Management Discussion & Analysis

for the year ended 31 December 2024

SISB PUBLIC COMPANY LIMITED

20 February 2025

Re: Management Discussion & Analysis for the year ended 31 December 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 year ended 31 December 2024 as follows:

Executive Summary

Consolidated financial statement	31 December 2023	31 December 2024	Change
(THB million)			
Revenue from sales and services	1,889.24	2,352.97	24.55%
Total revenues	1,930.56	2,394.34	24.02%
Tuition and services cost	897.51	1,078.46	20.16%
Gross Profit	991.73	1,274.51	28.51%
EBITDA	861.57	1,123.96	30.45%
Net Profit	653.53	885.19	35.45%
Gross Profit Margin (%)	**52.49%**	**5 4.17%**	**1.68%**
EBITDA Margin (%)	**44.63%**	**46.94%**	**2.31%**
Net Profit Margin (%)	**33.85%**	**36.97%**	**3.12%**

2024 Key Financial Highlight

Revenue from sales and services

- The Company's revenue from sales and services for the year ended 31 December 2023 and 2024 were THB 1,889.24 million and THB 2,352.97 million respectively. Revenue increased by THB 463.73 million or 24.55%.

  This mainly came from higher number of students both Thai students and Foreign students, increased tuition fee of AY2024/2025 and also the company recognized revenue from new schools for 12-month period in 2024 comparing to 5-month period in 2023.

Net Profit and Net Profit Margin

- The company reported net income of THB 885.19 million in 2024, with net profit margin at 36.97%, an increase from the same period of previous year of THB 653.53 million. The increase in net profit was due to the increase in the total revenues and most administrative expenses of the Company are fixed. Additionally, the increase in net profit was from one-time pre-operating costs and expenses of THB 25.83 million associated with new schools opening in 2023 and from gain on fair value adjustment of other non-current financial assets - debentures of THB 2.09 million.
- Without pre-operating costs and expenses, net income for 2023 were THB 679.36 million with net profit margin at 35.19%. The company reported net income for 2024 of THB 885.19 million, increase by THB

Significant Events

Campus and Education Development 2024-2026

• 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 Q1'2026.

• The company commenced the construction of Singapore International School Thonburi phase 3. 1 and complete in August 2024.

• The company entered into a land purchased agreement in Pathum Thani Province in December 2024. The company commenced the construction of the seventh Singapore International School and expected to open in Q3'2026.

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 dimension: 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/

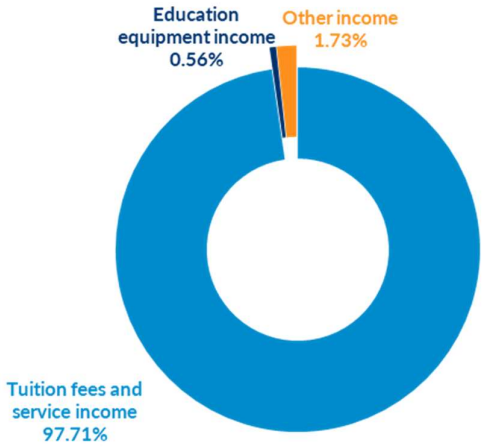
Financial Performance

Statement of Income	Consolidated financial statement for 12-month period					
	31 December 2023		31 December 2024		Change	
	Million THB	%	Million THB	%	Million THB	%
Revenues						
Revenues from sales and services	1,889.24	97.86	2,352.97	98.27	463.73	24.55
- Tuition fees and services income	1,875.10	97.13	2,339.49	97.71	464.39	24.77
- Education equipment income	14.14	0.73	13.48	0.56	(0.66)	(4.67)
Other income	41.32	2.14	41.37	1.73	0.05	0.12
Total revenues	**1,930.56**	**100.00**	**2,394.34**	**100.00**	**463.78**	**24.02**
Costs and Expenses						
Tuition and services cost	897.51	46.49	1,078.46	45.04	180.95	20.16
Administrative expenses	381.85	19.78	448.92	18.75	67.07	17.56
Total costs and expenses	**1,279.36**	**66.27**	**1,527.38**	**63.79**	**248.02**	**19.39**
Share of profit from investment accounted for under equity method	19.70	1.02	32.48	1.36	12.78	64.87
Finance income	9.62	0.50	24.51	1.02	14.89	154.78
Finance cost	25.92	1.34	29.95	1.25	4.03	15.55
Profit before income tax expenses	**654.60**	**33.91**	**894.00**	**37.34**	**239.40**	**36.57**
Income tax expenses	1.07	0.06	8.81	0.37	7.74	723.36
Profit for the period	**653.53**	**33.85**	**885.19**	**36.97**	**231.66**	**35.45**

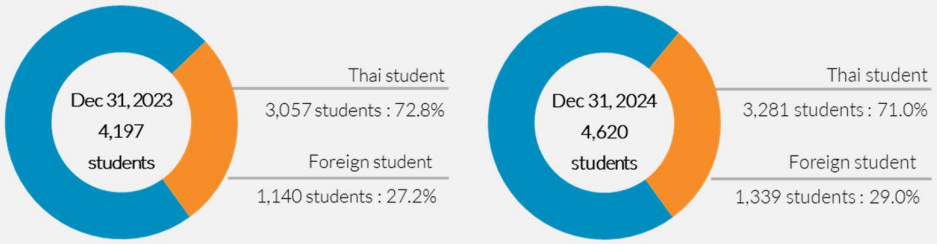
Analysis of Statement of Income

Revenue

Revenue Breakdown in 2024

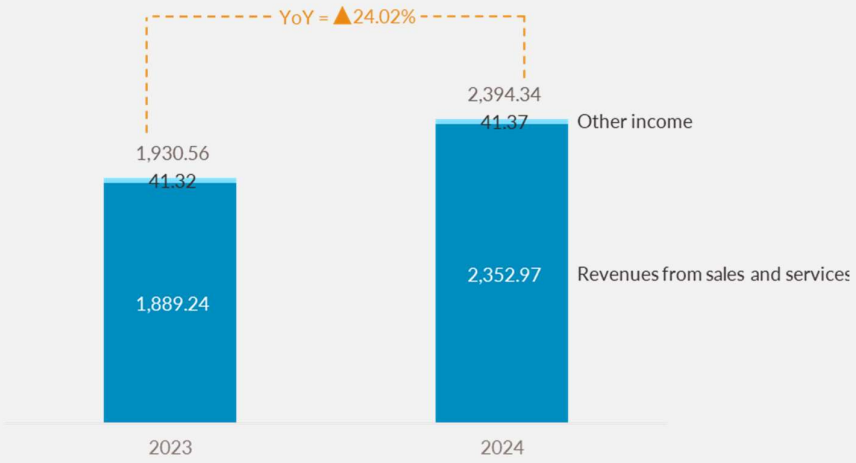


Number of Student by Nationality (SISB Group)



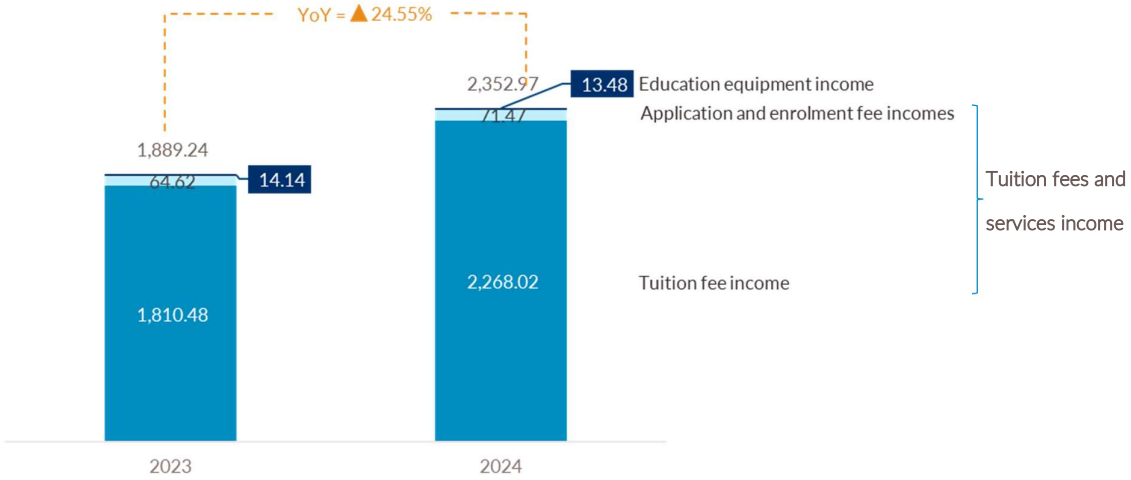
Number of schools:	6 schools	6 schools

The Company's revenue for the year ended 31 December 2023 and 2024 were THB 1,930.56 million and THB 2,394.34 million respectively. Revenue increased by THB 463.78 million or 24.02%. The summary is as follows:



Revenues from sales and services

Revenues from sales and services of the company for the year ended 31 December 2023 and 2024 were THB 1,889.24 million and THB 2,352.97 million respectively. Revenues from sales and services consist of Tuition fees and services income and Education equipment income which accounted for 99.43% and 0.57% of revenues from sales and services in 12-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 details are as follows:

Tuition fee income

Tuition fee income for 2023 and 2024 was THB 1,810.48 million and THB 2,268.02 million respectively, increasing by 25.27% resulting from the number of students increased from both Thai students and Foreign students from 3,827 to 4,176 (excluded the number of students from Singapore International School Chiang Mai). In addition, average tuition fee income per student increased from THB 0.54 million to THB 0.57 million per student or 4.70%, mainly came from the increasing in after school activities revenue and increased tuition fee of AY2024/2025 which is related to the industry and increased in staff remunerations. Additionally, the company recognized revenue from new schools for 12-month period in 2024 comparing to 5-month period in 2023.

Application and enrolment fee incomes

Application and enrolment fee incomes of the company for 2023 and 2024 were THB 64.62 million and THB 71.47 million respectively. Application and enrolment fee increased by 10.60% from the same period of previous year, due to the increasing accumulated number of students.

Education equipment income

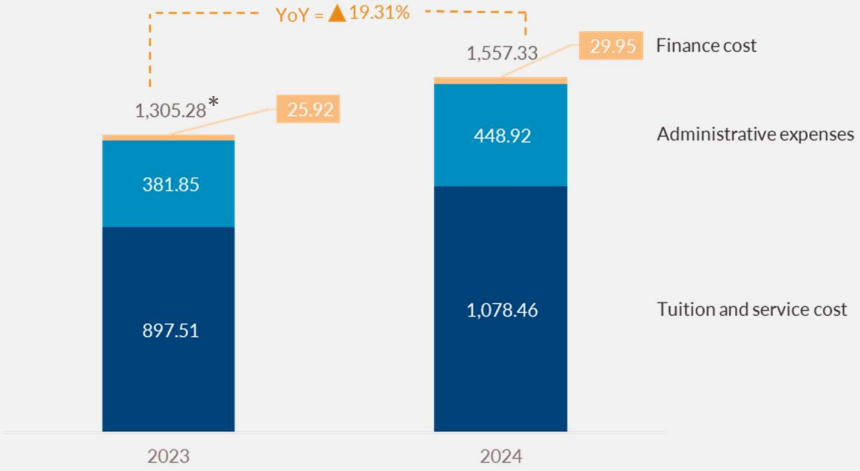
Education equipment income for 2023 and 2024 were THB 14.14 million and THB 13.48 million respectively, decreased by THB 0.66 million or 4.67%. Education equipment income mainly consisted of income from school uniform.

Other income

Other income for 2023 and 2024 were THB 41.32 million and THB 41.37 million respectively, increased by THB 0.05 or 0.12% million. Other incomes mainly consisted of income from advisory and management fee, gain on fair value adjustment of other non-current financial assets - debentures, income from food and beverage and income from credit card fee.

Costs and Expenses

Costs and expenses of the company consist of tuition and services cost, administrative expenses and finance cost. Costs and expenses for 2023 and 2024 were THB 1,305.28 million and THB 1,557.33 million respectively, which accounted for 67.61% and 65.04% of total revenue.



* included one-time per-operating costs and expenses of THB 25.83 million
Without one-time pre-operating costs and expenses, total costs and expenses for 2023 were THB 1,279.45 million. Total cost and expenses for 2024 were THB 1,557.33 million, increase by THB 277.88 million or 21.72% from total costs and expenses of 2023 without one-time pre-operating costs and expenses.

Tuition and services cost

Tuition and services cost were the major component of the company's total cost. For 2023 and 2024, tuition and services cost were THB 897.51 million and THB 1,078.46 million respectively, increasing by THB 180.95 million or 20.16%. 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 780.13 million for 2024 increased from THB 637.58 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. Cost of education to revenue from sales and services decreased from 33.75% in the 12-month period of 2023 to 33.16% in the 12-month period of 2024.

Cost of Building Management

Cost of building management for 2024 was THB 298.33 million. The cost increased from the same period of the previous year at THB 259.93 million. This mainly came from the 12-month depreciation cost of new school in Nonthaburi and Rayong in 2024 comparing to 5-month depreciation cost in 2023 and depreciation of new building of Thonburi School (Phase 3.1). Cost of building management to Tuition fee and service income was at 12.68% for 2024 which decreased from 13.76% at the same period of the previous year.

Administrative expenses

The company reported administrative expenses at THB 448.92 million which is 18.75% of total revenue. The expenses consisted of employee-related expenses which amounted to THB 341.59 million. Administrative expenses to total revenue decreased from 19.78% in 2023 to 18.75% in 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 29.95 million in 2024 which increased from the same period of last year at THB 25.92 million mainly due to interest from right of use assets under TFRS 16 Leases.

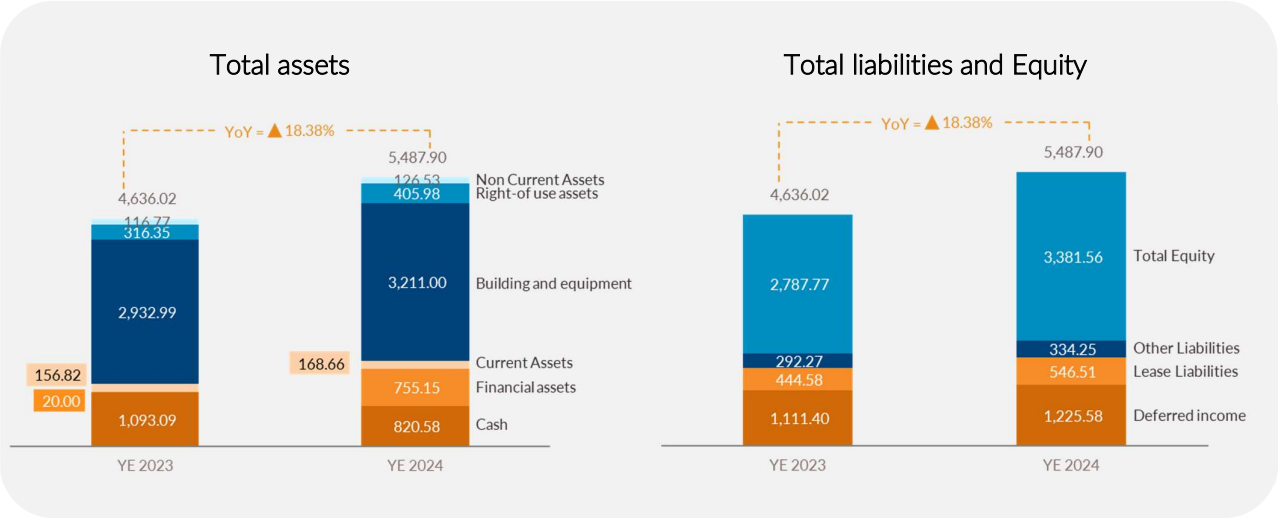
Share of profit from investment accounted for under equity method

For 12-month period ended 31 December 2023 and 2024, SISB-SIRI which included Singapore International School Chiangmai, reported net income of THB 39.40 million and THB 64.96 million respectively. Therefore, the company realized share of profit from investment accounted for under equity method amounted to THB 19.70 million and THB 32.48 million in 2023 and 2024, respectively.

Net income

The company reported net income of THB 885.19 million, with net profit margin at 36.97%, an increase from the same period of previous year of THB 653.53 million. The increase in net profit was due to the increase in the revenue and most administrative expenses of the Company are fixed. Additionally, the increase in net profit was from one-time pre-operating costs and expenses of THB 25.83 million associated with new schools opening in 2023.

Analysis of Statement of Financial Position



Total assets

As of 31 December 2024, the company's total assets increased from the balance as of 31 December 2023 by THB 851.88 million or 18.38%. Significant changes mainly came from the following items:

- Cash and cash equivalent decreased by THB 272.51 million. Significant movements were as follows:
  - Net cash flows from operating activities of THB 1,227.77 million from increased number of students.
  - Net cash flows used in investing activities of THB 1,168.85 million, mainly used in net investments in fixed deposits of THB 730.00 million and also used in land purchased of Thonburi school, Nonthaburi school and the seventh school and also construction project of Thonburi school (Phase 3. 1).
  - Net cash flows used in financing activities of THB 331.43 million for payments of dividend in 2024 and liabilities under finance lease agreements.
- Financial assets increased by THB 735.15 million. Significant changes mainly came from investing in fixed deposits during the period. As of 31 December 2024, the company has other current financial assets of THB 755.15 million.
- Property, plant, and equipment increased by THB 278.01 million. The movements were as follows:
  - Property, building and equipment increased by THB 476.18 million mainly came from land purchased of Thonburi school, Nonthaburi school and the seventh school and also construction project of Thonburi school (Phase 3. 1).
  - Depreciation during the period of THB 196.04 million.
  - Other movements decreased by THB 2.13 million.
- Right-of-use assets increased by THB 89.63 million, which mainly came from land rental agreement of Thonburi school for the purpose of construction project (Phase 3.1) and school's operations and Prachauthit school for the purpose of construction project (Phase 3).

Total liabilities

As of 31 December 2024, the company's total liabilities increased from the balance as of 31 December 2023 by THB 258.09 million or 13.96%. Significant changes mainly came from the following items:

- Deferred income increased by THB 114.18 million, mainly came from advance tuition fee for AY2024/2025 and enrolment fee from new students during the period.
- Lease Liabilities increased by THB 101.93 million from land rental agreement of Thonburi school and Prachauthit school.
- Other Liabilities increased by THB 41.98 million mainly from deposit from new students during the period.

Total shareholders' equity

As of 31 December 2024, total shareholders' equity was at THB 3,381.56 million, which increased by THB 593.79 million or 21.30%. Significant changes mainly came from the following items:

- Net profit for the 12-month period ended 31 December 2024 of THB 885.19 million.
- Dividend payment of THB 291.40 million. The dividend payment was approved the 2024 Annual General Meeting of Shareholders on 11 April 2024.

Please be informed accordingly.

Yours Sincerely,

Mr. Yew Hock Koh

Chief Executive Officer