



No. 019/2021

12 November 2021

Subject: Management Discussion and Analysis Yearly for 3rd quarter of the year 2021 ended 30 September 2021

To: President
The Stock Exchange of Thailand

SLM Corporation Public Company Limited (the “Company”) would like to explain the Company’s operating results and financial position for the three-month and nine-month periods, ended 30 September 2021 as follows:

Analysis of Operating Results for Three-Month Period

For the three-month period ended 30 September 2021, the Company group had net profit for the period of 1.69 million Baht, increased by 8.95 million Baht or 123.21 percent when compared with net loss at the same period last year in an amount of -7.27 million Baht. Due to the Company have increased income and efficient cost management continuously.

Operating Result	July - September		
	2021 (Thousand Baht)	2020 (Thousand Baht)	Change
Service income	40,632	33,370	21.76%
Other income	1,085	177	512.99%
Total revenues	41,717	33,547	24.35%
Cost of services	27,168	21,272	27.72%
Gross profit	13,464	12,098	11.29%
Selling expenses	8,036	11,609	-30.78%
Administrative expenses	4,785	7,815	-38.77%
Total expenses	39,989	40,696	-1.74%
Profit (Loss) from operating activities	1,728	(7,149)	124.17%
Finance costs	(93)	(134)	30.60%
Profit (Loss) before income tax	1,635	(7,283)	122.45%
Income tax (expense) income	52	16	225.00%
Profit (Loss) for the period	1,687	(7,267)	123.21%
Profit (Loss) per share (Baht)	0.01	(0.05)	120.00%
Gross Profit Margin (%)	33.14%	36.25%	-8.60%
Net Profit Margin (%)	4.04%	-21.66%	118.67%



The Company group had services income of 40.63 million Baht, increased by 7.26 million Baht or 21.76 percent when compared with service income of 33.37 million Baht at the same period last year due to the increase in income from the business of full-service online media production, and advertising media production.

The cost of services was 27.17 million Baht, increased by 5.90 million Baht when compared with cost of services at the same period last year in an amount of 21.27 million Baht, which was in line with the increase in service income. The cost of services consists of direct labor cost from production department and direct materials cost and overhead. The proportion of cost of services to services income was 66.86 percent from 63.75 percent respectively.

The gross profit of the Company group was 13.46 million Baht, increased by 11.29 percent which was in line with the increase in service income 21.76 percent when compared to the same period last year. But gross profit margin decreased by 8.60 percent due to an increase in the cost of services.

In part of selling expenses consist of all expense in no sponsor video was 8.04 million Baht, decreased by 3.57 million Baht or 30.78 percent when compared to selling expenses in the same period last year in an amount of 11.61 million Baht.

Total expenses were 39.99 million Baht, decreased by 0.71 million Baht when compared with total expenses at the same period last year in an amount of 40.70 million Baht as a result from the decrease in selling expenses and administrative expenses.

The Company group had other income in an amount of 1.09 million Baht, increased by 0.91 million Baht when compare with other income at the same period last year in an amount of 0.18 million Baht. The other income in this period was generated from income from adjustment the accrued expense item, and receiving financial assistance under the COVID-19 remedy measures, Social Security; causing the said item was adjusted to be other income.

The net profit margin was 4.04%, increased from -21.66% in the same period last year due to the Company turned from loss back to profit, and the Company has continuously managed the expenses effectively. This is a result of the management and control of selling expenses and administrative expenses. The expenses were reduced by 30.78 percent and 38.77 percent when compare at the same period last year.

Analysis of Operating Results for Nine-Month Period

For the nine-month period ended 30 September 2021, the Company group had net profit for the period of 6.21 million Baht, increased by 30.27 million Baht or 125.81 percent when compared with net loss at the same period last year in an amount of -24.06 million Baht. Due to the Company have increased income and efficient cost management continuously.



Operating Result	January - September		
	2021 (Thousand Baht)	2020 (Thousand Baht)	Change
Service income	126,677	63,949	98.09%
Other income	2,233	1,720	29.83%
Total revenues	128,910	65,669	96.30%
Cost of services	82,647	39,115	111.29%
Gross profit	44,030	24,834	77.30%
Selling expenses	24,613	29,774	-17.33%
Administrative expenses	15,406	20,570	-25.10%
Total expenses	122,665	89,459	37.12%
Profit (Loss) from operating activities	6,244	(23,790)	126.25%
Finance costs	(125)	(318)	60.69%
Profit (Loss) before income tax	6,119	(24,108)	125.38%
Income tax (expense) income	90	52	73.08%
Profit (Loss) for the period	6,209	(24,056)	125.81%
Profit (Loss) per share (Baht)	0.03	(0.18)	116.67%
Gross Profit Margin (%)	34.76%	38.83%	-10.50%
Net Profit Margin (%)	4.82%	-36.63%	113.15%

The Company group had services income of 126.68 million Baht, increased by 62.73 million Baht or 98.09 percent when compared with service income of 63.95 million Baht at the same period last year. Due to the increase in income from the business of full-service online media production, advertising media production business, and television dramas and series production business.

The cost of services was 82.65 million Baht, increased by 43.53 million Baht when compared with cost of services at the same period last year in an amount of 39.11 million Baht, which was in line with the increase in service income. The cost of services consists of direct labor cost from production department and direct materials cost and overhead. The proportion of cost of services to services income was 65.24 percent from 61.17 percent respectively.

The gross profit of the Company group was 44.03 million Baht, increased by 77.30 percent which was in line with the increase in service income 98.09 percent when compared to the same period last year. But gross profit margin decreased by 10.50 percent due to an increase in the cost of services.

In part of selling expenses consist of all expense in no sponsor video was 24.61 million Baht, decreased by 5.16 million Baht or 17.33 percent when compared to selling expenses in the same period last year in an amount of 29.77 million Baht.



Total expenses were 122.66 million Baht, increased by 33.21 million Baht when compared with total expenses at the same period last year in an amount of 89.46 million Baht as a result from the increase in the cost of services which was in line with the increase in service income.

The Company group had other income in an amount of 2.23 million Baht, increased by 0.51 million Baht when compare with other income at the same period last year in an amount of 1.72 million Baht. The other income in this period was generated from refund of court fines for late submission of financial statements, adjustment the accrued expense item, the service that the customer canceled, but no refund was requested, and receiving financial assistance under the COVID-19 remedy measures, Social Security; causing the said item was adjusted to be other income.

The net profit margin was 4.82%, increased from -36.63% in the same period last year due to the Company turned from loss back to profit, and the Company has managed expenses effectively. This is a result of the management and control of selling expenses and administrative expenses continuously. The expenses were reduced by 17.33 percent and 25.10 percent when compare at the same period last year.

Analysis of Financial Position

Financial Position	30 September 2021 (Thousand Baht)	31 December 2020 (Thousand Baht)	Change
Assets	127,760	62,519	104.35%
Liabilities	83,738	80,864	3.55%
Shareholders' equity	44,022	(18,345)	339.97%

As at 30 September 2021 and 31 December 2020, the Company group had assets of 127.76 million Baht and 62.52 million Baht, increased by 65.24 million Baht due to an additional capital from right offering proportionately to shareholders, and the increase in trade and other receivables, unbilled receivables and right-of-use assets.

As at 30 September 2021 and 31 December 2020, the Company group had liabilities of 83.74 million Baht and 80.86 million Baht, increased by 2.88 million Baht as a result of the increase in advance received from customer, and lease liabilities.

As at 30 September 2021 and 31 December 2020, the Company group had shareholder's equity of 44.02 million Baht and -18.34 million Baht, increased by 62.37 million Baht. Due to the increase in capital from Right Offering in June 2021, and increase of net profit during the period resulted in the increase of shareholders' equity.

Please be informed accordingly.

Yours Sincerely,

SLM Corporation Public Company limited

(Autthapol Pohundratanakul)

Chief Executive Officer