



No. 005/2024

28 February 2024

Subject: Management Discussion and Analysis for the year 2023 ended 31 December 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 year 2023 ended 31 December 2023 as follows:

Analysis of Operating Results

For the year 2023 ended 31 December 2023, the Company group had net loss of 6.77 million Baht, decreased by 29.24 million Baht or 130.14 percent when compared with net profit at the same period last year in an amount of 22.47 million Baht. Due to the Company had decreased income. And the Company has invested in various projects according to the Company's business plan cause the selling expenses to increase. Including in the past year 2023, there was a period of political uncertainty which continues to cause concern to investors. Businesses had to slow down their investment in advertising and promoting products/services to wait and see the clarification of the political situation.

| Operating Result | January - December | | |
|--|-------------------------|-------------------------|-----------------|
| | 2023 (Thousand Baht) | 2022 (Thousand Baht) | Change |
| Service income | 162,515 | 202,246 | -19.64% |
| Other income | 2,829 | 5,061 | -44.10% |
| Total revenues | 165,344 | 207,307 | -20.24% |
| Cost of services | 99,499 | 115,783 | -14.06% |
| Selling expenses | 44,496 | 41,869 | 6.27% |
| Administrative expenses | 27,893 | 26,868 | 3.82% |
| Total expenses | 171,889 | 184,520 | -6.85% |
| Profit (Loss) from operating activities | (6,545) | 22,787 | -128.72% |
| Finance costs | (331) | (413) | 19.72% |
| Profit (Loss) before income tax | (6,877) | 22,375 | -130.73% |
| Income tax (expense) income | 106 | 92 | 15.50% |
| Profit (Loss) for the period | (6,771) | 22,467 | -130.14% |
| Gross profit | 63,015 | 86,463 | -27.12% |
| Profit (Loss) per share (Baht) | (0.03) | 0.09 | -133.33% |
| Gross Profit Margin (%) | 38.78% | 42.75% | -9.30% |
| Net Profit Margin (%) | -4.09% | 10.84% | -137.78% |



The Company group had services income of 162.51 million Baht, decreased by 39.73 million Baht or 19.64 percent when compared with service income of 202.25 million Baht at the same period last year due to the decrease in income from the business of Online Content, Content Production, and TV Dramas and Series Production.

The cost of services was 99.50 million Baht, decreased by 16.28 million Baht or 14.06 percent when compared with cost of services in the same period last year in an amount of 115.78 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 61.22 percent from the previous 57.25 percent.

The Company had gross profit was 63.02 million Baht, decreased by 27.12 percent, which was in line with the decrease in service income when compared with gross profit of 86.46 million Baht in the same period last year. And the gross profit margin of 38.78 percent when compared to the same period last year of 42.75 percent, decreased due to decreased 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 44.50 million Baht, increased by 2.63 million Baht or 6.27 percent when compared to selling expenses in the same period last year in an amount of 41.87 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 27.38 percent.

The administrative expenses were 27.89 million Baht, an increase of 1.03 million Baht or 3.82 percent compared to the same period last year in the amount of 26.87 million Baht. As a result of the increases in salary, and employee wages and benefits.

Total expenses were 171.89 million Baht, decreased by 12.63 million Baht when compared with total expenses in the same period last year in an amount of 184.52 million Baht. This was mainly due to a decrease in the cost of services of 14.06 percent.

The Company group had other income in an amount of 2.83 million Baht, decreased by 2.23 million Baht when compared with other income in the same period last year in an amount of 5.06 million Baht. The other income in this period was generated from the adjustment of accounting entries and receipts of capital reduction fees from the Thailand Securities Depository Company Limited, interest income, dividend income, and revenue earned from YouTube.

The net profit margin was -4.09%, decreased from 10.84% in the same period last year. This was due to total revenues decreasing by 20.24 percent when compared to the same period last year.

Analysis of Financial Position

| Financial Position | 31 December 2023 (Thousand Baht) | 31 December 2022 (Thousand Baht) | Change |
|----------------------|-------------------------------------|-------------------------------------|---------|
| Assets | 134,872 | 139,475 | -3.30% |
| Liabilities | 71,542 | 68,980 | 3.72% |
| Shareholders' equity | 63,329 | 70,495 | -10.17% |



As of 31 December 2023 and 31 December 2022, the Company group had assets of 134.87 million Baht and 139.47 million Baht, decreased by 4.60 million Baht. This was mainly due to the decrease in cash and cash equivalents.

As of 31 December 2023 and 31 December 2022, the Company group had liabilities of 71.54 million Baht and 68.98 million Baht, increased by 2.56 million Baht. This was mainly due to the increase in trade and other payables.

As of 31 December 2023 and 31 December 2022, the Company group had shareholder's equity of 63.33 million Baht and 70.49 million Baht, decreased by 7.16 million Baht. Due to the Company had a net loss in the prior periods resulted in the decrease of shareholders' equity.

Please be informed accordingly.

Yours Sincerely,
SLM Corporation Public Company Limited

(Autthapol Pohundratanakul)
Chief Executive Officer