

Ref: CSO. 014/2024

Date: 8<sup>th</sup> May 2024

Subject: Management Discussion and Analysis for Quarter 1 ending 31<sup>st</sup> March 2024

Attention: President  
The Stock Exchange of Thailand

The Board of Directors meeting of KGI Securities (Thailand) Public Company Limited (the “Company”) No. 2/2024, held on 8<sup>th</sup> May 2024, approved the reviewed financial statements, including the consolidated financial statements of the Company and its subsidiaries for the first quarter ended 31<sup>st</sup> March 2024.

In the first quarter of 2024, the Company had profit attributable to the Company's shareholders of Baht 266 million and earnings per share of Baht 0.13, an increase of 45 percent compared to the first quarter of the previous year. The details of changes in income and expenses are as follows:

Consolidated Financial Statement	1Q2024	1Q2023	% Change
Profit attributable to the Company's shareholders (Million Baht)	266	180	45%
Basic earnings per share (Baht)	0.13	0.09	45%

## 1. Income

In the first quarter of 2024, the Company had total income of Baht 953 million. The Company’s income structure is well diversified. In the first quarter of 2024, the Company’s income can be grouped into three main parts, each of which accounted for approximately one-third of the total income, these are;

- 1) Brokerage fees and Interest income (30 percent),
- 2) Gains and return on financial instruments (32 percent), and
- 3) Fee and service income (38 percent).

Income	1Q2024 (Million Baht)	% Total income	1Q2023 (Million Baht)	% Total income	% Change
Brokerage fees	173	18%	276	29%	(37%)
Interest income	112	12%	80	8%	41%
Fee and service income	308	32%	372	39%	(17%)
Gains and return on financial instruments	359	38%	222	23%	61%
Other income	1	0%	1	0%	(7%)
<b>Total income</b>	<b>953</b>	<b>100%</b>	<b>952</b>	<b>100%</b>	<b>0%</b>

### A. Brokerage fees

The Company’s brokerage fees in the first quarter of 2024 were Baht 173 million, a decrease of 37 percent compared to the first quarter of the previous year. The brokerage fee income consisted of brokerage fees from securities business of Baht 109 million, and brokerage fees from derivatives business of Baht 64 million. The decrease in brokerage fee income was from both securities business and derivatives business, due to a decrease in SET average daily trading volume and TFEX trading volume.

Brokerage fees	1Q2024 (Million Baht)	1Q2023 (Million Baht)	% Change
Brokerage fees from securities business	109	182	(41%)
Brokerage fees from derivatives business	64	94	(31%)
<b>Total Brokerage fees</b>	<b>173</b>	<b>276</b>	<b>(37%)</b>

### B. Fee and service income

The Company's fee and service income in the first quarter of 2024 was Baht 308 million, a decrease of 17 percent compared to the first quarter of the previous year, mainly from a decrease in underwriting fee income.

### C. Interest income

The Company's interest income in the first quarter of 2024 was Baht 112 million, an increase of 41 percent compared to the first quarter of the previous year. The increase was mainly due to an increase in interest income from investments and interest income from deposits at financial institutions and Bank of Thailand bonds.

### D. Gains and return on financial instruments

The Company's gains and return on financial instruments in the first quarter of 2024 were Baht 359 million, an increase of 61 percent compared to the first 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 first quarter of 2024 were Baht 654 million, a decrease of 8 percent compared to the first quarter of the previous year. The significant expenses items are as follows:

Expenses	1Q2024 (Million Baht)	1Q2023 (Million Baht)	% Change
Employee benefits expenses	287	305	(6%)
Fee and service expenses	188	249	(25%)
Interest expenses	43	28	53%
Expected credit losses (reversal)	(0.36)	21	N/A
Other expenses	138	110	25%
<b>Total expenses</b>	<b>654</b>	<b>714</b>	<b>(8%)</b>

### A. Employee benefits expenses

The Company's employee benefits expenses for the first quarter of 2024 were Baht 287 million, a decrease of 6 percent compared to the first quarter of the previous year, mainly from a decrease in personnel expenses.

### B. Fee and service expenses

The Company's fee and service expenses in the first quarter of 2024 were Baht 188 million, a decrease of 25 percent compared to the first quarter of the previous year, mainly from a decrease in fees paid in respect of securities and derivatives trading, and a decrease in the retaining fees paid by the Company's subsidiary, ONE Asset Management Limited.

### C. Interest expenses

The Company's interest expenses in the first quarter of 2024 were Baht 43 million, an increase of 53 percent compared to the first quarter of the previous year, mainly from an increase in interest paid on private repo transactions.

### D. Other expenses

The Company's other expenses in the first quarter of 2024 were Baht 138 million, an increase of 25 percent compared to the first quarter of the previous year. Such other expenses were necessary expenses for the Company's business operations, mainly Premises and equipment expenses, Communication and information expenses, and Publication, marketing and sale promotion expenses.



Please be informed accordingly.

Yours Sincerely,

(Dr. Chih-Hung Lin)  
Chief Operating Officer

Company Secretary Office  
Telephone: 0 2658 8880