

CGH 011/2023

May 15, 2023

Re: Management Discussion and Analysis (MD&A)
For the three-month period ended March 31, 2023

To: The President
The Stock Exchange of Thailand

Management Discussion and Analysis

The significant financial information for Country Group Holdings Public Company Limited and its subsidiaries (“The Company”) is as follows:

Unit: Million Baht

<i>STATEMENTS OF FINANCIAL POSITION</i>	<i>March 31, 2023</i>	<i>December 31, 2022</i>
<i>Total Assets</i>	8,997.12	9,007.22
<i>Total Liabilities</i>	3,231.13	3,238.00
<i>Total Shareholders' equity</i>	5,765.99	5,769.22

Unit: Million Baht

<i>STATEMENTS COMPREHENSIVE INCOME</i>	<i>For the three-month periods ended March 31,</i>			
	<i>2023</i>	<i>2022</i>	<i>Changes</i>	<i>%</i>
<i>Total Revenues</i>	409.97	436.23	(26.26)	(6.02)
<i>Total Expenses</i>	416.31	399.79	16.52	4.13
<i>Share of Profit from Investments in Associates</i>	21.16	14.33	6.83	47.66
<i>Profit before Income Tax</i>	14.82	50.77	(35.95)	(70.81)
<i>Income Tax Expenses</i>	(3.99)	(13.04)	9.05	(69.40)
<i>NET PROFIT FOR THE PERIOD</i>	10.83	37.73	(26.90)	(71.30)

The Company would like to announce the operating results of the Company for the three-month period ended March 31, 2023, which had been reviewed by an auditor as follows:

The Company's net profit was Baht 10.83 million, a decrease of Baht 26.90 million or 71.30% from the net profit of Baht 37.73 million compared to the same period of last year. The main reasons are as follows:

1. The Company's total revenue was Baht 409.97 million, a decrease of Baht 26.26 million or 6.02 % from Baht 436.23 million compared to the same period of previous year, primarily driven by the following factors:
 - Brokerage fees decreased by Baht 47.46 million mainly caused by a decrease in Brokerage fees from securities business Baht 73.85 million driven by a decrease in trading volumes from securities business. However, the subsidiary still maintained the market share with a slight decrease in its ranking of broker, compared to the same period of previous year. While brokerage fees from derivatives business increased Baht 26.39 million, compared to the same period of previous year, driven by an increase in trading volumes, led to an increase in market share.
 - Fee and service income decreased by Baht 17.17 because of a decrease of underwriting fee and financial advisory fee.
 - Interest income increased by Baht 12.35 million because of an increase in interest on margin loans.
 - Gain and return on financial instruments increased by Baht 24.05 million driven by sale and revaluation of derivatives instruments.
 - Other income increased by Baht 1.97 million driven by the sale of digital assets and reversal of revaluation of digital assets inventories.
2. The Company's total expenses were Baht 416.31 million, an increase of Baht 16.52 million or 4.13% from Baht 399.79 million compared to the same period of the previous year, driven by two main factors:
 - Employee benefit expenses increased by Baht 14.54 million driven by an increase in number of employees to support a mobile application trading platform development.
 - Other expenses increased by Baht 1.98 million driven by an increase in software amortization and maintenance expenses as the Group changed in its estimated useful lives of its intangible assets from indefinite useful lives to finite useful lives during 2022 and the Company set up a new system to support the launch of new product.
3. The Company recorded share of profit from investments in associates Baht 21.16 million, an increase of Baht 6.83 million or 47.66% compared to the share profit of Baht 14.33 million of the prior year.

Please be informed accordingly.

Sincerely yours,



(Mr. Tommy Taechaubol)
Chief Executive Officer