



บริษัทหลักทรัพย์ เคจีไอ (ประเทศไทย) จำกัด (มหาชน)  
173 อาคารเอเชีย เซ็นเตอร์ ชั้น 8-11  
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Ref: CSO. 016/2022

Date: 24<sup>th</sup> August 2022

Subject: Management Discussion and Analysis Half Year Ending 30<sup>th</sup> June 2022

Attention: President  
The Stock Exchange of Thailand

The Meeting of the Board of Directors of KGI Securities (Thailand) Public Company Limited (“the Company”) No. 4/2022, held on 24<sup>th</sup> August 2022, 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 2022.

The Company achieved profit attributable to equity holders of the Parent for the second quarter of 2022 and for the first six-month period of 2022 compared to the same period of the previous year as follows:

(Unit: Thousand baht)

Consolidated Financial Statement	Quarter 2 (Reviewed)		For 6 Months (Audited)	
	2022	2021	2022	2021
Profits attributable to equity holders of the Parent	267,713	421,955	584,744	1,135,680
Basic earnings per share (Baht)	0.13	0.21	0.29	0.57

The Company would like to clarify the change in profit attributable to equity holders of the Parent for the second quarter of 2022 and first six-month period of 2022 compared to the same periods of the previous year, as follows:

## **The second quarter of 2022 Vs the second quarter of 2021**

### **1. Revenues**

The Company’s total revenues in the second quarter of 2022 were Baht 964 million, a decrease of 26 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 2022 were Baht 259 million, a decrease of 21 percent compared to the second quarter of the previous year. The brokerage fee income consisted of brokerage fees from securities business of Baht 184 million, brokerage fees from derivatives business of Baht 75 million. The decrease in brokerage fee income from securities business was due to a decrease in SET average daily trading volume.

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

The Company’s fee and service income in the second quarter of 2022 was Baht 339 million, a decrease of 17 percent compared to the second quarter of the previous year. The decrease was mainly due to a decrease in mutual fund management fee and registrar fee income earned by the Company’s subsidiary, ONE Asset Management Limited.

#### **1.3 Interest income**

The Company’s interest income in the second quarter of 2022 was Baht 59 million, an increase of 1 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 2022 were Baht 302 million, a decrease of 38 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.

## **2. Expenses**

The Company's total expenses for the second quarter of 2022 were Baht 654 million, a decrease of 17 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 2022 were Baht 293 million, a decrease of 23 percent compared to the second quarter of the previous year, mainly from a decrease in personnel expenses which are related to the Company's performance.

### 2.2 Fee and service expenses

The Company's fee and service expenses in the second quarter of 2022 were Baht 236 million, a decrease of 15 percent compared to the second quarter of the previous year, mainly from a decrease in the retaining fee paid by the Company's subsidiary, ONE Asset Management Limited and a decrease in financial advisory fee expense and fees paid in respect of securities trading by the Company.

### 2.3 Interest expenses

The Company's interest expenses in the second quarter of 2022 were Baht 18 million, a decrease of 3 percent compared to the second quarter of the previous year, mainly from a decrease in interest paid on borrowing from financial institutions.

## **The first six-month period of 2022 Vs the first six-month period of 2021**

### **1. Revenues**

The Company's total revenues in the first six-month period of 2022 were Baht 2,064 million, a decrease of 31 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 2022 were Baht 586 million, a decrease of 13 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 420 million, brokerage fees from derivatives business of Baht 166 million. The decrease in brokerage fee income was from securities business, due to a decrease in SET average daily trading volume.

#### 1.2 Fee and Service income

The Company's fee and service income in the first six-month period of 2022 was Baht 653 million, a decrease of 20 percent compared to the first six-month period of the previous year, mainly from a decrease in mutual fund management fee and front-end fee income earned by the Company's subsidiary, ONE Asset Management Limited and a decrease in the Company's sales agent income from investment units.

#### 1.3 Interest income

The Company's interest income in the first six-month period of 2022 was Baht 120 million, an increase of 7 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 and return on financial instruments

The Company's gains and return on financial instruments in the first six-month period of 2022 were Baht 697 million, a decrease of 50 percent compared to the first six-month period 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.

## **2. Expenses**

The Company's total expenses for the first six-month period of 2022 were Baht 1,353 million, a decrease of 17 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 2022 were Baht 625 million, a decrease of 22 percent compared to the first six-month period of the previous year, mainly from a decrease in personnel expenses which are related to the Company's performance.

### 2.2 Fee and service expenses

The Company's fee and service expenses in the first six-month period of 2022 were Baht 481 million, a decrease of 15 percent compared to the first six-month period of the previous year, mainly from a decrease in the retaining fee paid by the Company's subsidiary, ONE Asset Management Limited and a decrease in financial advisory fee expense and fees paid in respect of securities trading by the Company.

### 2.3 Interest expenses

The Company's interest expenses in the first six-month period of 2022 were Baht 38 million, an increase of 1 percent compared to the first six-month period of the previous year, mainly from an increase in interest paid on bills of exchange and interest paid on bonds issued by the Company.

Please be informed accordingly.

Yours Sincerely,

(Dr. Chih-Hung Lin)  
Chief Operating Officer