



บริษัท อีกราดซิล กรุ๊ป จำกัด (มหาชน)

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

348 ซอยลาดพร้าว 94 (ปิ่นจิมิตร) แขวงพลับพลา เขตวังทองหลาง กรุงเทพฯ ประเทศไทย 10310 โทร: (662)-934-4364 โทรสาร: (662)-934-4560

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No. YGG013 /2566

9 November 2023

Subject : Management Discussion and Analysis for the Q3 ended 30 September 2023

To : President, The Stock Exchange of Thailand

Yggdrazil Group Public Company Limited (“the Company”) would like to report Management Discussion and Analysis for the period ended 30 September 2023 as follows:

Performance from Consolidated Financial Statement

Unit : THB mm	Consolidated Financial Statement	Equity Method	Change	
	July – Sep 2023	July - Sep 2022	Increase /(Decrease)	%
Sales and Services Revenues	93.32	60.41	32.91	54.5%
Other Income	0.62	0.56	0.06	10.7%
Total Revenue	93.94	60.98	32.97	54.1%
Cost of Sales and Services	52.26	34.21	18.05	52.8%
Gross Margin (Excl. other income)	41.07	26.21	14.86	56.7%
Selling Expenses	2.76	0.47	2.29	488.2%
Administrative Expenses	7.53	5.99	1.54	25.6%
Gain (loss) on Exchange rate	0.42	0.15	0.26	175.0%
Share of loss of Joint Ventures accounted for using the equity method	(1.13)	(0.01)	(1.11)	7,496.9%



Profit before Finance Costs and Income Tax	30.68	20.44	10.24	50.1%
Finance Costs	0.05	0.07	(0.02)	-28.5%
Profit before Income Tax	30.63	20.37	10.26	50.4%
Income Tax	0.28	0.31	(0.03)	-9.2%
Net Profit After Tax	30.35	20.06	10.29	51.3%

For the period ended 30 September 2023, company recorded total revenue of THB 93.94 million which increased by THB 32.97 million or equivalent to 54.10% compared to 3-months 2022. For the third quarter of 2023, Total Cost of goods sold was THB 52.56 million and Gross profit margin recorded at 44.0% of total sales and service income.

Total Cost of goods sold during the third quarter of 2023 was THB 52.56 million, increased by THB 18.05 million or 52.80% compared to the same period of last year. This mainly due to a increasing in quantity of projects and launching of Home Sweet Home Online in late June 2023.

Total selling and administrative expense in 3-month 2023 was THB 10.29 million, increased by THB 3.83 million compared to 3-months 2022 in previous year. An increasing of expenses aligned with international marketing plan and brand awareness via product and services. Net Profit for the 3-months 2023 ended 30 September 2023 was THB 30.35 million. The Company reported the net profit of 32.31% of total revenue.

**Breakdown revenue by Business unit (Consolidated Financial Statement)**

For the period ended 30 September 2023, the company recorded total sales and services of THB 93.32 million. This is equal to increasing of THB 32.92 million or equivalent to 54.50 YoY.

Revenue by business units	For the period ended 30 September				Change	
	2023		2022		Increase /(Decrease	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	32.29	34.39	7.60	12.47	24.69	325.0%
2. Game	28.01	29.81	18.60	30.51	9.41	50.5%
3. Movie / Animation	33.03	35.14	34.20	56.10	(1.17)	-3.5%
Sales and Services	93.32	99.34	60.40	99.08	32.92	54.5%
Other Income	0.62	0.66	0.56	0.92	0.06	10.7%
Total Revenue	93.92	100.0	60.96	100.0	32.96	54.1%

- VFX Business unit, revenue increased by THB 24.69 million which equivalent 3.25 times of revenue in the same period in prior year. This mainly due to an increasing of projects during Quarter 3 in 2023.
- Game Business unit, revenue increased by THB 9.41 million which recorded increasing of 50.5% YoY. This mainly due to in-game purchase of Home Sweet Home Online, Own-IP game which launched in late June 2023.
- Movie / Animation Business unit, revenue decreased by THB 1.17 million which recorded decrease of 3.5% compared to the same period of last year. In addition, company has continuous projects from an international customer based which is aligned with company strategy to expand to global market.



For the 9-month period ended 30 September 2023 as follows:

Performance from Consolidated Financial Statement

Unit : THB mm	Consolidated	Equity	Change	
	Financial Statement	Method	Increase	%
	Jan – Sep	Jan - Sep	Increase	%
	2023	2022	/(Decrease)	
Sales and Services Revenues	263.70	234.82	28.87	12.3%
Other Income	1.88	1.38	0.50	36.5%
Total Revenue	265.57	236.20	29.38	12.4%
Cost of Sales and Services	148.71	127.44	21.27	16.7%
Gross Margin (Excl. other income)	114.98	107.38	7.60	7.1%
Selling Expenses	5.24	1.55	3.69	237.6%
Administrative Expenses	21.56	19.42	2.14	11.0%
Gain (loss) on Exchange rate	1.66	0.14	1.51	1,057.5%
Share of loss of Joint Ventures accounted for using the equity method	(2.42)	(0.01)	(2.40)	N.A.
Profit before Finance Costs and Income Tax	89.30	87.91	1.39	1.6%
Finance Costs	0.19	0.25	(0.06)	-25.3%
Profit before Income Tax	89.11	87.66	1.45	-1.7%
Income Tax	1.53	1.25	0.28	22.9%
Net Profit After Tax	87.58	86.42	1.16	1.3%

For the 9-months ended 30 September 2023, company recorded total revenue of THB 265.57 million which increased by THB 29.38 million or increase by 12.44% compared to 9-months 2022. Total Cost of goods sold was THB 148.71 million and Gross profit margin recorded at 43.60% of total sales and



service income. Net Profit for the 9-months 2023 ended 30 September 2023 was THB 87.58 million or equivalent to 33.98% of total revenue.

Breakdown revenue by Business unit (Consolidated Financial Statement)

For the 9-months ended 30 September 2023, the company recorded total sales and services of THB 263.69 million. This is equal to a increase of THB 28.89 million or increase by 12.30 YoY.

Revenue by business units	For the period ended 30 Sep				Change	
	2023		2022		Increase /(Decrease	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	90.17	33.96	92.60	39.21	(2.43)	-2.6%
2. Game	73.97	27.86	51.60	21.85	22.37	43.4%
3. Movie / Animation	99.55	37.47	90.60	38.36	8.95	9.8%
Sales and Services	263.69	99.29	234.80	99.42	28.89	12.3%
Other Income	1.88	0.71	1.38	0.58	0.50	36.2%
Total Revenue	265.57	100.0	236.20	100.0	29.38	12.5%



Statement of Financial Position ended 30 September 2023

Unit : THB mm	Consolidated Financial Statement		Change	
	Ended 30 Sep 23	Ended 31 Dec 22	Increase / (Decrease)	%
Cash and Cash Equivalents	75.34	148.22	(72.88)	-49.17%
Financial assets measured at amortised cost	45.70	5.68	40.02	704.54%
Financial Assets measured at Fair Value through profit or loss	57.23	57.17	0.06	0.11%
Trade and Other Receivables	38.17	29.10	9.07	31.16%
Contract Assets	264.53	191.50	73.03	38.13%
Other Current Assets	29.44	5.90	23.54	399.06%
Leasehold Improvement and Equipment	69.88	58.43	11.45	19.60%
Intangible Assets	68.29	73.93	(5.64)	-7.63%
Other Non-current Assets	19.78	33.30	(13.52)	-40.60%
Investment in Joint Ventures	34.39	38.54	(4.15)	-10.77%
Total Assets	702.75	641.77	60.98	9.50%
Trade and Other Payables	35.45	19.68	15.77	80.14%
Other Current Liabilities	18.10	18.76	(0.66)	-3.50%
Non-current Liabilities	6.21	7.6	(1.39)	-18.29%
Total Liabilities	59.77	46.04	13.73	29.81%
Total Equity	642.98	595.73	47.25	7.93%
Total Liabilities and Equity	702.75	641.77	60.98	9.50%

Total assets as of 30 September 2023 was THB 702.75 million, increased THB 60.98 million or 9.50% compared to total assets as of December 2022. This mainly due to increasing of account receivables and contract assets.



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Total liabilities as of 30 September 2023 was THB 59.77 million, increased THB 13.73 million or 29.81 % compared to total liabilities as of December 2022. This mainly due to decreasing of account payables.

Total equity as of 30 September 2023 is THB 642.98 million, increased by THB 47.25 million. This is resulted from increased of retained earnings.

Please be informed accordingly,

Yours Sincerely,

-Tanat Juwiwat-

(Mr. Tanat Juwiwat)

Chief Executive Officer