

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2023

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Yggdrazil Group Public Company Limited

I have reviewed the interim consolidated financial information of Yggdrazil Group Public Company Limited and its subsidiary, and the interim separate financial information of Yggdrazil Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2023, the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, changes in equity, and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim consolidated and separate financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Sinsiri Thangsombat

Certified Public Accountant (Thailand) No. 7352

Bangkok

9 November 2023

Yggdrazil Group Public Company Limited
Statement of Financial Position
As at 30 September 2023

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents		75,335,964	148,220,354	74,718,210	147,487,754
Financial assets measured at amortised cost	4	45,697,588	5,677,160	45,697,588	5,677,160
Financial assets measured at fair value					
through profit or loss	5	5,826,833	5,766,875	5,826,833	5,766,875
Trade and other receivables	6	38,166,927	29,101,543	38,166,927	29,101,543
Contract assets	7	264,527,942	191,497,619	264,527,942	191,497,619
Character design costs	8	6,789,208	-	6,789,208	-
Films under production		12,038,550	-	12,038,550	-
Other current assets		10,616,724	5,895,676	10,616,720	5,895,676
Total current assets		458,999,736	386,159,227	458,381,978	385,426,627
Non-current assets					
Financial assets measured at fair value					
through profit or loss	5	51,403,535	51,403,535	26,137,285	26,137,285
Restricted fixed deposits		4,001,000	4,001,000	4,001,000	4,001,000
Investment in joint venture		34,389,252	38,543,536	50,000,000	50,000,000
Investment in subsidiary		-	-	26,000,000	26,000,000
Leasehold improvement and equipment	9	69,884,795	58,428,195	69,884,795	58,428,195
Right-of-use assets	9	3,304,420	4,710,344	3,304,420	4,710,344
Intangible assets	10	68,288,237	73,934,921	68,288,237	73,934,921
Deferred tax assets		3,475,188	4,049,828	3,475,188	4,049,828
Other non-current assets	11	8,999,360	20,539,360	8,999,360	20,539,360
Total non-current assets		243,745,787	255,610,719	260,090,285	267,800,933
Total assets		702,745,523	641,769,946	718,472,263	653,227,560

Director _____
(Mr. Tanat Juwiwat)

Director _____
(Mr. Saroot Tubloy)

The accompanying notes are an integral part of these interim financial information.

Yggdrasil Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2023

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2023	Audited 31 December 2022	Unaudited 30 September 2023	Audited 31 December 2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	12	35,451,819	19,677,266	35,354,319	19,561,856
Contract liabilities	7	238,020	3,106,826	238,020	3,106,826
Financial derivative liabilities		37,252	-	37,252	-
Current portion of lease liabilities		3,423,534	3,015,320	3,423,534	3,015,320
Other current liabilities		14,405,505	12,637,768	14,405,505	12,637,768
Total current liabilities		53,556,130	38,437,180	53,458,630	38,321,770
Non-current liabilities					
Lease liabilities		235,217	2,209,837	235,217	2,209,837
Employee benefit obligations		5,974,716	5,393,205	5,974,716	5,393,205
Total non-current liabilities		6,209,933	7,603,042	6,209,933	7,603,042
Total liabilities		59,766,063	46,040,222	59,668,563	45,924,812
Equity					
Share capital	14				
Authorised share capital					
Ordinary shares, 692,000,000 shares of par Baht 0.50 each		346,000,000	346,000,000	346,000,000	346,000,000
Issued and fully paid-up share capital					
Ordinary shares, 601,997,187 shares of paid-up Baht 0.50 each		300,998,594	300,998,594	300,998,594	300,998,594
Premium on paid-up capital		236,245,639	236,245,639	236,245,639	236,245,639
Retained earnings					
Appropriated - legal reserve		16,800,000	14,800,000	16,800,000	14,800,000
Unappropriated		86,987,811	41,738,075	102,812,051	53,311,099
Other component of equity		1,947,416	1,947,416	1,947,416	1,947,416
Total equity		642,979,460	595,729,724	658,803,700	607,302,748
Total liabilities and equity		702,745,523	641,769,946	718,472,263	653,227,560

The accompanying notes are an integral part of these interim financial information.

Yggdrazil Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2023

	Financial information			
	Consolidated	in which the equity	Separate	
	financial information	method is applied	financial information	
	2023	2022	2023	2022
Note	Baht	Baht	Baht	Baht
Revenue from sales or services	93,323,986	60,414,530	93,323,986	60,414,530
Cost of sales of goods or of services	(52,257,574)	(34,205,659)	(52,257,574)	(34,205,659)
Gross profit	41,066,412	26,208,871	41,066,412	26,208,871
Other income	620,627	560,813	620,622	560,813
Selling expenses	(2,764,483)	(469,964)	(2,764,483)	(469,964)
Administrative expenses	(7,529,202)	(5,992,787)	(7,496,702)	(5,992,787)
Gain on exchange rate	416,046	151,309	416,046	151,309
Share of loss of joint venture accounted for using the equity method	(1,125,180)	(14,811)	-	-
Profit before finance costs and income tax	30,684,220	20,443,431	31,841,895	20,458,242
Finance costs	(53,521)	(74,803)	(53,521)	(74,803)
Profit before income tax	30,630,699	20,368,628	31,788,374	20,383,439
Income tax expense	(279,466)	(307,624)	(279,466)	(307,624)
Net profit for the period	30,351,233	20,061,004	31,508,908	20,075,815
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	30,351,233	20,061,004	31,508,908	20,075,815
Earnings per share				
Weighted-average ordinary shares (shares)	601,997,187	601,997,187	601,997,187	601,997,187
Basic earnings per share	15 0.05	0.03	0.05	0.03

The accompanying notes are an integral part of these interim financial information.

Yggdrazil Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2023

	Notes	Financial information			
		Consolidated	in which the equity	Separate	
		financial information	method is applied	financial information	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenue from sales or services	3	263,686,792	234,815,120	266,057,992	234,815,120
Cost of sales of goods or of services		(148,707,465)	(127,437,346)	(149,340,256)	(127,437,346)
Gross profit		114,979,327	107,377,774	116,717,736	107,377,774
Other income		1,884,629	1,380,852	1,882,645	1,380,852
Selling expenses		(5,242,301)	(1,552,700)	(5,242,301)	(1,552,700)
Administrative expenses		(21,564,143)	(19,422,010)	(21,465,228)	(19,422,010)
Gain on exchange rate		1,656,892	143,147	1,656,892	143,147
Share of loss of joint venture accounted for using the equity method		(2,415,876)	(14,811)	-	-
Profit before finance costs and income tax		89,298,528	87,912,252	93,549,744	87,927,063
Finance costs		(186,379)	(249,338)	(186,379)	(249,338)
Profit before income tax		89,112,149	87,662,914	93,363,365	87,677,725
Income tax expenses	13	(1,529,859)	(1,245,231)	(1,529,859)	(1,245,231)
Net profit for the period		87,582,290	86,417,683	91,833,506	86,432,494
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		87,582,290	86,417,683	91,833,506	86,432,494
Earnings per share					
Weighted-average ordinary shares (shares)		601,997,187	474,737,742	601,997,187	474,737,742
Basic earnings per share	15	0.15	0.18	0.15	0.18

The accompanying notes are an integral part of these interim financial information.

Yggdrazil Group Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2023

Financial information in which the equity method is applied						
Notes	Issued and fully paid-up share capital Baht	Premium on paid-up capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Other component of equity	Total Baht
					Remeasurement of post-employment benefit obligations Baht	
Opening balance at 1 January 2022	90,000,000	239,257,445	9,000,000	71,978,455	1,829,550	412,065,450
Changes in equity for the period						
Proceeds from shares issued	14	179,999,999	-	-	-	179,999,999
Dividends	14,16	30,998,595	-	(96,610,928)	-	(65,612,333)
Legal reserve appropriation	16	-	3,300,000	(3,300,000)	-	-
Share issued cost	14	(3,011,806)	-	-	-	(3,011,806)
Total comprehensive income for the period		-	-	86,417,683	-	86,417,683
Closing balance at 30 September 2022	<u>300,998,594</u>	<u>236,245,639</u>	<u>12,300,000</u>	<u>58,485,210</u>	<u>1,829,550</u>	<u>609,858,993</u>

Consolidated financial information						
Note	Issued and fully paid-up share capital Baht	Premium on paid-up capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Other component of equity	Total Baht
					Remeasurement of post-employment benefit obligations Baht	
Opening balance as at 1 January 2023	300,998,594	236,245,639	14,800,000	41,738,075	1,947,416	595,729,724
Changes in equity for the period						
Dividends	16	-	-	(40,332,554)	-	(40,332,554)
Legal reserve appropriation	16	-	2,000,000	(2,000,000)	-	-
Total comprehensive income for the period		-	-	87,582,290	-	87,582,290
Closing balance as at 30 September 2023	<u>300,998,594</u>	<u>236,245,639</u>	<u>16,800,000</u>	<u>86,987,811</u>	<u>1,947,416</u>	<u>642,979,460</u>

The accompanying notes are an integral part of these interim financial information.

Yggdrazil Group Public Company Limited

Statement of Changes in Equity (Unaudited) (Cont'd)

For the nine-month period ended 30 September 2023

	Separate financial information						Total Baht
	Notes	Issued and fully paid-up share capital Baht	Premium on paid-up capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Other component of equity	
						Remeasurement of post-employment benefit obligations Baht	
Opening balance as at 1 January 2022		90,000,000	239,257,445	9,000,000	71,978,455	1,829,550	412,065,450
Changes in equity for the period							
Proceeds from shares issued	14	179,999,999	-	-	-	-	179,999,999
Dividends	14,16	30,998,595	-	-	(96,610,928)	-	(65,612,333)
Legal reserve appropriation	16	-	-	3,300,000	(3,300,000)	-	-
Share issued cost	14	-	(3,011,806)	-	-	-	(3,011,806)
Total comprehensive income for the period		-	-	-	86,432,494	-	86,432,494
Closing balance as at 30 September 2022		300,998,594	236,245,639	12,300,000	58,500,021	1,829,550	609,873,804
Opening balance as at 1 January 2023		300,998,594	236,245,639	14,800,000	53,311,099	1,947,416	607,302,748
Changes in equity for the period							
Dividends	16	-	-	-	(40,332,554)	-	(40,332,554)
Legal reserve appropriation	16	-	-	2,000,000	(2,000,000)	-	-
Total comprehensive income for the period		-	-	-	91,833,506	-	91,833,506
Closing balance as at 30 September 2023		300,998,594	236,245,639	16,800,000	102,812,051	1,947,416	658,803,700

The accompanying notes are an integral part of these interim financial information.

Yggdrasil Group Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2023

	Financial information			
	Consolidated	in which the equity	Separate	
	financial information	method is applied	financial information	
	2023	2022	2023	2022
Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit before income tax	89,112,149	87,662,914	93,363,365	87,677,725
Adjustments:				
Depreciation and amortisation	17,305,473	13,808,372	17,305,473	13,808,372
(Reversal of) expected credit loss	(1,115,857)	168,778	(1,115,857)	168,778
Unrealised gain on exchange rate	(228,942)	(278,294)	(228,942)	(278,294)
Write-off non-creditable withholding tax	-	301,571	-	301,571
Employee benefit expenses	768,511	710,567	768,511	710,567
(Gain) loss from changes in fair value of financial assets	(59,958)	122,653	(59,958)	122,653
Gain on disposal of equipment	-	(2,743)	-	(2,743)
Loss from changes in fair value of derivatives	37,252	3,488	37,252	3,488
Share of loss of joint venture accounted for using the equity method	2,415,876	14,811	-	-
Unrealised gain on transaction between the Group and joint venture	1,738,409	-	-	-
Interest income	(1,041,182)	(1,169,936)	(1,039,198)	(1,169,936)
Interest expense	186,379	249,338	186,379	249,338
Profit from operations before change in operating assets and liabilities	109,118,110	101,591,519	109,217,025	101,591,519
(Increase) decrease in operating assets:				
Trade and other receivables	(7,474,863)	(20,048,412)	(7,474,863)	(20,048,412)
Contract assets	(73,030,323)	(51,217,627)	(73,030,323)	(51,217,627)
Character design costs	2,520,333	-	2,520,333	-
Films under production	(12,038,550)	-	(12,038,550)	-
Other current assets	(4,721,129)	314,304	(4,721,129)	314,304
Other non-current assets	(140,000)	(127,900)	(140,000)	(127,900)
Increase (decrease) in operating liabilities:				
Trade and other payables	11,940,872	(4,353,395)	11,958,782	(4,353,395)
Contract liabilities	(2,868,806)	(5,048,864)	(2,868,806)	(5,048,864)
Other current liabilities	2,368,677	2,502,589	2,368,677	2,502,589
Cash generated from operating activities	25,674,321	23,612,214	25,791,146	23,612,214
Interest received	775,032	1,299,419	773,048	1,299,419
Interest paid	(186,379)	(249,338)	(186,379)	(249,338)
Employee benefit obligations paid	(187,000)	(453,000)	(187,000)	(453,000)
Income tax paid	(1,556,079)	(863,863)	(1,556,074)	(863,863)
Net cash generated from operating activities	24,519,895	23,345,432	24,634,741	23,345,432
Cash flows from investing activities				
Cash receipt from financial assets	-	65,826,077	-	65,826,077
Cash payment for financial assets	(40,000,000)	-	(40,000,000)	-
Cash payment for investment in joint ventures	-	(50,000,000)	-	(50,000,000)
Cash payment for investment in venture capital fund	-	(27,386,103)	-	(27,386,103)
Cash payment for purchase of equipment	(4,149,482)	(3,857,063)	(4,149,482)	(3,857,063)
Cash payment for purchase of computer software	(10,000)	(3,248,276)	(10,000)	(3,248,276)
Cash payment for game under development costs and computer software under installation	(16,046,477)	(30,438,110)	(16,046,477)	(30,438,110)
Disposal of game under development costs	7,583,649	-	7,583,649	-
Cash payment for purchase of computer hardware in advance	(1,920,000)	(18,575,123)	(1,920,000)	(18,575,123)
Cash receipt from disposal of equipment	-	8,616	-	8,616
Net cash used in investing activities	(54,542,310)	(67,669,982)	(54,542,310)	(67,669,982)

The accompanying notes are an integral part of these interim financial information.

Yggdrasil Group Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2023

	Notes	Financial information			
		Consolidated	in which the equity	Separate	
		financial information	method is applied	financial information	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from financing activities					
Repayments on lease liabilities		(2,529,421)	(2,146,462)	(2,529,421)	(2,146,462)
Cash receipt from paid-up share capital	14	-	179,999,999	-	179,999,999
Cash payment for shares issue cost	14	-	(3,011,806)	-	(3,011,806)
Dividend payment	16	(40,332,554)	(65,612,333)	(40,332,554)	(65,612,333)
Net cash (used in) generated from financing activities		(42,861,975)	109,229,398	(42,861,975)	109,229,398
Net (decrease) increase in cash and cash equivalents					
Cash and cash equivalents at the beginning of the period		148,220,354	150,712,222	147,487,754	150,712,222
Cash and cash equivalents at the end of the period		75,335,964	215,617,070	74,718,210	215,617,070
Non-cash transaction					
Account payable for purchases of equipment and computer hardware		3,938,881	256,700	3,938,881	256,700
Contract asset from disposal of game under development costs	10	7,583,649	-	7,583,649	-
Reclassification from advance payment to computer hardware		13,600,000	-	13,600,000	-
Acquisition of right-of-use assets	9	963,015	-	963,015	-
Reclassification from game development costs to character design costs	10	9,309,541	-	9,309,541	-

The accompanying notes are an integral part of these interim financial information.

1 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

2 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022, except for the following:

Accounting policy for new transactions during the current period

Character design costs

Character design costs comprise costs directly attributable to character design and production and are stated at the lower of cost or net realisable value and will be amortized as cost of sales of goods or of services in profit or loss when revenue related to the design of such characters is recognised.

Films under production

Films under production are costs of films production which will be recognised as cost of sales of goods or of services upon the sale or release of the films based on the future consumption used in various channels. Costs of films production comprise costs directly attributable to films production and are stated at cost.

The adoption of the new and amended financial reporting standards

New and amended Thai Financial Reporting Standards that are effective for the accounting period beginning on or after 1 January 2024 and have significant impacts on the Group.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

Yggdrasil Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2023

- c) **Amendments to TAS 12 - Income taxes** require companies to recognise deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities, and
- Decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The amended Thai Financial Reporting Standards were not mandatory for the current reporting period and the Group has not early adopted them.

3 Segment and revenue information

The Group's chief executive officer examines the Group's performance both from a product and geographic perspective and has identified 3 reportable segments of the Group's business.

The management use a measure of segment's revenue and gross margin to assess the performance of the operating segments.

Financial information by segment of the Group are as follows:

Consolidated financial information				
For the nine-month period ended				
30 September 2023				
	Computer graphic Thousand Baht	Games Thousand Baht	Animation Thousand Baht	Total Thousand Baht
Revenue from sales or services	90,170	73,969	99,548	263,687
Cost of sales of goods or of services	(39,136)	(49,581)	(59,991)	(148,708)
Operating result by segment	51,034	24,388	39,557	114,979
Other income				1,885
Selling expenses				(5,242)
Administrative expenses				(21,564)
Gain on exchange rate				1,656
Share of loss of joint venture accounted for using the equity method				(2,416)
Finance costs				(186)
Profit before income tax				89,112
Income tax expense				(1,530)
Net profit for the period				87,582
Timing of revenue recognition				
At a point in time	-	14,258	-	14,258
Over time	90,170	59,711	99,548	249,429
Revenue from sales or services	90,170	73,969	99,548	263,687

Yggdrasil Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2023

	Separate financial information			
	For the nine-month period ended			
	30 September 2023			
	Computer graphic Thousand Baht	Games Thousand Baht	Animation Thousand Baht	Total Thousand Baht
Revenue from sales or services	90,834	74,941	100,283	266,058
Cost of sales of goods or of services	(39,313)	(49,840)	(60,187)	(149,340)
Operating result by segment	51,521	25,101	40,096	116,718
Other income				1,882
Selling expenses				(5,242)
Administrative expenses				(21,465)
Gain on exchange rate				1,656
Finance costs				(186)
Profit before income tax				93,363
Income tax expense				(1,530)
Net profit for the period				91,833
Timing of revenue recognition				
At a point in time	-	14,258	-	14,258
Over time	90,834	60,683	100,283	251,800
Revenue from sales or services	90,834	74,941	100,283	266,058
	Financial information in which			
	the equity method is applied			
	For the nine-month period ended			
	30 September 2022			
	Computer graphic Thousand Baht	Games Thousand Baht	Animation Thousand Baht	Total Thousand Baht
Revenue from sales or services	92,645	51,567	90,603	234,815
Cost of sales of goods or of services	(49,047)	(39,976)	(38,414)	(127,437)
Operating result by segment	43,598	11,591	52,189	107,378
Other income				1,381
Selling expenses				(1,553)
Administrative expenses				(19,422)
Gain on exchange rate				143
Share of loss of joint ventures accounted for using the equity method				(15)
Finance costs				(249)
Profit before income tax				87,663
Income tax expenses				(1,245)
Net profit for the period				86,418
Timing of revenue recognition				
At a point in time	-	17,039	-	17,039
Over time	92,645	34,528	90,603	217,776
Revenue from sales or services	92,645	51,567	90,603	234,815

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	Separate financial information			
	For the nine-month period ended			
	30 September 2022			
	Computer graphic Thousand Baht	Games Thousand Baht	Animation Thousand Baht	Total Thousand Baht
Revenue from sales or services	92,645	51,567	90,603	234,815
Cost of sales of goods or services	(49,047)	(39,976)	(38,414)	(127,437)
Operating result by segment	43,598	11,591	52,189	107,378
Other income				1,381
Selling expenses				(1,553)
Administrative expenses				(19,422)
Gain on exchange rate				143
Finance costs				(249)
Profit before income tax				87,678
Income tax expense				(1,245)
Net profit for the period				86,433
Timing of revenue recognition				
At a point in time	-	17,039	-	17,039
Over time	92,645	34,528	90,603	217,776
Revenue from sales or services	92,645	51,567	90,603	234,815

For the nine-month ended 30 September 2023, the Company had revenue from sales or services to 3 major customers, which was 52% from total revenue (2022: 44% from total revenue).

Proportion of revenues separate by geographical segments are as follows:

	Consolidated financial information	Financial information in which the equity method is applied	Separate financial information	
For the nine-month period ended 30 September	2023 %	2022 %	2023 %	2022 %
Thailand	40	59	40	59
The People's Republic of China	26	13	26	13
Republic of Korea	23	11	23	11
United States	5	7	5	7
Others	6	10	6	10
Total	100	100	100	100

4 Financial assets measured at amortised cost

As at 30 September 2023, financial assets measured at amortised cost are fixed deposits with maturity date between 6 months and 1 year. The effective interest rate on fixed deposit was 0.12% to 0.65% (31 December 2022: 0.13% to 0.25%).

5 Financial assets measured at fair value through profit or loss

The Group has financial assets measured at fair value through profit or loss as follows:

	Consolidated financial information		Separate financial information	
	30 September 2023 Baht	31 December 2022 Baht	30 September 2023 Baht	31 December 2022 Baht
Current Assets				
Investment in mutual funds	5,826,833	5,766,875	5,826,833	5,766,875
Non-current Assets				
Investment in venture capital fund	26,137,285	26,137,285	26,137,285	26,137,285
Investment in joint production and distribution of animation project	25,266,250	25,266,250	-	-

6 Trade and other receivables

	Consolidated and separate financial information	
	30 September 2023 Baht	31 December 2022 Baht
Trade receivables	33,489,269	26,509,785
<u>Less</u> Allowance for expected credit loss	(61,143)	(1,177,000)
Trade receivables, net	33,428,126	25,332,785
Prepaid expenses	4,469,402	3,624,782
Other receivables	269,399	143,976
Total	38,166,927	29,101,543

Outstanding trade receivables can be analysed as follows:

	Consolidated and separate financial information	
	30 September 2023 Baht	31 December 2022 Baht
Trade receivables		
Current	15,501,271	2,251,497
Overdue less than 3 months	3,822,285	18,913,511
Overdue 3 - 6 months	-	57,777
Overdue 6 - 12 months	14,104,570	4,110,000
Overdue more than 12 months	61,143	1,177,000
Total trade receivables	33,489,269	26,509,785
<u>Less</u> Allowance for expected credit loss	(61,143)	(1,177,000)
Total trade receivables, net	33,428,126	25,332,785

7 Assets and liabilities relating to contracts with customers

7.1 Contract assets

The Group has recognised the following assets related to contracts with customers:

	Consolidated and separate financial information	
	30 September 2023 Baht	31 December 2022 Baht
Contract assets	278,031,166	205,000,843
<u>Less</u> Allowance for expected credit loss	(13,503,224)	(13,503,224)
Total contract assets, net	264,527,942	191,497,619

7.2 Contract liabilities

The Group has recognised the following liabilities related to contracts with customers:

	Consolidated and separate financial information	
	30 September 2023 Baht	31 December 2022 Baht
Contract liabilities	238,020	3,106,826

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised during the period relates to carried-forward contract liabilities.

For the nine-month period ended 30 September	Consolidated and separate financial information	
	2023 Baht	2022 Baht
Revenue recognised that was included in the contract liability balance at the beginning of the period	3,106,826	7,362,446

8 Character design costs

Character design costs for the nine-month period ended 30 September 2023 have the following movement:

	Consolidated and separate financial information	
	Character design costs Baht	
Opening book amount, net		-
Reclassify from game development costs		9,309,541
Recognise as cost of sales of goods or of services		(2,520,333)
Closing book amount, net		6,789,208

9 Leasehold improvement, equipment and right-of use assets

Leasehold improvement, equipment and right-of use assets for the nine-month period ended 30 September 2023 have the following movement:

	Consolidated and separate financial information				
	Leasehold improvement and equipment				Right-of-use assets
	Leasehold improvement	Office equipment	Computers	Total	
	Baht	Baht	Baht	Baht	Baht
Opening book amount, net	10,493,269	1,957,212	45,977,714	58,428,195	4,710,344
Additions	150,000	1,127,386	20,305,777	21,583,163	963,015
Depreciation	(1,081,682)	(577,496)	(8,467,385)	(10,126,563)	(2,368,939)
Closing book amount, net	9,561,587	2,507,102	57,816,106	69,884,795	3,304,420

10 Intangible assets

Intangible assets for the nine-month period ended 30 September 2023 have the following movement:

	Consolidated and separate financial information				
	Computer software	Computer software under installation	Game development costs	Game under development costs	Total
	Baht	Baht	Baht	Baht	Baht
Opening book amount, net	8,288,945	3,376,487	6,679,328	55,590,161	73,934,921
Addition	10,000	-	-	-	10,000
Capitalised computer software under installation and game under development costs	-	1,647,002	-	14,399,475	16,046,477
Transfer in (out)	-	-	42,033,671	(42,033,671)	-
Reclassify to character design costs	-	-	(9,309,541)	-	(9,309,541)
Disposal, net	-	-	-	(7,583,649)	(7,583,649)
Amortisation	(1,314,149)	-	(3,495,822)	-	(4,809,971)
Closing book amount, net	6,984,796	5,023,489	35,907,636	20,372,316	68,288,237

During nine-month period ended 30 September 2023, the Company entered into a contract to provide game production services for one customer. This includes designing and developing game characters. The Company has transferred game development costs related to character design in the service agreement to character design costs.

11 Other non-current assets

	Consolidated and separate financial information	
	30 September 2023 Baht	31 December 2022 Baht
Advance payment for computer hardware	7,772,160	19,452,160
Deposits	1,227,200	1,087,200
Total	8,999,360	20,539,360

12 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2023 Baht	31 December 2022 Baht	30 September 2023 Baht	31 December 2022 Baht
Accrued expenses	30,612,915	19,243,570	30,612,915	19,243,570
Trade payables	4,382,164	112,564	4,382,164	112,564
Other payables	456,740	321,132	359,240	205,722
Total	35,451,819	19,677,266	35,354,319	19,561,856

13 Income tax expense

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used for current interim period are 1.72% and 1.64% for consolidated and separate financial information, respectively (The estimated tax rate for the prior interim period for financial information in which the equity method is applied and separate financial information was 1.42%). As a result of most revenue is exempt from corporate income tax for the promoted activities.

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14 Share capital and premium on share capital

Share capital and premium on share capital for the nine-month period ended 30 September 2022 and 2023 have the following movement:

	Financial information in which the equity method is applied and separate financial information			
	Number of Shares	Ordinary shares Baht	Premium on paid-up capital Baht	Total Baht
Opening amount as at 1 January 2022	180,000,000	90,000,000	239,257,445	329,257,445
Proceeds from shares issued				
- right offering	359,999,998	179,999,999	-	179,999,999
Ordinary share dividend	61,997,189	30,998,595	-	30,998,595
Share issued cost	-	-	(3,011,806)	(3,011,806)
Closing amount as at 30 September 2022	601,997,187	300,998,594	236,245,639	537,244,233
	Consolidated and separate financial information			
	Number of Shares	Ordinary shares Baht	Premium on paid-up capital Baht	Total Baht
Opening amount as at 1 January 2023	601,997,187	300,998,594	236,245,639	537,244,233
Closing amount as at 30 September 2023	601,997,187	300,998,594	236,245,639	537,244,233

The Extraordinary General Meeting of Shareholders No. 1/2022 held on 4 February 2022 passed resolutions as follows:

- To approve the increase in the authorised share capital of 512.0 million ordinary shares with a par value of Baht 0.50 per share totalling to Baht 256.0 million and approve the allocation of the ordinary share capital increase as follows;
 - To allocate the right offering of 360.0 million shares
 - To accommodate the exercise of warrant of 90.0 million shares
 - To accommodate the interim ordinary share dividend payment of 62.0 million shares.

The Company registered the change with the Ministry of Commerce on 18 February 2022.

- To approve the right offering of 360.0 million new ordinary shares with a par value of Baht 0.50 per share totalling to Baht 180.0 million to all existing shareholders on a pro rata basis at the rate 1 existing share per 2 new ordinary shares, with any fractional shares eliminated.

The right offering was subscribed and fully paid-up during 2 - 8 March 2022. The new ordinary shares are traded in the Market for Alternative Investment (MAI) on 28 March 2022.

- To approve the issuance of warrant (YGG-W1) of 90.0 million units offering to the existing shareholders who subscribe and receive the authorised share capital increase on a pro rata basis at the rate 4 new ordinary shares per 1 warrant, with any fractional shares eliminated. The warrant has an exercise ratio at the rate 1 warrant per 1 new ordinary share with the exercise price of Baht 12 per share, term of warrant is 1 year from the issuing date. The last exercise date is on 20 March 2023.

During the nine-month period ended 30 September 2022, the Company recorded costs in respect of the ordinary share capital increase amount of Baht 3,011,806 as a deduction to the share premium.

As at 30 September 2023, the registered shares comprise 692,000,000 ordinary shares (2022: 692,000,000 ordinary shares) at a par value of Baht 0.50 each. The issued and fully paid-up shares comprise 601,997,187 ordinary shares (2022: 601,997,187 ordinary shares).

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15 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

	Consolidated financial information		Financial information in which the equity method is applied		Separate financial information	
	2023	2022	2023	2022	2023	2022
Three-month period						
Profit attributable to shareholders (Baht)	30,351,233	20,061,003	31,508,908	20,075,815		
Weighted average number of ordinary shares issued during the period (Shares)	601,997,187	601,997,187	601,997,187	601,997,187		
Basic earnings per share (Baht)	0.05	0.03	0.05	0.03		
	Consolidated financial information		Financial information in which the equity method is applied		Separate financial information	
	2023	2022	2023	2022	2023	2022
Nine-month period						
Profit attributable to shareholders (Baht)	87,582,290	86,417,683	91,833,506	86,432,494		
Weighted average number of ordinary shares issued during the period (Shares)	601,997,187	474,737,742	601,997,187	474,737,742		
Basic earnings per share (Baht)	0.15	0.18	0.15	0.18		

For the three-month and nine-month periods ended 30 September 2023, the Group did not have dilutive ordinary shares (2022 : No dilutive ordinary shares because the exercise price of the outstanding warrants was higher than the average market price of outstanding shares during the period).

16 Dividends

The Annual General Meeting of Shareholders No.1/2023 on 26 April 2023 approved dividend payment for fiscal year 2022 and its retained earnings of Baht 0.259 per share totalling to Baht 155.9 million and appropriate its retained earnings to legal reserve additionally amounting to Baht 2.0 million. During the year, the Company has paid interim dividend of Baht 0.192 per share totalling to Baht 115.6 million, so the remaining was Baht 0.067 per share totalling to Baht 40.3 million. The dividends were paid on 22 May 2023.

The Extraordinary General Meeting of Shareholders No. 1/2022 held on 4 February 2022 passed a resolution to approve the interim dividend payment of new ordinary shares which is not exceeding 62.0 million shares with a par value of Baht 0.50 per share totalling not exceeding to Baht 31.0 million to the existing shareholders on a pro rata basis at the rate 2.903 existing shares per 1 new ordinary share dividend. The ordinary share dividends were paid on 3 March 2022 with cash in lieu of fractional shares totalling to Baht 1,401.

The Board of Directors' meeting No. 2/2022 held on 13 May 2022 passed a resolution to approve an interim dividend payment of Baht 0.109 per share totalling Baht 65.6 million and appropriate its retained earnings to legal reserve amounting to Baht 3.3 million. The interim dividend was paid on 13 June 2022.

17 Commitments

Operating lease commitments

As of 30 September 2023, the Group has entered into a non-cancellable lease agreement for building and equipment which the period is less than 12 months amounting to Baht 180,000 (2022: Baht 180,000).

Capital Commitment

As of 30 September 2023, the Group has capital expenditure contract but has not been recognised in the financial statements amounting to Baht 6,897,825 (2022: Baht 7,150,598).

18 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, an interest in the voting power of the Company that gives them significant influence over the Group, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationships between the Company and its related parties are summarised below:

Name	Relationship
YGG Global Company Limited	Subsidiary company
MYGG Company Limited	Joint venture

The Company's shares are held by Mr. Tanat Juwiwat and Mr. Saroot Tubloy in proportion of 41.14% and 13.70%, respectively (2022: 41.14% and 13.70%, respectively).

The following significant transactions and balances were carried out with related parties:

a) Transactions with related parties

Transactions with related parties are as follows:

For nine-month period ended 30 September	Consolidated financial information	Financial information in which the equity method is applied	Separate financial information		Pricing policies
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	
Joint ventures					
Revenue from sales or services	-	-	4,742,400	-	- Based on the rate
Other income	-	-	851,664	-	- charged to general customers and according to the terms of the contract

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the period in relation to transactions with related parties are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	Baht	Baht	Baht	Baht
Receivables from:				
Joint ventures	-	-	5,288,585	33,270,400

c) Key management compensation

The compensation paid or payable to key management are as follows:

For the nine-month period ended 30 September	Consolidated and separate financial information	
	2023	2022
	Baht	Baht
Short-term employee benefits	10,367,767	7,955,050
Post-employee benefits	708,357	607,463
Total	11,076,124	8,562,513

19 Significant events during the current period

- The Board of Directors' Meeting No. 3/2023 held on 10 August 2023 passed a resolution to approve the establishment of 2 new subsidiaries as follows:
 - Yggdrazil International Limited which incorporate in the United Arab Emirates. The principal business operation is digital contents. The Company hold 100% of shares consisting of 10,000 ordinary shares with a par value of Baht 100 per share totalling to Baht 1.0 million.
 - YGG CG Co., Ltd. which incorporate in Thailand. The principal business operation is digital contents. The Company hold 100% of shares consisting of 50,000 ordinary shares with a par value of Baht 100 per share totalling to Baht 5.0 million.
- On 29 September 2023, the Board of Directors was resolved to approve the provision of financial assistance to a subsidiary, Yggdrazil International Limited, to be used as working capital for business operations. The contract limit will not exceed US dollars 3.5 million and the loan interest rate will not lower than the deposit interest rate but not higher than the loan interest rate.

20 Events occurring after the reporting date

On 20 October 2023, the Company invested in Yggdrasil International Limited by holding 100% of 100 ordinary shares. The investment is classified as an investment in subsidiary. The Company paid subscription in amount of Dirhams 1,000 per share, from totalling par value at Dirhams 1,000 per share, considering of Dirhams 0.1 million or equivalent to Baht 1.0 million. Yggdrasil International Company Limited was incorporated with the RAK International Corporate Centre on 20 October 2023.

On 30 October 2023, the Company invested in YGG CG Co., Ltd. by holding 100% of 10,000 ordinary shares. The investment is classified as an investment in subsidiary. The Company paid subscription in amount of Baht 100 per share, from totalling par value at Baht 100 per share, considering of Baht 5.0 million. YGG CG Co., Ltd. was incorporated with the Ministry of Commerce on 30 October 2023.

21 Authorisation of financial information

The interim financial information was authorised for issue by the Board of Directors on 9 November 2023.