



บริษัท อีกดราซิล กรุ๊ป จำกัด (มหาชน)

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

348 ซอยลาดพร้าว 94 (ปิ่นเกล้ามิตร) แขวงพลับพลา เขตวังทองหลาง กรุงเทพฯ ประเทศไทย 10310 โทร: (662)-934-4364 โทรสาร: (662)-934-4560

348 Soi Ladprao 94 (Punjamitri), Phlapphla, Wangthonglang, Bangkok, Thailand Tel: (662)-934-4364 Fax: (662)-934-4560

SET 007/2020

12 August 2020

Subject Management Discussion and Analysis for the second quarter 2020

To The President of the Stock Exchange of Thailand

The Company would like to provide details of changes in Balance Sheet and profit & loss of the second quarter 2020 interim financial statement of Yggdrazil Group PLC. As follows:

(Unit: THB)	As at		%Δ
	30 June 2020	31 December 2019	
Assets	373,535,743	423,148,055	-11.72%
Liabilities	30,875,378	62,485,201	-50.59%
Equity	342,660,365	360,662,854	-4.99%

(Unit: THB)	Q2/2020	Q2/2019	%Δ	2020 YTD	2019 YTD	%Δ
Revenue from sales or services	49,251,679	43,412,420	13.45%	102,400,353	89,172,206	14.83%
Cost of sales of goods or of services	(33,638,132)	(27,333,631)	23.06%	(60,529,468)	(55,043,061)	9.97%
Gross profit	15,613,547	16,078,789	-2.89%	41,870,885	34,129,145	22.68%
Other income	374,774	162,277	130.95%	932,693	174,581	434.25%
Selling expenses	(636,880)	(317,234)	100.76%	(2,597,677)	(673,601)	285.64%
Administrative expenses	(6,310,918)	(10,147,483)	-37.81%	(21,811,875)	(19,693,487)	10.76%
Other expenses	(53,457)	-	100.00%	(53,457)	-	100.00%
Loss on exchange rate	(5,091,536)	(882,460)	476.97%	(1,568,993)	(1,731,146)	-9.37%
Profit before finance costs and income tax	3,895,530	4,893,889	-20.40%	16,771,576	12,205,492	37.41%
Finance costs	(387,173)	(373,769)	3.59%	(820,318)	(771,269)	6.36%
Profit before income tax	3,508,357	4,520,120	-22.38%	15,951,258	11,434,223	39.50%
Income tax	(50,937)	1,108,239	-104.60%	672,114	1,510,101	-55.49%
Net profit for the period	3,457,420	5,628,359	-38.57%	16,623,372	12,944,324	28.42%

As reported on the Stock Exchange of Thailand website on 30 July 2020, the company has used the power of the Board of Director to reallocate THB 20 Million from Establish Subsidiary in Canada to Debt repayment purpose. Resulting in 50.59% reduction in liability compared to the 2019 year end.

Q2/2020 the company has revenue from sales and services THB 49.25 Million, 13.45% increase YoY mainly from the revenue increasement in VFX business unit that has a very strong demand from Computer graphic for game teaser.



บริษัท อีกดราซิล กรุ๊ป จำกัด (มหาชน)

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

348 ซอยลาดพร้าว 94 (ปิ่นเกล้ามิตร) แขวงพลับพลา เขตวังทองหลาง กรุงเทพฯ ประเทศไทย 10310 โทร: (662)-934-4364 โทรสาร: (662)-934-4560

348 Soi Ladprao 94 (Punjamitri), Phlapphla, Wangthonglang, Bangkok, Thailand Tel: (662)-934-4364 Fax: (662)-934-4560

Revenue from animation BU, decrease by 16.67% YoY from the delay in kick off procedure from new customers.

Revenue from game BU decrease by 47.57% or THB 4.90 Million because the company is concentrating on internal PC&Mobile game project (Home Sweet Home Survival), which will be launched later this year.

Q2/2020 cost of goods sold the company has one time payment THB 5.40 Million, from the early retirement scheme which the company activated during Q2 to reduce the fixed cost from the full time employee. From now on, the company has changed the recruitment policy from Full time employee to Contract employee when possible, to align cost with revenue.

Q2/2020 Statement of Comprehensive Income also got hit hard by the loss in exchange rate of THB 5.10 Million from the strengthening THB to USD. In Q2/2020, the company started hedging currency exchange to reduce impact of future currency exchange rate fluctuation.

Please be informed accordingly,

Yours Sincerely,

-Mr. Tanat Juwiwat-

Mr. Tanat Juwiwat

CEO