



No. 020/2022

14 November 2022

Subject: Management Discussion and Analysis for the 3rd quarter of the year 2022 ended 30 September 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 3rd quarter of the year 2022, ended 30 September 2022 as follows:

Analysis of Operating Results for Three-Month Period

For the three-month period ended 30 September 2022, the Company group had net profit for the period of 6.54 million Baht, increased by 4.86 million Baht or 287.85 percent when compared with net profit at the same period last year in an amount of 1.69 million Baht. Due to the Company have increased income.

Operating Result	July - September		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Service income	52,507	40,632	29.23%
Other income	1,059	1,085	-2.40%
Total revenues	53,566	41,717	28.40%
Cost of services	29,634	27,168	9.08%
Selling expenses	11,291	8,036	40.51%
Administrative expenses	6,022	4,785	25.85%
Total expenses	46,947	39,989	17.40%
Profit (Loss) from operating activities	6,619	1,728	283.04%
Finance costs	(98)	(93)	-5.38%
Profit (Loss) before income tax	6,521	1,635	298.84%
Income tax (expense) income	22	52	-57.69%
Profit (Loss) for the period	6,543	1,687	287.85%
Gross profit	22,873	13,464	69.88%
Profit (Loss) per share (Baht)	0.03	0.01	200.00%
Gross Profit Margin (%)	43.56%	33.14%	31.46%
Net Profit Margin (%)	12.21%	4.04%	202.05%

The Company group had services income of 52.51 million Baht, increased by 11.87 million Baht or 29.23 percent when compared with service income of 40.63 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), and advertising media production (Content Production).



The cost of services was 29.63 million Baht, increased by 2.47 million Baht when compared with cost of services at the same period last year in an amount of 27.17 million Baht. 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 56.44 percent from 66.86 percent previously.

The gross profit of the Company group was 22.87 million Baht, increased by 69.88 percent which was in line with the increase in service income 29.23 percent when compared to the same period last year. And gross profit margin of 43.56% when compared to the same period last year of 33.14%. 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 11.29 million Baht, increased by 3.26 million Baht or 40.52 percent when compared to selling expenses in the same period last year in an amount of 8.04 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 21.50 percent.

Total expenses were 46.95 million Baht, increased by 6.96 million Baht when compared with total expenses at the same period last year in an amount of 39.99 million Baht. This was mainly due to the increase in selling expenses 40.51 percent.

The Company group had other income in an amount of 1.06 million Baht, decreased by 0.03 million Baht when compare with other income at the same period last year in an amount of 1.09 million Baht. The other income in this period was generated from income from the adjustment the accrued expense item; causing the said item was adjusted to be other income.

The net profit margin was 12.21%, increased from 4.04% in the same period last year due to the Company had increased profit. This was due to an increase in total revenues by 28.40 percent when compared to the same period last year.

Analysis of Operating Results for Nine-Month Period

For the nine-month period ended 30 September 2022, the Company group had net profit for the period 21.05 million Baht, increased by 14.84 million Baht or 239.09 percent when compared with net profit at the same period last year in an amount of 6.21 million Baht. Due to the Company have increased income.

Operating Result	January - September		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Service income	156,661	126,677	23.67%
Other income	4,094	2,233	83.34%
Total revenues	160,755	128,910	24.70%



Operating Result	January - September		
	2022 (Thousand Baht)	2021 (Thousand Baht)	Change
Cost of services	91,333	82,647	10.51%
Selling expenses	28,041	24,613	13.93%
Administrative expenses	20,072	15,406	30.29%
Total expenses	139,446	122,666	13.68%
Profit (Loss) from operating activities	21,309	6,244	241.27%
Finance costs	(327)	(125)	-161.60%
Profit (Loss) before income tax	20,982	6,119	242.90%
Income tax (expense) income	72	90	-20.00%
Profit (Loss) for the period	21,054	6,209	239.09%
Gross profit	65,328	44,030	48.37%
Profit (Loss) per share (Baht)	0.08	0.03	166.67%
Gross Profit Margin (%)	41.70%	34.76%	19.97%
Net Profit Margin (%)	13.10%	4.82%	171.92%

The Company group had services income of 156.66 million Baht, increased by 29.98 million Baht or 23.67 percent when compared with service income of 126.68 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 91.33 million Baht, increased by 8.69 million Baht when compared with cost of services at the same period last year in an amount of 82.65 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 58.30 percent from 65.24 percent previously.

The gross profit of the Company group was 65.33 million Baht, increased by 48.37 percent which was in line with the increase in service income 23.67 percent when compared to the same period last year. And gross profit margin of 41.70% when compared to the same period last year of 34.76%. Gross profit margin increased due to an increase in 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 28.04 million Baht, increased by 3.43 million Baht or 13.93 percent when compared to selling expenses in the same period last year in an amount of 24.61 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 17.90 percent.



Total expenses were 139.45 million Baht, increased by 16.78 million Baht when compared with total expenses at the same period last year in an amount of 122.67 million Baht. This was mainly due to the increase in administrative expenses 30.29 percent.

The Company group had other income in an amount of 4.09 million Baht, increased by 1.86 million Baht when compare with other income at the same period last year in an amount of 2.23 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 13.10%, increased from 4.82% in the same period last year due to the Company had increased profit. This was due to an increase in total revenues by 24.70 percent when compared to the same period last year.

Analysis of Financial Position

Financial Position	30 September 2022 (Thousand Baht)	31 December 2021 (Thousand Baht)	Change
Assets	134,074	134,947	-0.65%
Liabilities	64,920	86,899	-25.29%
Shareholders' equity	69,154	48,048	43.93%

As of 30 September 2022 and 31 December 2021, the Company group had assets of 134.07 million Baht and 134.95 million Baht, decreased by 0.87 million Baht due to the decrease in trade and other receivables, and unbilled receivables.

As of 30 September 2022 and 31 December 2021, the Company group had liabilities of 64.92 million Baht and 86.90 million Baht, decreased by 21.98 million Baht as a result of the decrease in accrued service costs, and lease liabilities.

As of 30 September 2022 and 31 December 2021, the Company group had shareholder's equity of 69.15 million Baht and 48.05 million Baht, increased by 21.11 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