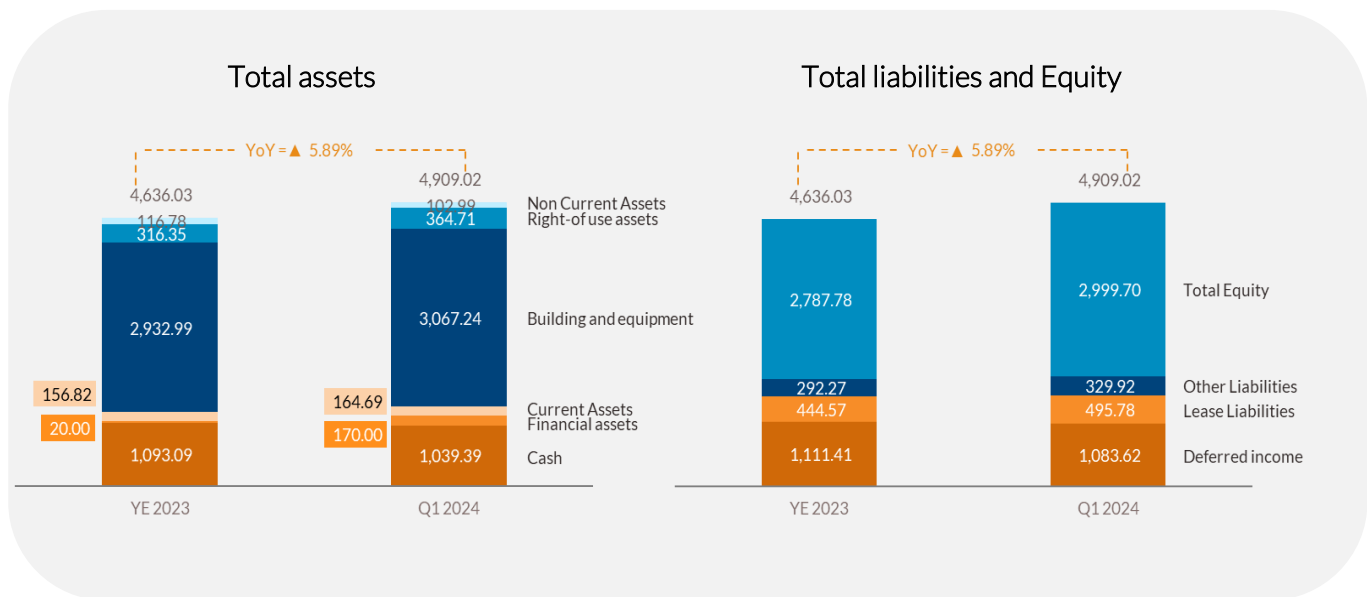
Share of profit (loss) from investment accounted for under equity method

For 3-month period ended 31 March 2023 and 2024, SISB-SIRI which included Singapore International School Chiangmai, reported net income of THB 7.85 million and THB 14.21 million respectively. Therefore, the company realized share of profit from investment accounted for under equity method amounted to THB 3.92 million and THB 7.10 million in Q1'2023 and 2024, respectively.

Net income

The company reported net income of THB 211.92 million, with net profit margin at 37.04%, an increase from the same period of previous year of THB 159.03 million. The increase in net profit was due to the increase in the revenue and most administrative expenses of the Company are fixed.

Analysis of Statement of Financial Position



Total assets

As of 31 March 2024, the company’s total assets increased from the balance as of 31 December 2023 by THB 272.99 million or 5.89%. Significant changes mainly came from the following items:

- Cash and cash equivalent decreased by THB 53.70 million. Significant movements were as follows:
 - Net cash flows from operating activities of THB 263.03 million from increased number of students.
 - Net cash flows used in investing activities of THB 306.66 million, mainly in land purchased of Singapore International School Thonburi and Singapore International School Nonthaburi and construction project of the third phase of Singapore International School Thonburi and also investments in current financial assets.
 - Net cash flows used in financing activities of THB 10.07 million for liabilities under finance lease agreements.
- Financial assets increased by THB 150.00 million. This is because the company has increased investments in the fixed deposits during the period. As of 31 March 2024, the company has other current financial assets of THB 170.00 million.
- Property, plant, and equipment increased by THB 134.25 million. The movements were as follows:
 - Building and equipment increased by THB 182.67 million mainly came from land purchased of Singapore International School Thonburi and Singapore International School Nonthaburi and construction project of the third phase of Singapore International School Thonburi
 - Depreciation during the period of THB 48.41 million.
 - Other movements decreased by THB 0.01 million.
- Non-current assets decreased by THB 13.79 million, which mainly came from investments in joint ventures.

Total liabilities

As of 31 March 2024, the company's total liabilities increased from the balance as of 31 December 2023 by THB 61.07 million or 3.30%. Significant changes mainly came from the following items:

- Lease Liabilities increased by THB 51.21 million from land rental agreement for the third phase of Singapore International School Thonburi.
- Other Liabilities increased by THB 37.65 million. Significant movements were as follows:
 - Trade and other payables increased by THB 26.58 million, mainly came from accrued cost of extra activity courses and accrued bonus.
 - Deposit from students increased by THB 7.29 million, which mainly came from the deposit from new students during the period.
- Deferred income decreased by THB 27.79 million, mainly came from revenue recognition of tuition fee, extra education fee and enrolment fee during the period.

Total shareholders' equity

As of 31 March 2024, total shareholders' equity was at THB 2,999.70 million, which increased by THB 211.92 million or 7.60% from net profit for the 3-month period ended 31 March 2024.

Please be informed accordingly.

Yours Sincerely,

Mr. Yew Hock Koh
Chief Executive Officer