



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. YGG009/2566

12 May 2023

Subject Management Discussion and Analysis for the year ended 31 March 2023

To President

The Stock Exchange of Thailand

Yggdrazil Group Public Company Limited (“the Company”) would like to report Management Discussion and Analysis for the period ended 31 March 2023 as follows:

Performance from Consolidated Financial Statement

Unit : THB mm	Consolidated	Separate	Change	
	Financial Statement	Financial Statement	Increase	%
	Jan – Mar	Jan – Mar	/(Decrease)	
	2023	2022		
Sales and Services Revenues	90.01	86.56	3.45	4.0%
Other Income	0.56	0.20	0.36	180.0%
Total Revenue	90.57	86.76	3.81	4.4%
Cost of Sales and Services	50.89	47.45	3.44	7.2%
Gross Margin (Excl. other income)	39.12	39.11	0.01	0.0%
Selling Expenses	1.32	0.66	0.66	100.0%
Administrative Expenses	5.49	7.62	(2.13)	(28.0%)
Gain (loss) on Exchange rate	(0.01)	0.08	(0.09)	(112.5%)



Share of loss of Joint Ventures accounted for using the equity method	(0.28)	-	(0.28)	N.A.
Profit before Finance Costs and Income Tax	32.58	31.01	1.57	5.1%
Finance Costs	0.07	0.09	(0.02)	(22.2%)
Profit before Income Tax	32.52	31.01	1.51	4.9%
Income Tax	1.00	0.62	0.39	63.9%
Net Profit After Tax	31.51	30.39	1.12	3.7%

For the period ended 31 March 2023, company recorded total revenue of THB 90.57 million which increased by THB 3.81 million or growth by 4.40% compared to 3-months 2022. For the first quarter of 2023, Total Cost of goods sold of was THB 50.89 million and Gross profit margin recorded at 34.79% of total sales and service income.

Total Cost of goods sold of 3-months 2023 was THB 50.89 million, increased by THB 3.44 million or 7.2% 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 3-months 2023 was THB 31.51 million, increased by THB 1.12 million or 3.7 compared to the same period of last year. The company reported net profit margin of 34.79 % of total revenue.

Breakdown revenue by Business unit (Consolidated Financial Statement)

For the period ended 31 March 2023, the company recorded total sales and services of THB 90.01 million. This is equal to an increase of THB 3.45 million or growth by 3.99 YoY.



Revenue by business units	For the period ended 31 March				Change	
	2023		2022		Increase /(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
1. VFX	28.64	31.6	51.08	59.0	(22.44)	(43.9)
2. Game	27.27	30.1	10.42	12.0	16.85	161.7
3. Movie / Animation	34.10	37.7	35.06	40.5	(0.96)	(2.74)
Sales and Services	90.01	99.4	86.56	99.9	3.45	4.0
Other Income	0.56	0.6	0.20	0.0	0.36	180.0
Total Revenue	90.57	100.0	86.58	100.0	3.99	4.6

- VFX Business unit, revenue decreased by THB 22.44 million which accounted for 43.9% growth compared to the same period in prior year. This mainly due to big project during Quarter 1 in 2022. Therefore, company has increased customer lists in global market since 2022.
- Game Business unit, revenue increased by THB 16.85 million which recorded increasing of 161.7% 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 during 2023. In addition, company had increased of service income from new project.
- Movie / Animation Business unit, revenue decreased by THB 0.96 million which equivalent to 2.7% compared to the same period of last year. However, company has continuous projects from an international customer based which is aligned with company strategy to expand to global market.



Statement of Financial Position ended 31 March 2023

Unit : THB mm	Consolidated Financial Statement		Change	
	Ended 31 Mar 23	Ended 31 Dec 22	Increase / (Decrease)	%
Cash and Cash Equivalents	196.20	148.22	47.98	32.37%
Financial Assets measured at Fair Value through profit or loss	57.19	57.17	0.02	0.03%
Trade and Other Receivables	30.61	29.10	1.51	5.19%
Contract Assets	182.42	191.50	(9.08)	(4.74%)
Other Current Assets	13.94	11.57	2.37	20.48%
Leasehold Improvement and Equipment	70.61	58.43	12.18	20.85%
Intangible Assets	70.10	73.93	(3.83)	(5.18%)
Other Non-current Assets	21.18	33.30	(12.12)	(36.40%)
Investment in Joint Ventures	37.31	38.54	(1.23)	(3.19%)
Total Assets	679.56	641.77	37.79	5.89%
Trade and Other Payables	27.15	19.68	7.47	37.96%
Other Current Liabilities	17.65	18.76	(1.11)	(5.92%)
Non-current Liabilities	7.52	7.60	(0.08)	(1.05%)
Total Liabilities	52.32	46.04	6.28	13.64%
Total Equity	627.24	595.73	31.51	5.29%
Total Liabilities and Equity	679.56	641.77	37.79	5.89%

Total assets as of 31 March 2023 was THB 679.56 million, increased THB 37.79 million or 5.9% compared to total assets as of December 2022. This mainly due to increasing of cash & cash equivalent and fixed assets.

Total liabilities as of 31 March 2023 was THB 52.32 million, increased THB 6.28 million or 13.64 % compared to total liabilities as of December 2022. This mainly due to decreasing of other liabilities



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Total equity as of 31 March 2023 is THB 679.56 million, increased THB 37.79 million. This is resulted from increased of retained earnings.

Please be informed accordingly,

Yours Sincerely,

-Tanat Juwiwat-

(Mr. Tanat Juwiwat)

Chief Executive Officer