



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

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(Translation)

No. YGG005/2023

February 27, 2023

Subject Management Discussion and Analysis for the year ended 31 December 2022

To President

The Stock Exchange of Thailand

Yggdrazil Group Public Company Limited (“the Company”) would like to report Management

Discussion and Analysis for the year ended 31 December 2022 as follows:

Performance from Separate Financial Statement

Unit : THB mm	Separate Financial Statement		Change	
	2022	2021	Increase /(Decrease)	%
Sales and Services Revenues	351.48	284.61	66.87	23.5%
Other Income	1.99	3.09	(1.10)	-35.5%
Total Revenue	353.47	287.70	65.78	22.9%
Cost of Sales and Services	185.19	155.88	29.31	18.8%
Gross Margin (Excl. other income)	166.29	128.73	37.56	29.2%
Selling Expenses	2.21	0.89	1.33	149.5%
Administrative Expenses	26.39	16.76	9.63	57.4%
Gain (loss) on Exchange rate	(3.92)	0.80	(4.72)	-589.8%
Profit before Finance Costs and Income Tax	135.76	114.97	20.80	18.1%
Finance Costs	0.32	0.37	(0.05)	-14.4%
Profit before Income Tax	135.45	114.60	20.85	18.2%
Income Tax	1.75	2.55	(0.80)	-31.5%
Net Profit After Tax	133.70	112.05	21.65	19.3%

**Summary of Performance (Separate Financial Statement)**

For the year ended 31 December 2022 and 2021, the company recorded total sales and services of THB 351.48 million and THB 284.61 million. This is equal to an increase of THB 66.87 million or growth by 23.5 YoY.

Revenue by business units	For the year ended 31 December				Change	
	2022		2021		Increase /(Decrease	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	131.67	37.2	108.94	37.9	22.73	20.9
2. Game	91.12	25.8	67.93	23.6	23.19	34.1
3. Movie / Animation	128.69	36.4	107.75	37.5	20.95	19.4
Sales and Services	351.48	99.4	284.61	98.9	66.87	23.5
Other Income	1.99	0.6	3.09	1.1	(1.10)	(35.5)
Total Revenue	353.47	100.00	287.70	100.00	65.78	22.9

- VFX Business unit, revenue increased by THB 22.73 million which accounted for 20.9% growth compared to the same period in prior year. This is a resulted from a higher of project lists than a same period in last year.
- Game Business unit, revenue increased by THB 23.19 million which recorded increasing of 34.1% compared to the same period of last year. Although the company had decreasing income from both copy of game sold and in-game purchase items from the prior year, we expect the revenue from Own-IP game will increasing again after new game launched in 2023. In addition, company had increased of service income from new project.
- Movie / Animation Business unit, revenue increased by THB 20.95 million or 19.4% growth compared to the same period of last year. This is a resulted from continuous projects from an international customer based which is aligned with company strategy to expand to global market.

Total Cost of goods sold in 2022 was THB 185.19 million, increased by THB 29.31 million or 18.8% compared to the same period of last year. This is a proportion of quantity of projects to be delivered



to customer in a period. Apart from the company's inhouse staff, increasing of outsource part is one of a driver to deliver quality work on time to customer.

Net Profit for the year ended 31 December was THB 133.7 million, increased by THB 21.65 million or 19.3 compared to the same period of last year. The company reported net profit margin of 37.8 % of total revenue.

Performance from Consolidated Financial Statement

Unit : THB mm	Consolidated	Separate	Change	
	Financial Statement	Financial Statement	Increase / (Decrease)	%
	2022	2021		
Sales and Services Revenues	334.91	284.61	50.30	17.7%
Other Income	1.99	3.09	(1.10)	-35.5%
Total Revenue	336.90	287.70	49.20	17.1%
Cost of Sales and Services	179.62	155.88	23.74	15.2%
Gross Margin (Excl. other income)	155.29	128.73	26.56	20.6%
Selling Expenses	2.21	0.89	1.33	149.5%
Administrative Expenses	26.51	16.76	9.74	58.1%
Gain (loss) on Exchange rate	(3.92)	0.80	(4.72)	-589.8%
Share of loss of Joint Ventures accounted for using the equity method	(0.46)	-	(1.26)	-157.0%
Profit before Finance Costs and Income Tax	124.65	114.97	9.68	8.4%
Finance Costs	0.32	0.37	(0.05)	-14.4%
Profit before Income Tax	124.33	114.60	9.73	8.5%
Income Tax	1.75	2.55	(0.80)	-31.5%
Net Profit After Tax	122.58	112.05	10.54	9.4%



For the year ended 31 December 2022, company recorded total revenue of THB 336.90 million which increased by THB 49.20 million or growth by 17.1% compared to 12-months 2021. In 2022, Total Cost of goods sold of was THB 179.62 million and Gross profit margin recorded at 53.6% of total sales and service income.

Net Profit of 12-month period 2022 was THB 122.58 million, increased by THB 10.54 million or 9.4 % compared to the same period of last year. The company reported net profit margin of 36.4% of total revenue.

Summary of Performance (Consolidated Financial Statement)

For the year ended 31 December 2022, the company recorded total sales and services of THB 334.91 million. This is equal to an increase of THB 50.31 million or growth by 17.7 YoY. Adjustment of Consolidated and Separate Financial Statement mainly due to the Computer Graphic design production project allocated in each business unit which is the inter-company transaction between company and JV.

Revenue by business units	For the year ended 31 December				Change	
	2022		2021		Increase /(Decrease	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	127.03	37.7	108.94	37.9	18.09	16.6
2. Game	84.33	25.0	67.93	23.6	16.40	24.1
3. Movie / Animation	123.56	36.7	107.75	37.5	15.82	14.7
Sales and Services	334.91	99.4	284.61	98.9	50.31	17.7
Other Income	1.99	0.6	3.09	1.1	(1.10)	(35.5)
Total Revenue	336.91	100.00	287.70	100.00	49.21	17.1



Statement of Financial Position ended 31 December 2022

Unit : THB mm	Consolidated Financial Statement	Separate Financial Statement	Change	
			2022	2021
Cash and Cash Equivalents	148.22	150.71	(2.49)	-1.65%
Financial Assets measured at Fair Value through profit or loss	57.17	60.72	(3.55)	-5.84%
Trade and Other Receivables	29.10	14.73	14.37	97.60%
Contract Assets	191.50	80.31	111.19	138.46%
Other Current Assets	11.57	23.22	(11.65)	-50.16%
Leasehold Improvement and Equipment	58.43	56.85	1.57	2.77%
Intangible Assets	73.93	51.08	22.86	44.75%
Other Non-current Assets	33.30	16.75	16.55	98.83%
Investment in Joint Ventures	38.54	-	38.54	N.A.
Total Assets	641.77	454.37	187.40	41.25%
Trade and Other Payables	19.68	16.44	3.24	19.68%
Other Current Liabilities	18.76	15.59	3.17	20.35%
Non-current Liabilities	7.60	10.27	(2.67)	-25.98%
Total Liabilities	46.04	42.30	3.74	8.84%
Total Equity	595.73	412.07	183.66	44.57%
Total Liabilities and Equity	641.77	454.37	187.40	41.25%

Total assets as of 31 December 2022 was THB 641.77 million, increased THB 18.40 million or 41.3% compared to total assets as of December 2021. This mainly due to contract assets from additional projects, intangible assets from Company's own intellectual property, and investment in joint venture with Master Ad Public Company Limited



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Total liabilities as of 31 December 2022 was THB 46.04 million, decreased THB 3.74 million or 8.8 % compared to total liabilities as of December 2021. This mainly due to decreasing of other liabilities

Total equity as of 31 December 2022 is THB 641.77 million, increased THB 187.40 million. This is resulted from increased of retained earnings and capital increased to support the Company's business plan.

Please be informed accordingly,

Yours Sincerely,

-Tanat Juwiwat-

(Mr. Tanat Juwiwat)

Chief Executive Officer