



บริษัท อีกดราซิล กรุ๊ป จำกัด (มหาชน)

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

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

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

SET 014/2021

12 September 2021

Subject: Management Discussion and Analysis for Q3 ending 30 September 2021
To: President
The Stock Exchange of Thailand

Yggdrazil Group Public Company Limited (the "Company") would like to report Management Discussion and Analysis for the Q3 ending 30 September 2021 as follows.

Overview for Q3 ending 30 September 2021

Operating results in the third quarter, the Company reported net profit for the three-month period of 30.08 million baht and net profit for the nine-month period of 76.81 million baht, with net profit growing at 48% and 108%, respectively. This comes from the growth in revenue from online game service Home sweet home survive which was launched on March 25, 2021. The company has revenue from games for the third quarter, the three-month period of 12.63 million baht and for the nine-month period of 55.50 million baht, revenue from the gaming segment increased by 340%, thus causing the company to have a higher net profit.

The Company's financial position as of September 30, 2021, the Company had total assets of 420.92 million baht, an increase of 20 million baht from the previous year, mainly due to an increase in trade accounts receivable approximately 21.48 million baht and increase in intangible assets of 22.56 million Baht. And the Company had total liabilities of 44.09 million baht, an increase of 10.65 million baht from the previous year, which was caused by accrued external labor expenses and also the increase in account payable 6.50 million Baht. The Company has total owner's equity of 376.83 million baht, an increase of 14.93 million baht.

Analysis of operating result for Quarter 3 nine-month period

Business categories	Quarter 3 2021		Quarter 3 2020		Increase (Decrease)
	THB Mil	%	THB Mil	%	
Revenue from sales or services					
1. Visual effects	26.07	38	33.18	55.00	(21)%
2. Animation	12.49	18	3.13	5.00	299%
3. Game & Innovation	30.29	44	24.45	40.00	27.7%
Total	68.85	100	60.75	100	35

The Company had revenue of 68.85 million baht, an increase of 8.10 million baht or 13% from the previous year, due to the following reasons:

- Revenue from visual effects segment in the third quarter of 2021 amounted to 26.07 million baht, a decrease from the year 2020 by 7.10 million baht due to the company converting some team members to participate in the internal Intellectual Project (Home Sweet Home Survive).
- Revenue from the animation segment in the third quarter of 2021 amounted to 30.29 million baht, an increase of 9.36 million baht from the year 2020. It is in line with the demand in the animation market which is constantly growing from the streaming market that continues to grow in the global market.



บริษัท อีกดราซิล กรุ๊ป จำกัด (มหาชน)

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

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

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

- Revenue from Games and Innovation segment in the thirist quarter of 2021 amounted to 12.49 million baht, an increase from the year 2020 by 9.36 million baht. This was because the releasing the new game Home Sweet Home Survive on 25 March 2021. The revenue recognizes in full in this quarter.

Gross profit margin

	Quarter 3 2021	Quarter 3 2020	Increase (Decrease)
Revenue from sales or services	68.85	60.74	8.11
Cost of sales or services	(35.04)	(33.77)	(1.27)
Gross profit	33.82	26.97	6.85
Gross profit margin (%)	49.12%	44.40%	

- Gross profit in the third quarter of 2021 amounted to 33.82 million baht or gross profit at 49.12%, an increase of 26.97 million baht or 44.40 %. This year's gross profit margin of online game services is around 49% and gross profit margin for visual effects is about 51%, causing the overall gross margin to increase.

Please be inform accordingly

Yours sincerely,

Chief Executive officer