COUNTRY GROUP
HOLDINGS

CGH 032/2021

November 15, 2021

Re: Management Discussion and Analysis (MD&A)
For the three-month and nine-month periods ended September 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 September 2021 are as follows:

Unit: Million Baht

STATEMENTS OF FINANCIAL POSITION	*September 30, 2021*	*December 31, 2020*
Total Assets	*10,305.99*	*9,348.68*
Total Liabilities	*4,491.23*	*4,048.72*
Total Shareholders' equity	*5,814.76*	*5,299.96*

Unit: Million Baht

STATEMENTS OF PROFIT OR LOSS COMPREHENSIVE INCOME	*For the three-month periods ended September 30,*				*For the nine-month periods ended September 30,*			
	2021	*2020*	*Changes*	*%*	*2021*	*2020*	*Changes*	*%*
Total Revenues	*499.50*	*305.04*	*194.46*	*63.75*	*1,382.14*	*975.22*	*406.92*	*41.73*
Total Expenses	*428.64*	*297.65*	*130.99*	*44.01*	*1,171.79*	*928.19*	*243.60*	*26.24*
Share of Profit from investment in associates	*382.61*	*21.43*	*361.18*	*1,685.55*	*448.65*	*51.83*	*396.82*	*765.70*
Income before Income Tax	*453.47*	*28.82*	*424.65*	*1,473.65*	*659.00*	*98.86*	*560.14*	*566.62*
Income Tax Income (Expenses)	*(7.12)*	*3.30*	*(10.42)*	*(315.53)*	*(38.68)*	*9.16*	*(47.84)*	*(522.28)*
NET INCOME FOR THE PERIODS	*446.35*	*32.12*	*414.23*	*1,289.66*	*620.32*	*108.02*	*512.30*	*474.29*

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

For the three-month period ended September 30, 2021

The Company's net profit was Baht 446.35 million, an increase of Baht 414.23 million or 1,289.66% from the net profit of Baht 32.12 million recorded in the same period last year. The main reasons are as follows:

1. The Company's total revenue was Baht 499.50 million, an increase of Baht 194.46 million or 63.75% from the total revenue of Baht 305.04 million, which was recorded in the same period last year. The details are as follows:
   - Brokerage fees were increased by Baht 136.81 million due to an increase in average daily trading volume in both securities and derivative.
   - Fees and services income were increased by Baht 15.88 million, mainly due to an increase in the Company's underwriting fee and Company's financial advisory fee.
   - Gain on financial instrument were increased by Baht 36.46 million due to an increase in gain on derivative.
   - Other incomes were increased by 10.85 million, mainly due to gain on exchange rate.

2. The Company's total expense was Baht 428.64 million, an increase of Baht 130.99 million or 44.01% from the total expense of Baht 297.65 million, which was recorded in the same period last year. The details are as follows:
   - Employee benefits expenses were increased by Baht 71.17 million due to the increasing of expenses related to an increasing of brokerage fees.
   - Fee and service expenses were increased by Baht 26.90 million which is a direct variable with the increasing of brokerage fees.
   - Impairment loss was increased by Baht 7.32 million due to the increasing in determined expected credit loss in accordance with TFRS9.
   - Other expense was increased by Baht 21.41 million due to the increasing in premises and equipment expense as the Company set up new systems to support new products launching.

3. The Company's share of profit from investments in associates was Baht 382.61 million, an increase of Baht 361.18 million or 1,685.55% from the profit of Baht 21.43 million which was recorded in the same period last year. The details are as follows:
   - Share of profit from investment in associates increased by Baht 103.70 million due to increasing in the net profits of its associates.
   - The Company reconised additional share of profit in connection with a successful right offering in investment in an associate. As the acquisition cost is lower than the attributable net fair value of the associate's net assets value as at the acquisition date, the Company recognised gain on bargain purchase which contributed to Baht 257.48 million.

For the nine-month period ended September 30, 2021

The Company's net profit was Baht 620.32 million, an increase of Baht 512.30 million or 474.29% from the net profit of Baht 108.02 million recorded in the same period last year. The main reasons are as follows:

1. The Company's total revenue was Baht 1,382.14 million, an increase of Baht 406.92 million or 41.73% from the total revenue of Baht 975.22 million, which was recorded in the same period of last year. The details are as follows:
   - Brokerage fees were increased by Baht 317.56 million due to an increase in average daily trading volume in both securities and derivative.
   - Fees and Services income were increased by Baht 39.37 million due to an increase in the Company's underwriting fees and financial advisory fees.
   - Gain on financial instrument were increased by Baht 32.21 million due to an increase in gain on derivative.
   - Other income was increased by Baht 29.48 million due to gain on disposal of investment properties and gain on exchange rate.

2. The Company's total expense was Baht 1,171.79 million, an increase of Baht 243.60 million or 26.24% from the total expense of Baht 928.19 million, which was recorded in the same period last year. The details are as follows:
   - Employee benefit expenses were increased by Baht 183.77 million due to the increasing of expenses related to an increasing of brokerage fees.
   - Fee and service expenses were increased by Baht 57.91 million which is a direct variable with the increasing of brokerage fees.
   - Impairment loss was decreased by Baht 36.79 million due to the decreasing in determined expected credit loss in accordance with TFRS9.
   - Other expense was increased by Baht 44.45 million due to the increasing in premises and equipment expense as the Company set up new systems to support new products launching.

3. The Company's share of profit from investments in associates was Baht 448.65 million, an increase of Baht 396.82 million or 765.70% from the profit of Baht 51.83 million which was recorded in the same period last year. The details are as follows:
   - Share of profit from investment in associates increased by Baht 139.34 million due to increasing in the net profits of its associates.
   - The Company reconised additional share of profit in connection with a successful right offering in investment in an associate. As the acquisition cost is lower than the attributable net fair value of the associate's net assets value as at the acquisition date, the Company recognised gain on bargain purchase which contributed to Baht 257.48 million.

Please be informed accordingly.

Sincerely yours,

(Mr. Tommy Taechaubol)
Chief Executive Officer