

CGH 027/2021

August 13, 2021

Re: Management Discussion and Analysis (MD&A)
For the three-month and six-month periods ended June 30, 2021

To: The President
The Stock Exchange of Thailand

Management Discussion and Analysis

The financial information for Country Group Holdings Public Company Limited and its subsidiaries ("The Company") for the quarter ending 30 June 2021 are as follows:

Unit: Million Baht

<i>STATEMENTS OF FINANCIAL POSITION</i>	<i>June 30, 2021</i>	<i>December 31, 2020</i>
<i>Total Assets</i>	9,020.40	9,348.68
<i>Total Liabilities</i>	3,571.59	4,048.72
<i>Total Shareholders' equity</i>	5,448.81	5,299.96

Unit: Million Baht

<i>STATEMENTS OF PROFIT OR LOSS COMPREHENSIVE INCOME</i>	<i>For the three-month periods ended June 30,</i>				<i>For the six-month periods ended June 30,</i>			
	<i>2021</i>	<i>2020</i>	<i>Changes</i>	<i>%</i>	<i>2021</i>	<i>2020</i>	<i>Changes</i>	<i>%</i>
<i>Total Revenues</i>	437.22	308.19	129.03	41.86	882.64	670.18	212.46	31.70
<i>Total Expenses</i>	374.13	328.34	45.79	13.94	743.15	630.54	112.61	17.86
<i>Share of Profit from investment in associates</i>	18.28	5.60	12.68	226.68	66.04	30.40	35.64	117.27
<i>Income (Loss) before Income Tax</i>	81.37	(14.55)	95.92	659.09	205.53	70.04	135.49	193.45
<i>Income Tax Income (Expenses)</i>	(19.55)	3.54	(23.09)	(651.78)	(31.56)	5.86	(37.42)	(638.90)
<i>NET INCOME (LOSS) FOR THE PERIODS</i>	61.82	(11.01)	72.83	661.44	173.97	75.90	98.07	129.23

The Company would like to announce the operating results of the Company for the three-month and six-month periods ended 30 June 2021, which has been reviewed by the auditor to be as follows:

For the three-month period ended June 30, 2021

The Company's net profit was Baht 61.82 million, an increase of Baht 72.83 million or 661.44% from the net loss of Baht 11.01 million recorded in the same period last year. The main reasons are as follows:

- The Company's total revenue was Baht 437.22 million, an increase of Baht 129.03 million or 41.86% from the total revenue of Baht 308.19 million, which was recorded in the same period last year. The details are as follows:
 - Brokerage fees were increased by Baht 119.03 million due to an increase in average daily trading volume in both securities and derivatives.
 - Fees and services income were increased by Baht 4.86 million, mainly due to an increase in the Company's underwriting fee.
 - Other incomes were increased by 19.43 million, mainly due to gain on disposal of investment properties by Baht 10.19 million and gain on exchange rate by Baht 7.98 million.

2. The Company's total expense was Baht 374.13 million, an increase of Baht 45.79 million or 13.94% from the total expense of Baht 328.34 million, which was recorded in the same period last year. The details are as follows:
 - Employee benefits expenses were increased by Baht 57.84 million due to the increasing of expenses related to an increasing of brokerage fees.
 - Fee and service expenses were increased by Baht 23.09 million which is a direct variable with the increasing of brokerage fees.
 - Impairment loss was decreased by Baht 39.56 million due to the decreasing in determined expected credit loss in accordance with TFRS9.
3. The Company's share of profit from investments in associates was Baht 18.28 million, an increase of Baht 12.68 million or 226.68%. This was due to an increase in net profit of the Company's associates.

For the six-month period ended June 30, 2021

The Company's net profit was Baht 173.97 million, an increase of Baht 98.07 million or 129.23% from the net profit of Baht 75.90 million recorded in the same period last year. The main reasons are as follows:

1. The Company's total revenue was Baht 882.64 million, an increase of Baht 212.46 million or 31.70% from the total revenue of Baht 670.18 million, which was recorded in the same period of last year. The details are as follows:
 - Brokerage fees were increased by Baht 180.76 million due to an increase in average daily trading volume in both securities and derivatives.
 - Fees and Services income were increased by Baht 20.96 million due to an increase in the Company's underwriting fees and financial advisory fees.
 - Other income was increased by Baht 21.15 million due to gain on disposal of investment properties by Baht 10.19 million and gain on exchange rate by Baht 24.96 million.
2. The Company's total expense was Baht 743.15 million, an increase of Baht 112.61 million or 17.86% from the total expense of Baht 630.54 million, which was recorded in the same period last year. The details are as follows:
 - Employee benefit expenses were increased by Baht 112.59 million due to the increasing of expenses related to an increasing of brokerage fees.
 - Fee and service expenses were increased by Baht 31.01 million which is a direct variable with the increasing of brokerage fees.
 - Impairment loss was decreased by Baht 44.11 million due to the decreasing in determined expected credit loss in accordance with TFRS9.
3. The Company's share of profit from investments in associates was Baht 66.04 million, an increase of Baht 35.64 million or 117.27%. This is due to an increase in the net profit of the Company's associates.

Please be informed accordingly.

Sincerely yours,



(Mr. Tommy Taechaubol)
Chief Executive Officer