



No. 016/2022

15 August 2022

Subject: Management Discussion and Analysis for the 2nd quarter of the year 2022 ended 30 June 2022

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, ended 30 June 2022 as follows:

Analysis of Operating Results for Three-Month Period

For the three-month period ended 30 June 2022, the Company group had net profit for the period of 8.33 million Baht, increased by 3.30 million Baht or 65.60 percent when compared with net profit at the same period last year in an amount of 5.03 million Baht. Due to the Company have increased income and decreased cost of services.

Operating Result	April - June		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Service income	46,920	42,903	9.36%
Other income	2,313	512	351.76%
Total revenues	49,233	43,415	13.40%
Cost of services	25,583	25,956	-1.44%
Selling expenses	8,993	7,148	25.81%
Administrative expenses	6,239	5,287	18.01%
Total expenses	40,815	38,391	6.31%
Profit (Loss) from operating activities	8,418	5,024	67.56%
Finance costs	(109)	(11)	-890.91%
Profit (Loss) before income tax	8,309	5,013	65.75%
Income tax (expense) income	24	19	26.32%
Profit (Loss) for the period	8,333	5,032	65.60%
Gross profit	21,337	16,947	25.90%
Profit (Loss) per share (Baht)	0.03	0.03	-
Gross Profit Margin (%)	45.48%	39.50%	15.13%
Net Profit Margin (%)	16.93%	11.59%	46.03%

The Company group had services income of 46.92 million Baht, increased by 4.02 million Baht or 9.36 percent when compared with service income of 42.90 million Baht at the same period last year due to the increase in income from the business of full-service online media production (Online Content), advertising media production (Content Production), and TV dramas and series production.



The cost of services was 25.58 million Baht, increased by 0.37 million Baht when compared with cost of services at the same period last year in an amount of 25.95 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 54.52 percent from 60.50 percent respectively.

The gross profit of the Company group was 21.34 million Baht, increased by 25.90 percent which was in line with the increase in service income 9.36 percent when compared to the same period last year. And gross profit margin of 45.48 percent when compared to the same period last year of 39.50 percent. Gross profit margin increased due to an increase in the service income

Selling expenses consist of expenses related to sales and marketing staffs, all costs spent on producing unsponsored media, and indirect costs of unsponsored clips was 8.99 million Baht, increased by 1.84 million Baht or 25.81 percent when compared to selling expenses in the same period last year in an amount of 7.15 million Baht. Due to the increase of video clips of new programs without sponsors or customers in the company's media. The proportion of selling expenses compared to service income was 19.17 percent.

Total expenses were 40.81 million Baht, increased by 2.42 million Baht when compared with total expenses at the same period last year in an amount of 38.39 million Baht. This was mainly due to the increase in selling expenses 25.81 percent.

The Company group had other income in an amount of 2.31 million Baht, decreased by 1.80 million Baht when compare with other income at the same period last year in an amount of 0.51 million Baht. The other income in this period was generated from income from the adjustment the accrued expense item, reimbursement from winning network service contract lawsuits, and media reward from learning encouragement for entering the aging society for the year 2022; causing the said item was adjusted to be other income.

The net profit margin was 16.93%, increased from 11.59% in the same period last year due to the Company had increased profit. This was due to an increase in total revenues by 13.40 percent when compared to the same period last year.

Analysis of Operating Results for Six-Month Period

For the six-month period ended 30 June 2022, the Company group had net profit for the period of 14.51 million Baht, increased by 9.99 million Baht or 220.99 percent when compared with net profit at the same period last year in an amount of 4.52 million Baht. Due to the Company have increased income.

Operating Result	January - June		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Service income	104,154	86,046	21.04%
Other income	3,035	1,148	164.37%
Total revenues	107,189	87,194	22.93%



Operating Result	January - June		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Cost of services	61,699	55,480	11.21%
Selling expenses	16,749	16,576	1.04%
Administrative expenses	14,050	10,621	32.29%
Total expenses	92,498	82,677	11.88%
Profit (Loss) from operating activities	14,691	4,517	225.24%
Finance costs	(229)	(33)	-593.94%
Profit (Loss) before income tax	14,462	4,484	222.52%
Income tax (expense) income	50	37	35.14%
Profit (Loss) for the period	14,512	4,521	220.99%
Gross profit	42,455	30,566	38.90%
Profit (Loss) per share (Baht)	0.06	0.03	100.00%
Gross Profit Margin (%)	40.76%	35.52%	14.75%
Net Profit Margin (%)	13.54%	5.18%	161.11%

The Company group had services income of 104.15 million Baht, increased by 18.11 million Baht or 21.04 percent when compared with service income of 86.04 million Baht at the same period last year due to the increase in income from the business of full-service online media production (Online Content), advertising media production (Content Production), and TV dramas and series production.

The cost of services was 61.70 million Baht, increased by 6.22 million Baht when compared with cost of services at the same period last year in an amount of 55.48 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 59.24 percent from 64.48 percent respectively.

The gross profit of the Company group was 42.45 million Baht, increased by 38.90 percent which was in line with the increase in service income 21.04 percent when compared to the same period last year. And gross profit margin of 40.76 percent when compared to the same period last year of 35.52 percent. Gross profit margin increased due to an increase in the cost of services.

Selling expenses consist of expenses related to sales and marketing staffs, all costs spent on producing unsponsored media, and indirect costs of unsponsored clips was 16.75 million Baht, increased by 0.17 million Baht or 1.04 percent when compared to selling expenses in the same period last year in an amount of 16.58 million Baht. Due to the increase of video clips of new programs without sponsors or customers in the company's media. The proportion of selling expenses compared to service income was 16.08 percent.

Total expenses were 92.50 million Baht, increased by 9.82 million Baht when compared with total expenses at the same period last year in an amount of 82.68 million Baht. This was mainly due to the increase in administrative expenses 32.29 percent.



The Company group had other income in an amount of 3.03 million Baht, increased by 1.88 million Baht when compare with other income at the same period last year in an amount of 1.15 million Baht. The other income in this period was generated from income from the adjustment the accrued expense item, reimbursement from winning network service contract lawsuits, media reward from learning encouragement for entering the aging society for the year 2022, and income form the Department of Promotion and Maintaining Employment Levels in SMEs; causing the said item was adjusted to be other income.

The net profit margin was 13.54%, increased from 5.18% in the same period last year due to the Company had increased profit. This was due to an increase in total revenues by 21.04 percent when compared to the same period last year.

Analysis of Financial Position

Financial Position	30 June 2022 (Thousand Baht)	31 December 2021 (Thousand Baht)	Change
Assets	146,814	134,947	8.79%
Liabilities	84,303	86,899	-2.99%
Shareholders' equity	62,511	48,048	30.10%

As of 30 June 2022 and 31 December 2021, the Company group had assets of 146.81 million Baht and 134.95 million Baht, increased by 11.86 million Baht due to the increase in trade and other receivables, and equipment.

As of 30 June 2022 and 31 December 2021, the Company group had liabilities of 84.30 million Baht and 86.90 million Baht, decreased by 2.60 million Baht as a result of the decrease in accrued service costs, and lease liabilities.

As of 30 June 2022 and 31 December 2021, the Company group had shareholder's equity of 62.51 million Baht and 48.05 million Baht, increased by 14.46 million Baht. Due to the 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