



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

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SET 004/2021

25 February 2021

Subject: Management Discussion and Analysis for 2020

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 ending 2020 as follows.

#### Overview for 2020

Operating results for the year 2020, the Company had a net profit of 56.6 million Baht, an increase from the previous year by 7.9 million Baht or equivalent to 16% and the Company had revenues of 226.6 million Baht, an increase of 30.9 million Baht or equivalent to 16%. Net profit increased in line of revenue at the same proportion which were mainly from visual effects segment which has grown at a rate of 100% from expanding to new customer base, and an increasing of works from existing customers.

Financial position as of 31 December 2020, the Company had total assets of 395 million Baht, a decrease from the previous year by 27.8 million Baht, was mainly due to a decrease in trade and other receivables account of 27 million Baht from receiving money during the year. And the Company had total liabilities of 33 million Baht, a decrease from the previous year by 29 million Baht, mainly due to the repayment of long-term loans from banks of 22 million Baht, and the Company had total shareholders' equity of 362 million baht, which has not significant changed from the previous year.

#### Analysis of operating result

Business categories	2021		2020		Increase (Decrease)
	THB Mil	%	THB Mil	%	
Revenue from sales or services					
1. Visual effects	109.7	48.1	53.6	27.3	56.1
2. Animation	99.9	43.8	94.2	47.9	5.7
3. Game & Innovation	17.0	7.5	47.9	24.4	(30.9)
Total	226.6	99.4	195.7	99.5	30.9

- Revenue from visual effect segment in 2020 amounted to 109.7 million baht, an increase from the year 2019 by 56.1 million baht or 100% due to the expansion of new customer base, and increasing works from existing customers. The main customer groups are advertising and film making company.
- Revenue from animation segment in 2020 amounted to 99.9 million baht, an increase from year 2019 by 5.7 million baht or equivalent to 6% due to an increase in animation production from abroad. The main customer groups are foreign customers.



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- Revenue from Games and Innovation segment in 2020 amounted to 17 million baht, a decrease of 30.9 million baht from the year 2019, or a 64.5% because in 2020 the company did not release new games. The Company was in the process of new game development, Home Sweet Home Survive, which will allow players to play and it will generate income in early 2021.

#### Gross profit margin

	2020	2019	Increase (Decrease)
Revenue from sales or services	226.6	195.7	30.9
Cost of sales or services	(134.0)	(114.2)	(19.8)
Gross profit	92.6	81.5	11.1
Gross profit margin (%)	40.9	41.6	(0.7)

- Gross profit in 2020 amounted to 92.6 million baht, an increase of 11.1 million baht from year 2019 or a 13.6% because the Company gained more projects by using the available personnel of the company, and the company hires outside workers during the busy period. It was resulted in efficiency in the operation. Gross profit margin in 2020 was 40.9 percent, which was not significant change from the previous year.

#### Selling and administrative expenses

	2020	2019	Increase (Decrease)
Selling expenses	3.4	2.5	0.9
Administrative expenses	31.8	26.9	4.9

- Administrative expenses increased by 4.9 million baht from the recording of expected credit loss according to TFRS 9 of Baht 4 million

Please be inform accordingly

Yours sincerely,

-Tanat Juwiwat-

Chief Executive officer