



No. 009/2023

15 May 2023

Subject: Management Discussion and Analysis for 1st quarter of the year 2023 ended 31 March 2023

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 31 March 2023 as follows:

Analysis of Operating Results

For the three-month period ended 31 March 2023, the Company group had net loss for the period of -9.55 million Baht, decreased by 15.73 million Baht or 254.50 percent when compared with net profit at the same period last year in an amount of 6.18 million Baht. Due to the Company has invested in various projects according to the Company’s business plan cause the selling expenses to increase. While the TV drama work was not recognized as revenue in the first quarter. And because it was the period before the election, businesses had to slow down their investment in advertising and promoting products/services to wait and see the situation.

Operating Result	January - March		
	2023 (Thousand Baht)	2022 (Thousand Baht)	Change
Service income	32,596	57,234	43.05%
Other income	390	622	37.30%
Total revenues	32,986	57,856	-42.99%
Cost of services	22,262	36,016	-38.19%
Selling expenses	12,227	7,756	57.65%
Administrative expenses	7,983	7,810	2.22%
Total expenses	42,472	51,582	-17.66%
Profit (Loss) from operating activities	(9,486)	6,274	-251.20%
Finance costs	(87)	(120)	27.50%
Profit (Loss) before income tax	-9,573	6,154	-255.56%
Income tax (expense) income	25	26	-3.85%
Profit (Loss) for the period	(9,548)	6,180	-254.50%
Gross profit	10,334	21,218	-51.30%
Profit (Loss) per share (Baht)	(0.037)	0.024	-254.17%
Gross Profit Margin (%)	31.70%	37.07%	-14.48%
Net Profit Margin (%)	-28.95%	10.68%	-370.98%



The Company group had services income of 32.60 million Baht, decreased by 24.64 million Baht or 43.05 percent when compared with service income of 57.23 million Baht at the same period last year due to the decrease in income from the business of full-service online media production (Online Content), and media production (Content Production).

The cost of services was 22.26 million Baht, decreased by 13.75 million Baht when compared with cost of services at the same period last year in an amount of 36.02 million Baht, which was in line with the decrease 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 68.30 percent from 62.93 percent respectively.

The gross profit of the Company group was 10.33 million Baht, decreased by 51.30 percent, which was in line with the decrease in service income when compared to the same period last year. And gross profit margin of 31.70 percent when compared to the same period last year of 37.07 percent.

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 12.33 million Baht, increased by 4.47 million Baht or 57.65 percent when compared to selling expenses in the same period last year in an amount of 7.76 million Baht. Due to the increase in video clips of new programs without sponsors or customers in the company's media. The proportion of selling expenses compared to service income was 37.51 percent.

The administrative expenses were 7.98 million Baht, an increase of 0.17 million Baht or 2.22 percent compared to the same period last year in the amount of 7.81 million Baht. As a result of the increases of salary, employee wages and benefits, and consulting fee and management fee.

Total expenses were 42.47 million Baht, decreased by 9.11 million Baht when compared with total expenses at the same period last year in an amount of 51.58 million Baht. Due to the decrease in the cost of services of 38.19 percent.

The Company group had other income in an amount of 0.39 million Baht, decreased by 0.23 million Baht when compare with other income at the same period last year in an amount of 0.62 million Baht. The other income in this period was generated from adjustment of accounting entries, and receipts of capital reduction fees from the Thailand Securities Depository Company Limited.

The net profit margin was -28.95%, decreased from 10.68% in the same period last year. This was due to total revenues decreased by 42.99 percent and selling expenses increased by 57.65 percent when compared to the same period last year.

Analysis of Financial Position

Financial Position	31 March 2023 (Thousand Baht)	31 December 2022 (Thousand Baht)	Change
Assets	126,687	139,474	-9.17%
Liabilities	65,654	68,980	-4.82%
Shareholders' equity	61,033	70,495	-13.42%



As of 31 March 2023 and 31 December 2022, the Company group had assets of 126.69 million Baht and 139.47 million Baht, decreased by 12.79 million Baht due to the increase in cash and cash equivalents, and trade and other receivables.

As of 31 March 2023 and 31 December 2022, the Company group had liabilities of 65.65 million Baht and 68.98 million Baht, decreased by 3.33 million Baht as a result of the decrease in accrued service costs, and lease liabilities.

As of 31 March 2023 and 31 December 2022, the Company group had shareholder's equity of 61.03 million Baht and 70.50 million Baht, decreased by 9.46 million Baht. Due to the Company had net loss during the period resulted in the decrease of shareholders' equity.

Please be informed accordingly.

Yours Sincerely,
SLM Corporation Public Company Limited

(Autthapol Pohundratanakul)
Chief Executive Officer