



บริษัทหลักทรัพย์ เคจีไอ (ประเทศไทย) จำกัด (มหาชน)  
173 อาคารเอเชีย เซ็นเตอร์ ชั้น 8-11  
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Ref: CSO.017/2021

Date: 18<sup>th</sup> August 2021

Subject: Management Discussion and Analysis Half Year Ending 30<sup>th</sup> June 2021

Attention: President  
The Stock Exchange of Thailand

The Meeting of the Board of Directors of KGI Securities (Thailand) Public Company Limited (“the Company”) No. 5/2021, held on 18<sup>th</sup> August 2021, has approved the audited financial statements, including the consolidated financial statements of the Company and its subsidiaries for the half year ending 30<sup>th</sup> June 2021.

The Company achieved profit (loss) attributable to equity holders of the Company for the second quarter of 2021 and for the first six-month period of 2021 compared to the same period of the previous year as follows:

(Unit: Thousand baht)

Consolidated Financial Statement Year	Quarter 2 (Reviewed)		For 6 Months (Audited)	
	2021	2020	2021	2020
Profit (loss) attributable to equity holders of the Company	421,955	194,661	1,135,680	(313,067)
Earnings (losses) per share (Baht)	0.21	0.10	0.57	(0.16)

The Company would like to clarify the change in profit (loss) attributable to equity holders of the Company for the second quarter of 2021 and first six-month period of 2021 compared to the same periods of the previous year, as follows:

### **The second quarter of 2021 Vs the second quarter of 2020**

#### **1. Revenues**

The Company’s total revenues in the second quarter of 2021 were Baht 1,306 million, an increase of 88 percent compared to the second quarter of the previous year. The significant revenue items are as follows:

##### **1.1 Brokerage fees**

The Company’s brokerage fees in the second quarter of 2021 were Baht 329 million, an increase of 47 percent compared to the second quarter of the previous year. The brokerage fee income consisted of brokerage fees from securities business of Baht 262 million, brokerage fees from derivatives business of Baht 67 million. The increase in brokerage fee income was from both securities business and derivatives business, due to an increase in SET average daily trading volume and TFEX trading volume and an increase in Company’s market share.

##### **1.2 Fee and Service income**

The Company’s fee and service income in the second quarter of 2021 was Baht 409 million, an increase of 127 percent compared to the second quarter of the previous year, mainly from an increase in mutual fund management fee and registrar fee income earned by the Company’s subsidiary, ONE Asset Management Limited, and an increase in the Company’s underwriting and financial advisory fee income.

##### **1.3 Interest income**

The Company’s interest income in the second quarter of 2021 was Baht 59 million, an increase of 26 percent compared to the second quarter of the previous year, mainly from an increase in interest income from Margin loans.

#### 1.4 Gains and return on financial instruments

The Company's gains and return on financial instruments in the second quarter of 2021 were Baht 491 million, an increase of 103 percent compared to the second quarter of the previous year.

The Company's gains and return on financial instruments were derived from a variety of activities, including, derivative warrants (DWs), over-the-counter (OTC) derivatives, investments in debt and equity securities for the Company's own account, bond dealing, private repos and other investments.

In the second quarter of 2021, the Company's gains and return on financial instruments of Baht 491 million consisted of losses on securities of Baht (310) million, gains on derivatives of Baht 726 million and dividend income of Baht 75 million.

## **2. Expenses**

The Company's total expenses for the second quarter of 2021 were Baht 785 million, an increase of 75 percent compared to the second quarter of the previous year. The majority of the Company's expenses came from employee benefits expenses, fee and service expenses, and interest expenses, as follows:

### 2.1 Employee benefits expenses

The Company's employee benefits expenses for the second quarter of 2021 were Baht 382 million, an increase of 78 percent compared to the second quarter of the previous year, mainly from an increase in personnel expenses which are related to the increase in the Company's performance.

### 2.2 Fee and service expenses

The Company's fee and service expenses in the second quarter of 2021 were Baht 278 million, an increase of 139 percent compared to the second quarter of the previous year, mainly from an increase in fees paid in respect of securities and derivatives trading by the Company, and an increase in the retaining fee paid by the Company's subsidiary, ONE Asset Management Limited.

### 2.3 Interest expenses

The Company's interest expenses in the second quarter of 2021 were Baht 19 million, a decrease of 11 percent compared to the second quarter of the previous year, mainly from a decrease in interest paid on private repo business and interest paid on bonds issued by the Company.

## **The first six-month period of 2021 Vs the first six-month period of 2020**

### **1. Revenues**

The Company's total revenues in the first six-month period of 2021 were Baht 3,008 million, an increase of 436 percent compared to the first six-month period of the previous year. The significant revenue items are as follows:

#### 1.1 Brokerage fees

The Company's brokerage fees in the first six-month period of 2021 were Baht 673 million, an increase of 46 percent compared to the first six-month period of the previous year. The brokerage fee income consisted of brokerage fees from securities business of Baht 527 million, brokerage fees from derivatives business of Baht 146 million. The increase in brokerage fee income was from both securities business and derivatives business, due to an increase in SET average daily trading volume and TFEX trading volume and an increase in Company's market share.

#### 1.2 Fee and Service income

The Company's fee and service income in the first six-month period of 2021 was Baht 820 million, an increase of 116 percent compared to the first six-month period of the previous year, mainly from an increase in mutual fund management fee, front-end fee and registrar fee income earned by the Company's subsidiary, ONE Asset Management Limited, and an increase in the Company's underwriting and financial advisory fee income.

### 1.3 Interest income

The Company's interest income in the first six-month period of 2021 was Baht 112 million, an increase of 14 percent compared to the first six-month period of the previous year, mainly from an increase in interest income from Margin loans.

### 1.4 Gains (losses) and return on financial instruments

The Company's gains and return on financial instruments in the first six-month period of 2021 were Baht 1,384 million, compared to losses and return on financial instruments of Baht (377) million for the first six-month period of the previous year.

The Company's gains (losses) and return on financial instruments were derived from a variety of activities, including, derivative warrants (DWs), over-the-counter (OTC) derivatives, investments in debt and equity securities for the Company's own account, bond dealing, private repos and other investments.

In the first six-month period of 2021, the Company's gains and return on financial instruments of Baht 1,384 million consisted of gains on securities of Baht 197 million, gains on derivatives of Baht 1,056 million and dividend income of Baht 131 million.

## 2. Expenses

The Company's total expenses for the first six-month period of 2021 were Baht 1,622 million, an increase of 71 percent compared to the first six-month period of the previous year. The majority of the Company's expenses came from employee benefits expenses, fee and service expenses, and interest expenses, as follows:

### 2.1 Employee benefits expenses

The Company's employee benefits expenses for the first six-month period of 2021 were Baht 801 million, an increase of 73 percent compared to the first six-month period of the previous year, mainly from an increase in personnel expenses which are related to the increase in the Company's performance.

### 2.2 Fee and service expenses

The Company's fee and service expenses in the first six-month period of 2021 were Baht 566 million, an increase of 130 percent compared to the first six-month period of the previous year, mainly from an increase in fees paid in respect of securities and derivatives trading by the Company, and an increase in the retaining fee paid by the Company's subsidiary, ONE Asset Management Limited.

### 2.3 Interest expenses

The Company's interest expenses in the first six-month period of 2021 were Baht 38 million, a decrease of 12 percent compared to the first six-month period of the previous year, mainly from a decrease in interest paid on bonds issued by the Company.

Please be informed accordingly.

Yours Sincerely,

(Mr. Chih-Hung Lin)  
Chief Operating Officer

Company Secretary Office  
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