

15 August 2023

Re: Management Discussion and Analysis (MD&A)  
For the three-month and six-month periods ended June 30, 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>June 30, 2023</i>	<i>December 31, 2022</i>
<i>Total Assets</i>	9,440.02	9,007.22
<i>Total Liabilities</i>	3,728.85	3,238.00
<i>Total Shareholders' equity</i>	5,711.17	5,769.22

Unit: Million Baht

<i>STATEMENTS COMPREHENSIVE INCOME</i>	<i>For the three-month periods ended June 30,</i>				<i>For the six-month periods ended June 30,</i>			
	<i>2023</i>	<i>2022</i>	<i>Change</i>	<i>%</i>	<i>2023</i>	<i>2022</i>	<i>Change</i>	<i>%</i>
<i>Total Revenues</i>	333.19	350.50	(17.31)	(4.94)	743.16	782.97	(39.81)	(5.08)
<i>Total Expenses</i>	450.21	351.45	98.76	28.10	866.51	747.47	119.04	15.93
<i>Share of Profit (Loss) from Investments in Associates</i>	49.64	(53.69)	103.33	192.46	70.80	(39.37)	110.17	279.83
<i>Profit (Loss) before Income Tax</i>	(67.38)	(54.64)	(12.74)	23.32	(52.55)	(3.87)	(48.68)	1,257.88
<i>Income Tax Revenue (Expenses)</i>	20.81	(2.83)	23.64	835.34	16.82	(15.86)	32.68	206.05
<i>Net Profit (Loss) for the period</i>	(46.57)	(57.47)	10.90	(18.97)	(35.73)	(19.73)	(16.00)	81.09

The Company would like to announce the operating results of the Company for the three-month period and six-month period ended June 30, 2023, which had been reviewed by an auditor as following:

#### For the three-month period ended June 30, 2023

The Company's net loss was Baht 46.57 million, a decrease of Baht 10.90 million or 18.97% from the net loss of Baht 57.47 million compared to the same period of last year, primarily driven by the following factors:

1. The Company's total revenue was Baht 333.19 million, a decrease of Baht 17.31 million or 4.94% compared to the same period of last year. The main reasons are as follows:

- Brokerage fees decreased by Baht 37.23 million, mainly caused by a decrease in Brokerage fees from securities business decreased Baht 68.01 million driven by a decrease in trading volumes from securities business, which was in line with the equity market volume. The subsidiary was able to retain most of the market share with a slight decrease in market share and its ranking of broker, compared to the same period of previous year. While brokerage fees from derivatives business increased Baht 30.78 million driven by an increase in trading volumes, led to an increase in market share.
- Fee and service income increased by Baht 11.81 million because of an increase in an underwriting fee and financial advisory fee.
- Interest income calculated using the effective interest method increased by Baht 15.49 million because of an increase in an interest on margin loan and in an interest income, primarily driven by rising in policy rate announced by Monetary Policy Committee.
- Gain and return on financial instruments increased by Baht 7.38 million driven by sale and revaluation of derivatives instrument.
- Other income decreased Baht 14.76 million driven by a decrease in an unrealized gain (loss) on the exchange rate - offshore investments of the Company.

2. The Company's total expenses were Baht 450.21 million, an increase of Baht 98.76 million or 28.10% compared to the same period of the prior year, driven by three main factors:

- Employee benefits expenses increased by Baht 27.43 million driven by an increase in number of employees to support a mobile application trading platform development and to support a real estate brokerage business.
  - The reversal of impairment loss on financial assets increased by Baht 40.40 million driven by a significant decrease of the market price of digital assets in the second quarter.
- Other expenses increased by Baht 30.31 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 a new product, as well as an increase in property insurance expenses.

3. The Company recorded share of profit from investment in associates Baht 49.64 million, an increase of Baht 103.33 million or 192.46% compared to the share of loss of Baht 53.69 million of the prior year.

#### For the six-month period ended June 30, 2023

The Company's net loss was Baht 35.73 million, a decrease Baht 16.00 million or 81.09% from the net loss of Baht 19.73 million compared to the same period of previous year. The main reasons are as follows:


1. The Company's total revenue was Baht 743.16 million, a decrease of Baht 39.81 million or 5.08% compared to the same period of last year, primarily driven by the following factors:

- Brokerage fees decreased by Baht 84.69 million mainly caused by a decrease in Brokerage fees from securities business Baht 152.11 million driven by a decrease in trading volumes from securities business, which was in line with the equity market volume. The subsidiary was able to retain most of the market share with a slight decrease in market share and its ranking of broker, compared to the same period of previous year. While Brokerage fees from derivatives business increased Baht 67.42 million, compared to the same of 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 5.36 million because a decrease in an underwriting fee and financial advisory fee.

- Interest income calculated using the effective interest method increased by Baht 27.84 million because of an increase in an interest on margin loan and in an interest income, primarily driven by rising in policy rate announced by Monetary Policy Committee.
  - Gain and return on financial instruments increased by Baht 31.43 million driven by sale and revaluation of derivatives instrument.
  - Other income decreased by Baht 9.03 million driven by a decrease in an unrealized gain (loss) on the exchange rate - offshore investments of the Company.
2. The Company's total expenses were Baht 866.51 million, an increase of Baht 119.04 million or 15.93 % compared to the same period of the prior year, driven by three main factors:
- Employee benefits expenses increased by Baht 41.15 million driven by an increase in number of employees to support a mobile application trading platform development and to support a real estate brokerage business.
  - The reversal of impairment loss on financial assets increased by Baht 39.19 million driven by a significant decrease of the market price of digital assets in the second quarter.
  - Other expenses increased by Baht 36.45 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 a new product, as well as an increase in property insurance expenses.
3. The Company recorded share of profit from investment in associates Baht 70.80 million, an increase of Baht 110.17 million or 279.83% compared to the share of loss of Baht 39.37 million of the prior year.

Please be informed accordingly.

Sincerely yours,



(Mr. Tommy Taechaubol)  
Chief Executive Officer