



บริษัท รุ่งเรืองตลอดไป จำกัด (มหาชน)  
Glory Forever Public Company Limited

NO. GLORY 2024-008

May 10, 2024

Subject: The Management Discussion and Analysis for 3-month period ended 31 March 2024

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 2024 as follow:

**Revenue from sales and services**

In the first 3 months of 2024, the Group generated sales and service revenue of 27.70 million Baht — an increase from the same period of last year by 3.18 million Baht or 12.96 %, a result of the addition of new revenue streams and expanded investment in subsidiaries.

**Other income**

The Group's other income mainly consists of fees collected from customer payments, bank deposit interest, returns from investment in liquid assets and rental income. The Group's other income amounted to 0.67 million baht, accounting for 2.34 % of the total income for the same period, which decreased from other income in the first 3 months of 2023, by 0.86 million baht or 56.38 percent, due to the decline in returns from investments in liquid assets and the cessation of revenue from the ERP system consulting, among other factors.

**Cost of sales and services**

In the first 3 months of 2024, the company group had a cost of sales and services amounting to 19.98 million baht, accounting for 70.43 percent of the total revenue in the same period. This represents an increase from the same period of the previous year by 8.51 million baht or 74.24 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.



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The gross profit of the Group for the first 3 months of 2024 was 7.72 million baht, or a gross profit margin of 27.22 percent of the service revenue in the same period. Compared to the same period of 2023, which had a gross profit margin of 50.13 percent. The decline in gross profit is linked to the Group's investment in the initial stages of Alisa's development, which normally involves a higher cost that would eventually diminish.

**Distribution and administrative expenses**

The selling expenses of the Group for the first 3 months of 2024 amounted to 1.55 million baht. Considering the ratio of selling expenses to the company's total revenue, it was 5.46 percent, which decreased from the same period of the previous year by 1.35 million baht. The main reason was the decreased expenses in distribution, advertising and marketing for the new product, Alisa Generative AI, all of which have seen a reduction from the previous year.

The administrative expenses of the Group for the first 3 months of 2024 amounted to 9.43 million baht, which increased by 1.50 million baht, or an increase rate of 18.92 percent compared to the first 3 months of 2023. The main reasons were the increase in expenses such as management costs for subsidiaries, staff-related expenses and amortization of intangible assets, following an increase in the number of licenses held by the group.

**Net profit**

The Group had a net loss for the first 3 months of 2024 of 5.14 million baht, which was a loss from the same period of the previous year. This was because the company group the costs related to the initial stage development and market launch of the Group's new product, Alisa, Generative.

**Financial position**

**Asset**

As of 31 March 2024, the Group had total assets of 291.59 million baht, a decrease compared to 31 December 2023, by 3.32 million baht or 1.13 percent. The main reasons were the increased intangible assets resulting from acquisitions of literary licenses, ongoing investments in new products by the Group, and a decrease in investment in joint ventures.



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Liability

As of 31 March 2024, the Group had total liabilities amounting to 28.53 million baht, accounting for 9.78 percent of the total liabilities and shareholders' equity. The total liabilities increased compared to 31 December 2023 by 1.82 million baht or 6.82 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 2024, the shareholders' equity of the Group was 258 million baht, accounting for 88.48 percent of the total liabilities and shareholders' equity. The shareholders' equity decreased by 5.90 million baht compared to the shareholders' equity as of 31 December 2023. This was due to the loss from the company's operations for the first 3 months of 2024.

Please be informed accordingly

Yours sincerely,

MR. JARUNPAT BOONYANG

Chief Executive Officer