

No. CGH 012/2024

15 May 2024

Re: Management Discussion and Analysis (MD&A)

For the three-month period ended March 31, 2024

To: The President

The Stock Exchange of Thailand

Management Discussion and Analysis

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

Unit; Million Baht

STATEMENTS OF FINANCIAL POSITION	March 31,	December 31, 2023	
STATEMENTS OF FRIVANCIAL POSITION	2024		
Total Assets	9,545.97	9,244.38	
Total Liabilities	3,394.49	3,315.46	
Total Shareholders' equity	6,151.48	5,928.92	

Unit: Million Baht

	For the three-month periods						
STATEMENTS OF COMPREHENSIVE INCOME		ended March 31,					
	2024	2023	Changes	%			
Total Revenue	505,70-	409.97	95.73	23.35			
Total Expenses	439.68	416.32	23.36	5.61			
Share of Profit (Loss) from investments in associates	39.13	21.16	17.97	84.92			
Profit (Loss) before Income Tax	105,15	14.82	90.33	609.51			
Income Tax Expenses	(21.06)	(3.99)	(17.07)	427.82			
NET PROFIT (LOSS) FOR THE YEAR	84.09	10.83	73.26	676.45			



The Company would like to announce the operating results of the Company for the three-month period ended March 31, 2024, which had been audited by an auditor as following:

For the three-month period ended March 31, 2024, the Company's net profit was Baht 84.09 million, increased Baht 73.26 million or 676.45% from the net profit 10.83 million compared to the same period of last year, primarily driven by the following factors:

Revenue

The Company's total revenue was Baht 505.70 million, an increase of Baht 95.73 million or 23.35% yoy, detail as table below:

Units: Million baht

Revenue Structure	March 31, 2024		March 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Brokerage fees	233,64	46.20	300.12	73.21	(66.48)	(22,15)
Fee and service income	26.68	5.28	21.03	5.13	5.65	26.87
Interest on margin loans	55.29	10.93	42.28	10.31	13.01	30.77
Gain on investment and derivatives	126.42	25.00	39.22	9.57	87.20	222.32
Interest and dividends in associated companies	2.36	0.47	2.59	0.63	(0.23)	(8.88)
Others	61.31	12.12	4.73	1.15	56.58	1,196.19
Total	505.70	100.00	409.97	100.00	95.73	23.35

- 1. Brokerage fees decreased by Baht 66.48 million or 22.15% yoy, primarily driven by a decrease in Equity and TFEX volume, which is a direct impact from a decline in SET and TFEX average daily trading volume. The subsidiary's Equity market share increased as well as the ranking. Whereas the subsidiary's derivatives market share declined a little as well as the ranking.
- 2. Fees and service income increased by Baht 5.65 million or 26.87% you as revenue from fund increased by 129.23%, financial advisory fees and underwriting fee declined by 7.37% and 27.04%, respectively.
- 3. Interest income increased by Baht 13.01 million or 30.77% yoy, primarily driven by an increase in interest rate.
- 4. Gain and return on financial instruments increased by Baht 87.20 million or 222.34% yoy, primarily driven by unrealized gain on investment amounting to 90 million.
- 5. Other income increased by Baht 56.58 million or 1,196.19% yoy, primarily driven by gain on sell of digital assets and gain on foreign exchange, in line with market condition.

Expense

The Company reported total expenses of Baht 439.68 million, an increase of Baht 23.36 million or 5.61% yoy, detail as table below:

Units: Million baht

Expense Structure	March 31, 2024		March 31, 2023		Change	
	Amount	9∕₀	Amount	%	Amount	%
Employee benefits expenses	262.94	59.80	246.28	59.16	16,66	6.76
Fee and services expenses	62.10	14,12	73.85	17.74	(11.75)	(15.91)
Loss on impairment of financial assets	(5.37)	(1.22)	(6.37)	(1.53)	1,00	(15.70)
Other expenses	85.63	19.48	73.45	17.64	12,18	16.58
Finance cost	34.38	7.82	29.11	6.99	5.27	18.10
Total	439.68	100.00	416.32	100.00	23.36	5.61



- 1. Employee benefit expense increased by 16.66 million or 6.76% yoy primarily driven by onboarding Private Wealth teams, and an increase in technology capacity to support an investment in application development and digital transformation by one of the subsidiaries.
- 2. Fees and service expenses decreased by 11.75 million baht or 15.91%, in line with the decrease in brokerage
- 3. Loss on impairment of financial assets decreased 1.00 million or 15.70% yoy due to the reversal of doubtful account as the subsidiary collected the money.
- 4. Other Expenses increased by 12.18 million or 16.58% yoy primarily driven by an increase in software maintenance and information and communication expenses of securities business. The Company has been investing in a mobile application trading platform development, an improvement of technology infrastructure and transforming front and back-office processes.
- 5. Finance Cost increased by 5.27 million or 18.10% yoy as the Company recently issued debentures, amounting to 239M THB at 5.5 5.8 interest per annum.

Share of Profit from Investments

The company's share of profit from investments in associated companies was 39.13 million baht, an increase of 17.97 or 84.92% from share of profit 21.16 million compared to the same period of last year, primarily driven by B&B operating performance. B&B net profit is 67.52 increased by 296.43% yoy. Whereas MFC posted net profit of 49.26 million, down 12.68% yoy.

Please be informed accordingly.

Sincerely yours,

(Mr. Tommy Taechaubol) Chief Executive Officer