

Q3/2023 KEY HIGHLIGHTS





INVESTED THB 10 MLN TO HOLD 25% ORDINARY SHARE OF POWER AGROTECH (THAILAND).,LTD

estimated that the business of

 (1) providing agricultural liquid fertilizer spraying services with drones and
 (2) being a distributor of drones has future potential and growth opportunities with an attractive return on investment.





RELEASING A NEW CRM SYSTEM NAMED "SUCCESS POINT"

• Increase the efficiency of company's customer management system to accurately track and analyze member behavior, so SCM can issue the efficient marketing plans that meet member needs and retain members to stay with SCM in the long term.





RECEIVED "EXCELLENT LEVEL" OF CORPORATE GOVERNANCE EVALUATION FROM IOD

 Received a 5-star or "Excellent" corporate governance assessment score for the 3rd year in a row, and also received a 5-star rating (AGM Checklist 2023) in the quality assessment of Annual General Meeting (AGM) from the Thai Investors Association (TIA) from a total of 227 listed companies.

SUCCESSMORE Inspiration for your Being

01 COMPANY OVERVIEW

Displays the business nature of the Company with breakdown of product and service portfolio

O2 Strategic Direction & Strategy

Illustrates the growth direction of the Company and how the Company is planning on achieving the target

O3 Financial Performance

Displays the Company's financial performance of the latest quarter

04 2023 Outlook

Outlines the Company's growth target and activities for the upcoming quarter and year

GETTING TO KNOW SCM



INSPIRATION FOR YOUR BEING

► 1 St Network Marketing Company Listed on SET

• Among the 32 Network Marketing Companies in Thailand, SCM is the only one that listed in SET

Countries of Operation

• 7 countries in AEC including KH, MM, LA, VN, MY, SG, PH

► 170k Active Members

"We believe every change will lead to success in upgrading your status in terms of wealth, happiness and lifetime achievements"



HAPPINESS

- Creating inspiration for the soul
- **Health Conscious**



WEALTH

- Obtaining Income
- Better way of Living



LIFETIME **ACHIEVEMENT**

- Prioritize the success of our SCM member
- Human development: mind-set and skillset for members to create unity and be successful with the company through "SCM Leadership Academy (SLA)"

SCM Group Structure





SCM's REVENUE STREAMS: TYPE OF BUSINESS

** 2 and 3 are related transactions with SCM, so it has been eliminated and was not shown in financial statement



90%

of total revenue



Network Marketing

Distributing a variety of products through branches and overseas distribution agents

- 1.1 Local MLM sales
- 1.2 Export to distributors
- 1.3 Brand Using Fee
- 1.4 Member Fee
- 1.5 Other Income



6%

of total



Manufacturing Business

Operated by "SMI" to manufacture products for SCM and for other customers (OEM)

2.1 Other income



1%

of total revenue



Consulting Services

Operated by "SPT" to provide network business-related advice, setting up seminars & events, etc.

3.1 Service income



3%

of total revenue



New Business

Finding new business opportunities to fulfill SCM's ecosystem and drive more growth

- 4.1 Leasing business (Interest Income)
- 4.2 Power Agrotech (Dividend Income)









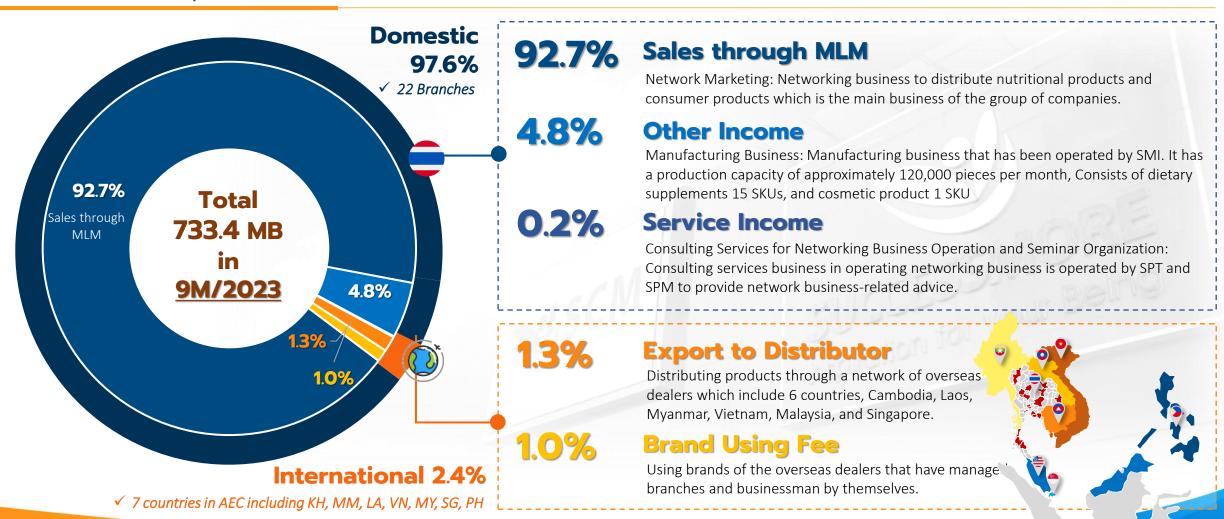


FULFILLING ECOSYSTEM TO ACHIEVE THE LONG-TERM GROWTH

SCM's REVENUE STREAMS: DOMESTIC / INTERNATIONAL



Revenue Structure by Business Unit



SUCCESSMORE PRODUCT PORTFOLIO







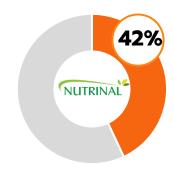
2023 New Product



Growing More

Agricultural Products





Nutrinal

Dietary Supplementary



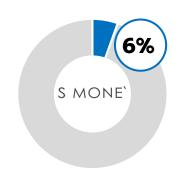


Body Cheer

Daily Use Products





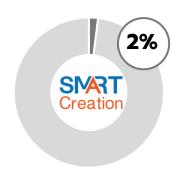


S Mone'

Facial Skin Products





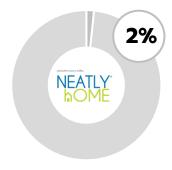


Smart Creation

Modern Innovative







Neatly Home

Home Products









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02 STRATEGIC DIRECTION & STRATEGY

Illustrates the growth direction of the Company and how the Company is planning on achieving the target

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SCM STRATEGIC DIRECTION

BE A MLM BUSINESS THAT LEADS SUCCESS, HAPPINESS, AND GOAL ACHIEVEMENT TO MEMBER

+20% CAGR

2025 onward

350K Members

2023

170K Members A WELL-KNOWN & ACCEPTED MLM BUSINESS WITH COMPREHENSIVE ECOSYSTEM IN ASIA

STRENGTHENING BUSINESS OPERATIONS & EXPANDING BUSINESS IN ASIA



Expanding the size of Membership both domestically and internationally



Expanding SCM's MLM business model to new countries in ASIA



Strong membership base across Asia



Expanding into new potential businesses that synergy with companies to fulfill SCM's ecosystem and generate additional income through collaboration with strategic partnerships



Seeking and Joint with new & potential business

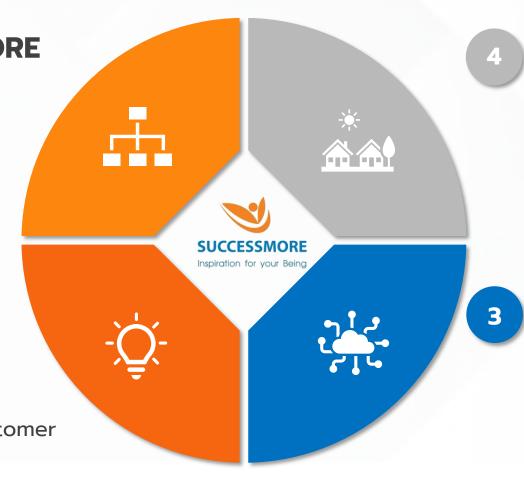
SCM STRATEGY

STRENGTHENING CORE BUSINESS

- Expanding membership base domestically and internationally
- Peveloping quality of members
- Maximizing order size

SEEKING FOR NEW BUSINESSES

- Leveraging existing customer base for new business
- Identify new investment opportunities for growth



CONTINUOUS CARE FOR COMMUNITY

- CSR Activities
- Participate in the "ESG Sustainability project" hosted by SET

TECHNOLOGICAL INTELLIGENCE

- Use Big Data for market analysis to come up with appropriate strategies
- Apply technology for internal process management



1. Strengthening Core business

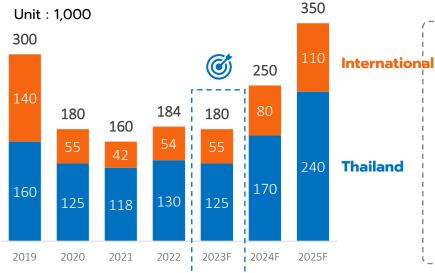


(1) Strengthening Membership

INCREASE NUMBER OF MEMBER



Number of Membership



✓ Attractive Incentive Schemes

- ✓ Increase Awareness of SCM's Brands
- √ Focus on Membership Retention schemes

INCREASE QUALITY OF MEMBER



Quality of Membership



SCM has a leadership development institute called "Successmore Leadership Academy: SLA" to educate a correct mindset and strong leadership to our staff and businessmen

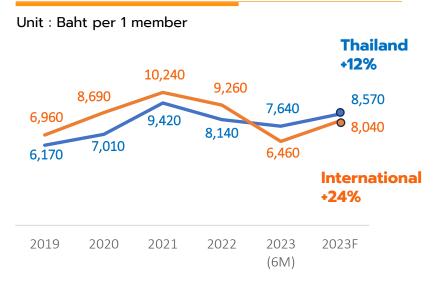
√ Consistent training program

✓ Enhancing Leadership skill through Leadership training program

INCREASE ORDER SIZE

Z

Average Sales Value



- ✓ Lunch new product with competitive price
- ✓ Targeting new-Gen customer with an higher purchasing power

Build a strong domestic sales teams: at least 10-15 teams per Region



1. Strengthening Core business



(2) Expanding to Online Platform

 Expanding from offline strategies to digital platforms by training members to be influencers to reach customers efficiently





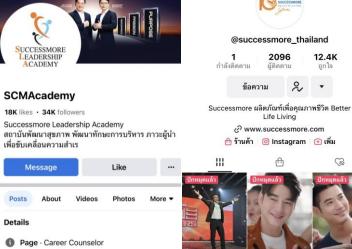
 บริษัท ซัคเซสมอร์ บีอิ้งค์ จำกัด (มหาชน) 10/1-2 ถนนรัชดาภิเษก แขวงจตุจักร เขตจตุจักร , Bangk.



S.O.D MORE เคล็ดลับที่มาริโอ้เลือก SUCCESSMORE THAILAND · 5.9K views · 9

SUCCESSMORE THAILAND

@SuccessmoreBeing 32K subscribers 444 videos



Successmore Thailand $\triangle \Leftrightarrow$

(3) Positioning SCM as a "HERO Brand"

"SCM HERO LIFE HERO RUN"

Every step of your run becomes a donation to National Cancer Institute Foundation and the Paralimbic Foundation of Thailand





1. Strengthening Core business



(4) Develop member's skill

Training courses for members to become strong leaders and achieve long-term goals

"Successmore Leadership Academy (SLA)"



(5) Aim to be a Leader in Agriculture Product

Deliver high quality agricultural products brand "Growing More" to help farmers raise the quality of crops and increase their revenue





2. Seeking for new businesses



POWER AGROTECH

Agricultural drone business with a comprehensive services





Drone spraying service

Upcoming Project

- Expand from B2C to B2B spraying service
- Drone Training Center

GROWING MORE







SCM's Opportunities

- ✓ Increase *GROWING MORE Sales Volume
- ✓ Increase income from drone spraying service
- √ Reach the group of farmers who
 is the real user of SCM's
 agriculture product

Sustainable Agriculture



Reduce working time



Spray with more accuracy



Reduce labor cost



Cleary productivity improve from high quality product

EXPLORE OTHER OPPORTUNITIES



- ✓ Seeking for strategic cooperations with partners in any related business
- Explore new potential that compatible with SCM by leveraging existing membership basement along with develop member and employee skill to create additional income streams



3. Technological Intelligence



SCM developed a BIG DATA SYSTEM and has used it in sales planning and operation management since 2021. This is an important factor to boost SCM's sales value, along with using a warehouse management system to increase SCM's long-term competitiveness



Analytics for Marketing Strategies

SCM use Big Data in many aspects:

- Customer Relationship Management
- Analyze sales & market and lunching appropriate strategy
- Create a good brand experience to customer







Warehouse Management System (WMS)

The system use to control goods entering and leaving the warehouse



- Plan for product distribution & storage
- Reduce shipping problems
- Check inventory and shelf life of products



SCM Connext & My Success Shop

Application "SCM Connext"

- products purchasing online via App
- point & commission checking through App

My Success Shop

- an Online Store system
- members can sale product through their own Success Shop 24 hours a day











4. Continuous Care for Community



Environmenta



SCM conducts its business by prioritizing the environment and avoiding activities that can have a negative impact on the surrounding communities.



Since Aug 23, SCM organizes a project to receive plastic bag donations from members and put it into the recycling process into new bags that can be used again

Social Mi

SCM focused on Human development through training programs held by Successmore Leadership Academy





Along with the mission to develop and raise the level of thinking and leadership by the Chief Executive Officer (CEO) through various training programs continuously organized for both SCM members, internal employee, and external agencies





Governance



 Certified by various agencies as an anticorruption organization (CAC Certified)



✓ Assessed at the level of "Excellent" from the Good Corporate Governance Assessment.



- ✓ Obtained a full score of 100 points from the assessment of the quality of the 2022 Annual General Meeting of Shareholders by the Thai Investors Association (TIA)
- ✓ In Jul-23, SCM received "WFDSA Global Code of Ethic: Gold Award" from Thai Direct Selling Association (TDSA)



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03 FINANCIAL PERFORMANCE

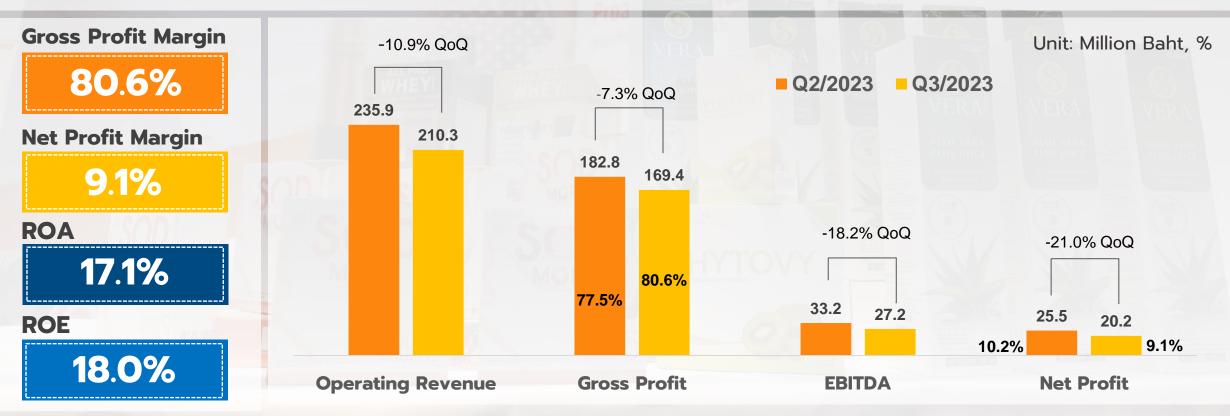
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Q3/2023 Financial Highlights





Q3/2023 Revenue and Cost Impact





Impact to SCM

Revenue from sales

in Q3/23 dropped from Q2/22 & Q1/22 **Decrease in sales of supplementary products** according to the economic slow down situation coupled with the increasing



Marketing cost by using celebrities as brand presenter to promote brand awareness and product sales (this marketing cost will start to decrease from Q4-23 onward)

Decrease in sales of agricultural

both the world market and Thailand

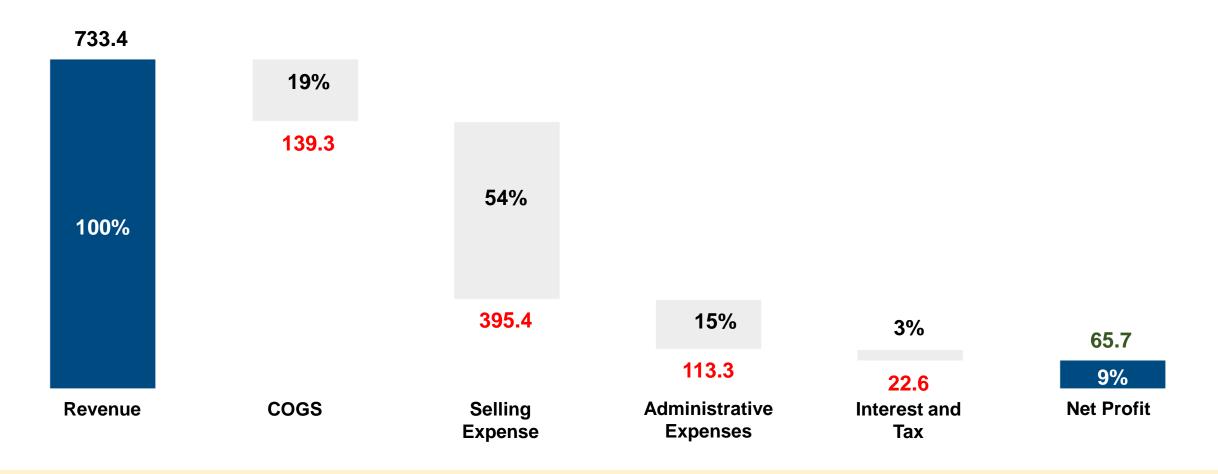
products from declining fertilizer prices in

competition in the food supplement market

Yearly contract marketing cost still ongoing even though sales are decreasing

Revenue to Profit in 9M/2023



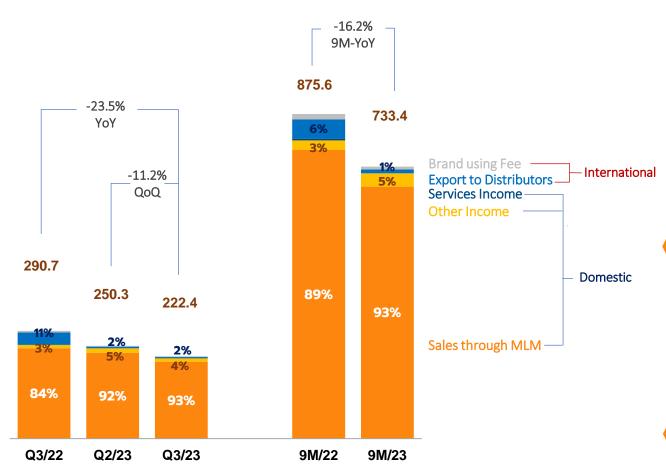


The company has a total revenue of Baht 733.4 million and a total cost structure of 91% of total revenue, with cost of goods sold accounting for 19% of total revenue and other costs accounting for 72%. The company's cost structure demonstrates its ability to manage costs efficiently. As a result, the company generates a net profit of Baht 45.5 million, or 9% of total revenue.

Total Revenue Breakdown by Type of Income: Domestic / International Successmore



Unit: Million Baht



-11.2%

QoQ: Q3/2023 vs Q2/2023

Total revenue in Q3/23 was THB 222.4 Mln, decreased by Baht 27.9 Mln (-11.2%) from Q2/23 mainly due to:

- **Domestic revenue:** decreased by Baht 27.1 million (-11.1%), mainly due to the decrease in revenue from supplementary products & agricultural products according to the economic slowdown and the situation of decreasing in fertilizer prices in domestic and global market.
- International revenue: decreased by Baht 0.9 million (-13.2%), mainly due to the decrease in export sales to distributors since the number of order from oversea branches decreased.

-23.5%

YoY: Q3/2023 vs Q3/2022

Total revenue in Q3/23 was decreased by THB 68.3 Mln (-23.5%) from Q3/22, mainly due to:

- **Domestic revenue:** decreased by Baht 36.7 million (-14.5%), mainly due to the decrease in revenue from supplementary products & agricultural products.
- International revenue: decreased by Baht 31.6 million (-84.7%), mainly due to the decrease in export sales to distributors.

-16.2%

9M-YOY: 9M/2023 vs 9M/2022

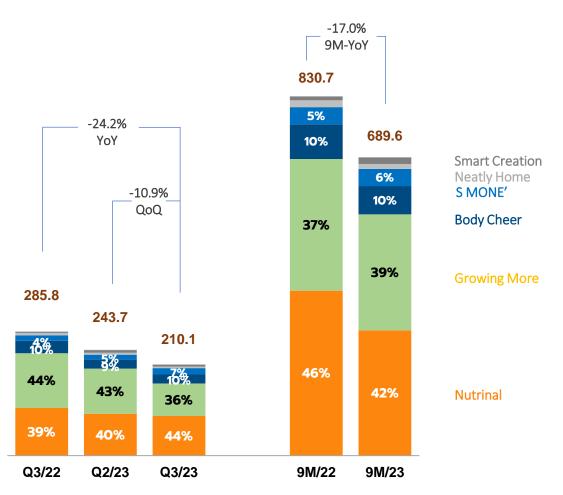
Total revenue in 9M/23 was THB 733.4 Mln, decreased by THB 142.2 Mln (-16.2%) from 9M/22

- Domestic revenue: decreased by Baht 92.9 million (-11.5%)
- International revenue: decreased by Baht 49.2 million (-73.8%)

Revenue from Sales Breakdown by Brand



Unit: Million Baht



-10.9%

QoQ: Q3/2023 vs Q2/2023

Revenue from Sales in Q3/23 was THB 210.1 Mln, decreased by Baht 25.7 Mln (-10.9%) from Q2/23, mainly due to:

- **Nutrinal**: decreased by Baht 9.6 million (-9.5%), according to the economic slowdown situation coupled with the increasing competition in the food supplement.
- **Growing More**: decreased by Baht 13.9 million (-15.6%), mainly due to the decreasing in fertilizer prices in domestic and global market that make. As a result, the company's products have the similar price and less price advantage comparing to the past.

-24.2%

YoY: Q3/2023 vs Q3/2022

Revenue from Sales in Q3/23 was decreased by THB 67.1 Mln (-24.2%) from Q3/22,

- **Nutrinal**: decreased by Baht 52.5 million (-36.4%), according to the economic slowdown situation coupled with the increasing competition in the food supplement.
- **Growing More**: decreased by Baht 10.7 million (-12.5%), mainly due to the decreasing in fertilizer prices in domestic and global market that make.

-17.0%

9M-YOY: 9M/2023 vs 9M/2022

Revenue from Sales in 9M/23 was THB 689.6 Mln, decreased by THB 141.2 Mln (-17.0%) from 9M/22

- Nutrinal: decreased by Baht 91.7 million (-24.0%).
- Growing More: decreased by Baht 36.5 million (-12.0%).

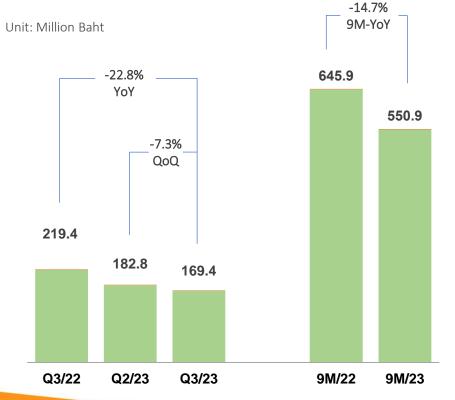
Remark: Only revenue from selling through MLM and Export to distributors

Gross Profit (GP) and Gross Profit Margin (%)





Gross Profit Margin



Gross Profit

-7.3% QoQ: **Q3/2023** vs Q2/2023

• Gross Profit: equal to THB 169.4 Mln, decreased by THB 13.4 Mln (-7.3%).

• Gross Profit Margin: Increased from 77.5% in Q2-23 to 80.6% in Q3-23.

-22.8% YoY: Q3/2023 vs Q3/2022

• Gross Profit: equal to THB 169.4 Mln, decreased by THB 50 Mln (-22.8%).

• Gross Profit Margin: Increased from 78.8% in Q3-22 to 80.6% in Q3-23.

-14.7% 9M-YO

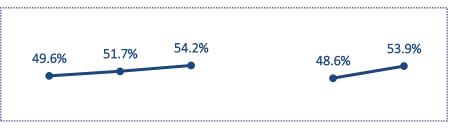
9M-YOY: 9M/2023 vs 9M/2022

• Gross Profit: equal to THB 550.9 Mln, decreased by THB 91.7 Mln (-14.7%).

• Gross Profit Margin: Increased from 77.3% in 9M-22 to 79.8% in 9M-23.

Selling and Distribution Expenses



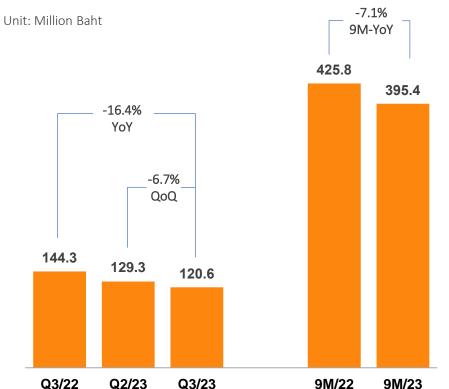




-6.7% QoQ: Q3/2023 vs Q2/2023

• **Selling Expense** : equal to THB 120.6 Mln, decreased by THB 8.7 Mln (-6.7%).

• **Selling Expense** : Increased from **51.7%** in Q2-23 to **54.2%** in Q3-23.



Selling and
Distribution Expenses

-16.4% YoY: Q3/2023 vs Q3/2022

• **Selling Expense** : equal to THB 120.6 Mln, decreased by THB 23.7 Mln (-16.4%).

• % **Selling Expense** : Increased from **49.6%** in Q3-22 to **54.2%** in Q3-23.

9M-YOY: 9M/2023 vs 9M/2022

• **Selling Expense** : equal to THB 395.4 Mln, decreased by THB 30.4 Mln (-7.1%).

Selling Expense: Increased from **48.6%** in 9M-22 to **53.9%** in 9M-23.

The marketing expenses such as advertising expenses and hire celebrities to be presenters for the company's products which these expenses did not occur in the same period of 2022, resulting in selling expenses decreased at a rate less than the decrease in sales volume

Administrative Expenses





Administrative Expenses to Total Revenue

Administrative

Expenses

-5.3% QoQ: Q3/2023 vs Q2/2023

• Admin Expense : equal to THB 36.0 Mln, decreased by THB 2.0 Mln (-5.3%).

• **% Admin Expense** : Increased from **15.1%** in Q2-23 to **15.2%** in Q3-23.

Unit: Million Baht +32.2% 9M-YoY +14.0% YoY 113.3 -5.3% 85.7 QoQ 38.0 36.0 31.6 Q3/22 Q2/23 Q3/23 9M/22 9M/23

A due in

YoY: Q3/2023 vs Q3/2022

• Admin Expense : equal to THB 36.0 Mln, increased by THB 4.4 Mln (+14.0%).

• **% Admin Expense** : Increased from **11.7%** in Q3-22 to **15.2%** in Q3-23.

+32.2%

9M-YOY: 9M/2023 vs 9M/2022

• Admin Expense : equal to THB 113.3 Mln, increased by THB 27.6 Mln (+32.2%).

% Admin Expense: Increased from **9.2%** in 9M-22 to **15.1%** in 9M-23.

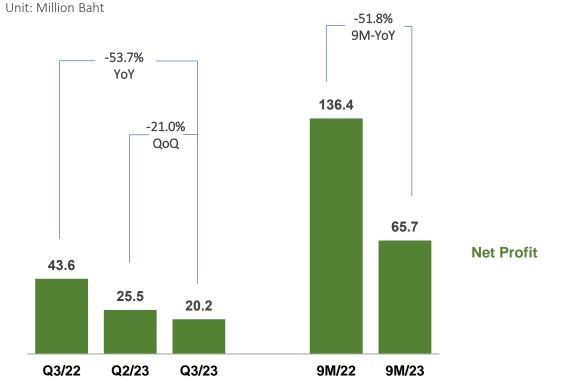
As a result of the employee expenses of Chadhai Leasing Co., Ltd., a subsidiary which the company holds 100% of shares and the allowance for expected credit losses of hire-purchase receivables in the amount of THB 3.6 million which is an expense that did not exist during the same period of the year 2022

Net Profit and Net Profit Margin (%)





Net Profit Margin



-21.0% Q

QoQ: Q3/2023 vs Q2/2023

• **Net Profit** : equal to THB 20.2 Mln, decreased by THB 5.4 Mln (-21.0%).

• Net Profit Margin : Decreased from 10.2% in Q2-23 to 9.1% in Q3-23.

-53.7% YoY:

YoY: Q3/2023 vs Q3/2022

• Net Profit : equal to THB 20.2 Mln, decreased by THB 23.4 Mln (-53.7%).

• Net Profit Margin : Decreased from 15.0% in Q3-22 to 9.1% in Q3-23.

-51.8%

9M-YOY: 9M/2023 vs 9M/2022

• **Net Profit** : equal to THB 65.7 Mln, decreased by THB 70.7 Mln (-51.8%).

• **Net Profit Margin** : Decreased from **15.6%** in 9M-22 to **9.0%** in 9M-23.

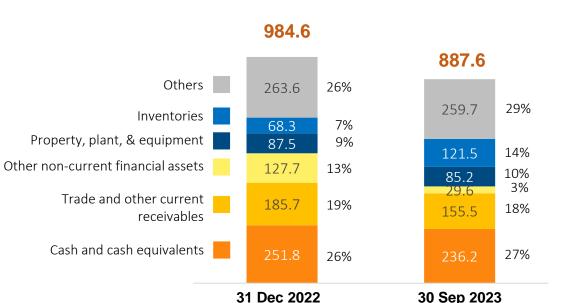
Decreasing in revenue from sales while (1) marketing expense and (2) expenses of the subsidiary company increased, resulting in Net Profit and Net Profit Margin decreased as well

Statement of Financial Position

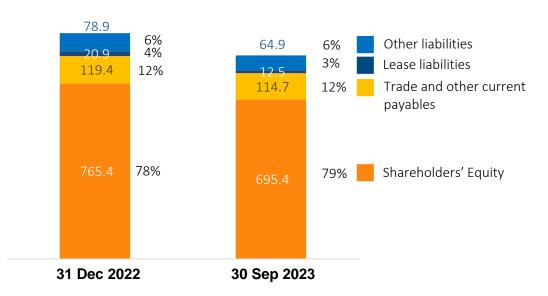
Unit: Million Baht, %







LIABILITIES & EQUITY



-9.9% ASSETS

As of 30 September 2023, the total assets were THB 887.6 MLN, decreased by Baht 97.0 million (-9.9%) from 31 December 2022, mainly due to:

- **Financial assets**: decreased by Baht 98.1 million, due to the sale of the debentures.
- Cash and cash equivalents: decreased by Baht 15.7 million, due to cash received from the sale of the debentures being used for dividend payment on 22 May 2023.

-12.3%

LIABILITIES

As of 30 September 2023, the total liabilities were THB 192.2 MLN, decreased by Baht 27.0 million (-12.3%) from 31 December 2022, mainly due to the decrease of trade and other current payables, current income tax payable, and lease liabilities.

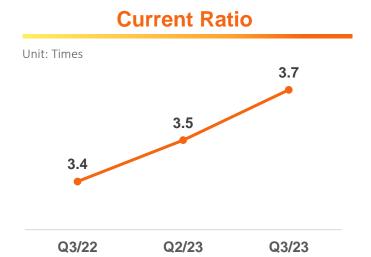
-9.1%

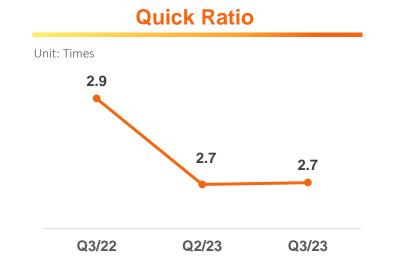
LIABILITIES

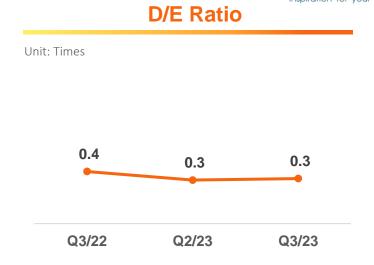
As of 30 September 2023, shareholders' equity were THB 695.4 Mln, decreased by THB 70.0 million (-9.1%) from 31 December 2022, mainly due to the decrease of retained earnings according to the company's performance

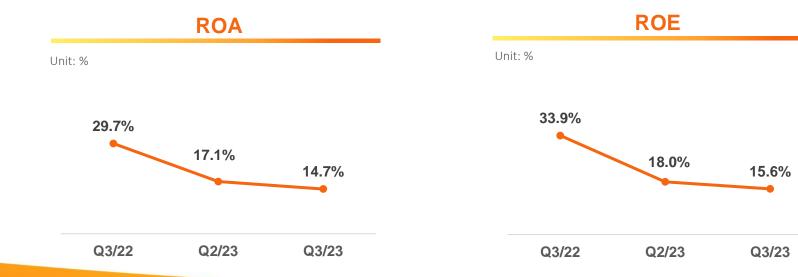
Key Financial Ratios













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04 2023 OUTLOOK

Outlines the Industry landscape, Company's growth target and activities for the upcoming quarter and year

The fertilizers market is expected to grow by 2.4% between 2022 and 2025, generating several opportunities for SCM





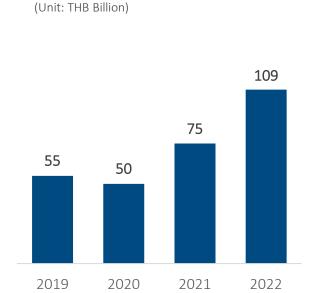
Fertilizer Market Value in Thailand



Fertilizers Consumption Value



Fertilizers Import Value



• Between 2022-2025, the fertilizers consumption value in Thailand is **expected to grow by 2.4%**, **reaching baht 150 billion in 2025** while the fertilizers import value expected to reach baht 109 billion in 2025. **This is an opportunity for the Company to capture the domestic market and expand agricultural product line.**

SCM Opportunity





SCM has **high-quality fertilizer products** which enhance crop quality and farmers' sales.



SCM has a stake in the agricultural drone business, which is expected to grow in the future as it helps reduce costs and increase the efficiency of operations in the field



Expand agricultural product line in order to expand customer base and capture new target customer

Q4/2023 | Y2023 OUTLOOK -

targets 15% growth in 2023 with the theme "SCM the SECOND WAVE"



NETWORK EXPANSION

INCREASE NEW MEMBER SPONSORSHIP

- Lunching "TOP TEAM SOPNSOR" campaign to raise up the number of **new membership,** win a prize of 500,000 baht for the last period of vear 2023
- Campaign to boost up sales volume in Q4-23 through the opportunity to win and get recognized in "SUCCESSMORE THAILAND AWARDS", to be held in Feb-24_





NEW PRODUCT

NEW PRODUCTS WITH COMPETITIVE PRICE

Q1-Q3 2023 NEW PRODUCT

- ✓ NPK 2 formulas
- ✓ B4 (Burn Build Boost Balance)
- ✓ Multi Vitamin and Mineral
- ✓ Sweet Night
- ✓ Body sheer Body Soap
- ✓ S MONE' Foundation & Powder
- ✓ NUMAX

THAILAND

✓ Micellar Cleansing Water

PRICE ADJUSTMENT EFFECTIVE FROM NOV-2023





NEW COUNTRY

CONTINUOUSLY EXPANDING INTO NEW COUNTRIES

- Philippines branch began full operations in Q4-2023, after received FDA approval of 3 products already in Nov-23
- Plans to expand to another Middle **Eastern country** while the team is also exploring opportunities in other major countries in Asia





FINANCIAL MANAGEMENT

SUCCESSMORE

SHARE REPURCHASE PROGRAM (Treasury Stock)

• On Nov 8, 2023, BOD resolved to approve the Share Repurchase program for financial management purpose (Treasury Stock) with the Following details

Not exceeding

Not exceeding

30

8,800,000

Million Baht

shares

Not exceeding

Period

1.46%

15 Nov 23

Of total issued share

14 May 24







