



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

348 Soi Ladprao 94 (Punjamitr), Phlapphla, Wangthonglang, Bangkok, Thailand Tel: (662)-934-4364 Fax: (662)-934-4560

No. YGG025/2024

11 November 2024

Subject Management Discussion and Analysis for the quarter 3/ 2024

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 2024 as follows:

Performance from Consolidated Financial Statement

Unit : THB mm	Consolidated Financial Statement		Change	
	July - Sep 2024	July - Sep 2023	Increase / (Decrease)	%
Sales and Services Revenues	25.94	93.32	(67.38)	(72.20)
Other Income	0.97	0.62	0.35	56.80
Total Revenue	26.91	93.94	(67.03)	(71.35)
Cost of Sales and Services	28.54	52.26	(23.72)	(45.39)
Gross Margin (Excl. other income)	(2.60)	41.07	(43.66)	(106.33)
Selling Expenses	0.20	2.76	(2.57)	(92.91)
Administrative Expenses (excl. Expected Credit Losses and Asset Write-Off Losses)	9.18	(3.27)	12.45	(380.69)
Expected Credit Losses and Asset Write-Off Losses	10.80	12.80	(2.00)	(15.63)
Gain (loss) on Exchange rate	(12.79)	0.42	(13.20)	(3173.23)



Share of loss of Joint Ventures accounted for using the equity method	(0.76)	(1.13)	0.36	(32.20)
Profit before Finance Costs and Income Tax	(35.35)	30.68	(66.03)	(215.21)
Finance Costs	0.43	0.05	0.37	699.84
Profit before Income Tax	(35.78)	30.63	(66.41)	(216.81)
Income Tax	(1.39)	(0.28)	(1.11)	398.46
Net Profit After Tax	(37.17)	30.35	(67.52)	(222.47)

Total revenue was 26.91 million THB, down by 67.03 million THB or 71.35% compared to 2023. During the quarter, the company secured short-term projects from existing and new clients. Cost of sales and services in Q3 2024 amounted to 28.54 million THB, reduced by 23.72 million THB or 45.39%, aligning with project volume and including depreciation and gaming-related costs.

Selling expenses amounted to 0.20 million THB, or 0.74% of total sales and service revenue. During Q3, the company recognized a loss on the amortization of intangible assets totaling 10.80 million THB, resulting in a total net loss of 37.17 million THB.

Breakdown revenue by Business unit (Consolidated Financial Statement)

Revenue from sales by segment for Q3 2024 totaled 25.94 million THB, a decrease of 67.32 million THB or 72.20% compared to the same period last year.

Revenue by business units	July - Sep				Change	
	2024		2023		Increase /(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	5.92	22.0	32.29	34.4	(26.37)	(445.4)
2. Game	15.0	55.6	28.00	29.8	(13.05)	(87.3)
3. Movie / Animation	5.07	18.8	33.03	35.2	(27.96)	(551.5)
Sales and Services	25.94	96.4	93.32	99.3	(67.38)	(259.8)



Other Income	0.97	3.60	0.62	0.7	0.35	36.1
Total Revenue	26.91	100.0	93.34	100.0	(67.0)	(249.1)

- VFX Business unit, Revenue decreased by 26.4 million THB, down by 445.4% compared to the same period last year, due to conditions during Q3.
- Game Business unit, Revenue was 15.0 million THB, representing 55.6% of the previous year's figures. This was driven by game production contracts and distribution of company-owned licensed games.
- Movie / Animation Business unit, Revenue totaled 5.07 million THB, a significant decrease, as the company adjusted its plans to focus on short-term projects to enhance liquidity.

For the Nine-Month Period Ended September 30, 2024, the Operating Results are as Follows:

Unit : THB mm	Consolidated Financial Statement		Change	
	July – Sep	July – Sep	Increase	%
	2024	2023	/(Decrease)	
Sales and Services Revenues	166.20	263.69	(97.49)	(36.97)
Other Income	2.37	1.88	0.48	25.69
Total Revenue	168.57	265.57	(97.00)	(36.53)
Cost of Sales and Services	125.53	148.71	(23.18)	(15.59)
Gross Margin (Excl. other income)	40.67	114.98	(74.30)	(64.62)
Selling Expenses	2.07	5.24	(3.18)	(60.59)
Administrative Expenses (excl. Expected Credit Losses and Asset Write-Off Losses)	25.45	21.56	3.88	18.01
Expected Credit Losses and Asset Write-Off Losses	386.40	12.80	373.60	2918.75
Gain (loss) on Exchange rate	(6.33)	1.66	(7.99)	(482.29)
Share of loss of Joint Ventures accounted for using the equity method	(1.46)	(2.42)	0.95	(39.46)



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Profit before Finance Costs and Income Tax	(378.67)	89.30	(467.96)	(524.05)
Finance Costs	0.75	0.19	0.57	303.99
Profit before Income Tax	(379.42)	89.11	(468.53)	(525.78)
Income Tax	(4.90)	(1.53)	(3.37)	220.13
Net Profit After Tax	(384.32)	87.58	(471.90)	(538.81)

Breakdown revenue by Business unit (Consolidated Financial Statement)

Revenue from sales by segment for the nine-month period ending September 30, 2024, totaled 168.57 million THB, a decrease of 97.00 million THB or 57.6% compared to the same period last year.

Revenue by business units	July - Sep				Change	
	2024		2023		Increase /(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	54.09	32.1	90.17	34.0	(36.08)	(66.7)
2. Game	58.83	34.9	73.97	27.9	(15.14)	(25.7)
3. Movie / Animation	53.27	31.6	99.55	37.5	(46.28)	(86.9)
Sales and Services	166.20	98.6	263.69	99.3	(97.50)	(58.7)
Other Income	2.37	1.4	1.88	0.7	0.49	20.7
Total Revenue	168.57	100.0	265.57	100.0	(97.00)	(57.6)

**Statement of Financial Position ended 30 September 2024**

Unit : THB mm	Consolidated Financial Statement		Change	
	30 September 2024	31 December 2023	Increase / (Decrease)	%
Cash and Cash Equivalents	6.45	12.32	(5.87)	(47.61)
Financial Assets measured at Fair Value through profit or loss	48.64	55.94	(7.30)	(13.05)
Trade and Other Receivables	14.95	15.05	(0.10)	(0.64)
Contract assets	20.25	270.01	(249.76)	(92.50)
Films under production	112.44	103.12	9.32	9.04
Other Current Assets	7.77	21.10	(13.33)	(63.17)
Leasehold Improvement and Equipment	65.20	67.31	(2.11)	(3.14)
Intangible Assets	14.45	85.05	(70.60)	(83.01)
Other Non-current Assets	9.51	22.42	(12.91)	(57.58)
Investment in Joint Ventures	35.28	36.74	(1.46)	(3.97)
Total Assets	334.95	689.06	(354.11)	(51.39)
Trade and Other Payables	61.71	40.32	21.39	53.06
Other Current Liabilities	30.01	18.53	11.48	61.97
Non-current Liabilities	7.46	7.68	(0.22)	(2.92)
Total Liabilities	99.18	66.53	32.65	49.08
Total Equity	235.77	622.53	(386.76)	(62.13)
Total Liabilities and Equity	334.95	689.06	(354.11)	(51.39)

As of September 30, 2024, the company had total assets amounting to 334.95 million THB, a decrease of 354.11 million THB, or 51.39%, compared to total assets as of December 31, 2023. This reduction is primarily due to the recognition of expected credit losses on contract assets, losses from the



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amortization of intangible assets, and an increase in films in progress aligned with production advancements.

The company's total liabilities were 99.18 million THB as of September 30, 2024, an increase of 32.65 million THB, or 49.08%, driven by a rise in trade payables and short-term borrowings.

As of September 30, 2024, the company's total shareholders' equity was 235.77 million THB, a decrease of 386.76 million THB.

Please be informed accordingly,

Yours Sincerely,

-Tanat Juwiwat-

(Mr. Tanat Juwiwat)

Chief Executive Officer