

Ref. BYD 0216/2023

February 28, 2023

Subject: Clarification of the Company's Operating Results for the year ended December 31, 2022

To: President  
The Stock Exchange of Thailand

Beyond Securities Public Company Limited "The Company" would like to clarify the Company's operating results through separate financial statements and financial statements in which the equity method is applied for the year ended December 31, 2022, which has been audited by an auditor. In accordance to the separate financial statement, the Company had a net profit of 155.51 million baht, better operating result compared to the same period last year which had a net loss of 148.23 million baht. Considering the financial statements in which the equity method is applied, it had a net loss of 161.74 million baht, increased by 11.11 million baht when compared to the same period last year which had a net loss of 150.63 million baht. The significance is from the share of loss from investment in associate at 317.25 million baht. The company would like to clarify the reasons for significant changed as follows;

(Unit: million Baht)

	Financial statements in which the equity method is applied				Separate financial statements			
	2022	2021	Change	Percent	2022	2021	Change	Percent
<b>Income</b>								
Income	287.15	116.37	170.78	146.76%	287.15	112.66	174.49	154.88%
Share of loss from investments in an associate	(317.25)	(15.63)	(301.62)	(1,929.75%)	-	-	-	-
<b>Total income</b>	<b>(30.10)</b>	<b>100.74</b>	<b>(130.84)</b>	<b>(129.88%)</b>	<b>287.15</b>	<b>112.66</b>	<b>174.49</b>	<b>154.88%</b>
<b>Expenses</b>								
Expenses	208.70	233.62	(24.92)	(10.67%)	208.70	233.41	(24.71)	(10.59%)
Expected credit loss (reversal)	28.76)	18.13	(46.89)	(258.63%)	(28.76)	27.86	(56.62)	(203.23%)
<b>Total expenses</b>	<b>179.94</b>	<b>251.75</b>	<b>(71.81)</b>	<b>(28.52%)</b>	<b>179.94</b>	<b>261.27</b>	<b>(81.33)</b>	<b>(31.13%)</b>
<b>Profit (loss) before income tax</b>	<b>(210.04)</b>	<b>(151.01)</b>	<b>(59.03)</b>	<b>(39.09%)</b>	<b>107.21</b>	<b>(148.61)</b>	<b>255.82</b>	<b>172.15%</b>
Tax benefit	48.30	0.38	47.92	12,610.53%	48.30	0.38	47.92	12,610.53%
<b>Profit (loss) for the years</b>	<b>(161.74)</b>	<b>(150.63)</b>	<b>(11.11)</b>	<b>(7.38%)</b>	<b>155.51</b>	<b>(148.23)</b>	<b>303.74</b>	<b>204.91%</b>

The total income presented in the separate financial statements increased from 112.66 million baht to 287.15 million baht or increased by 174.49 million baht or 154.88%. And having a total income due to financial statements in which the equity method is applied, decreased from 100.74 million baht to (30.10) million baht, decreased by 130.84 million baht or 129.88%

when compared to the same period last year. However, if the Company excluded share of loss from investment in associate of 317.25 million baht, the Company had a total income 287.15 million baht. The significant revenue items are as follows:

1. Brokerage fees income increased from 39.18 million baht to 58.54 million baht, increased by 19.36 million baht or 49.41% mainly due to an increase in the customer's securities trading volume as the number of customers increased following to the company's marketing plan.
2. Fees and service income increased from 9.43 million baht to 29.11 million baht, increased by 19.68 million baht or 208.70% mainly due to an increase of income from investment banking fees.
3. Interest income increased from 14.60 million baht to 174.77 million baht increased by 160.17 million baht or 1,097.05% mainly due to the interest received from loans to Thai Smile Bus Co., Ltd., a subsidiary of the associate in accordance with the Company shareholders approved plan. And also receive a higher interest from margin loan to customer in accordance with marketing strategies.
4. Gain and returns on financial instruments decreased from 30.06 million baht to 15.94 million baht, decreased by 14.12 million baht or 46.97% mainly as a result of a decrease in profit from securities trading due to the fluctuation of overall capital market condition affected from various factors.
5. Share of loss from investment in an associate, the ACE Incorporation Co., Ltd., increased from 15.63 million baht to 317.25 million baht, increased by 301.62 million baht or 1,929.75% caused from the operating losses results of Thai Smile Bus Co., Ltd. ("TSB") and its group. The Summary of TSB operating results are as follows:

5.1 In September 2022, TSB acquired the business of Smart Bus Co.,Ltd. ("SMB") group, including 6 subsidiaries and 1 associate, and Thai Smile Boat Co.,Ltd. (formerly known as E Smart Transport Co., Ltd.), including 1 subsidiary. Therefore, the TSB's consolidated financial statements then include the results from such acquisitions according to the investment period.

5.2 According to TSB's consolidated financial statements, sales and service income was 461.73 million baht, increased from the previous year at 13.95 million baht, or increased at 3,209.89% because of the follows:

- TSB's 8 subsidiaries earn revenue from EV Bus operations on 8 existing routes which is fully operating in 2022.
- Since Q4, 2022, TSB began to gradually earn revenue from EV Bus operations on 77 new routes that TSB and its subsidiaries have won the bidding. Then the No. of EV Buses had been gradually implemented and continuously serve since November 2022. In addition, there are plans to bring 1,850 EV Buses into the service for both TSB and SMB groups in 2023.
- More income from the operating result of the SMB group and the Thai Smile Boat group. Moreover, since January 2023, TSB has started a plan to provide transporting network – seamless connection services in public transport for the whole group. And make a marketing plan by setting up a common ticketing system and a daily max fare at 40 baht/day for using the EV Bus service within TSB and SMB group on all routes, unlimited trip. And a daily max fare of 50 baht/day for using the EV Bus service combined within its group.

5.3 The cost of sales and services was 754.72 million baht, increased from the previous year at 42.40 million baht or an increased of 1,680 percent as a result from the follows:

- Depreciation of key assets consisted of EV Buses which are increased in line with the increase in the number of EV Buses and depreciation of NGV Buses from the acquisition of SMB which are fixed cost.
  - Electricity cost of EV Bus and NGV fuel cost that increased according to the number of buses and number of trips in service.
  - The cost of personnel salary both drivers and bus attendants increased in line with the number of buses.
- 5.4 Administrative expenses that increased according to business expansion. In addition, there was an expense of amortization of 1 concession right to operate bus service, which was reformed by the government, in the amount of 20.63 million baht and an allowance for expected credit loss of some assets according to the accounting standard in the amount of 22.68 million baht.
- 5.5 An increase in financial costs of 246.09 million baht due to loans from the Company(BYD) and a hire purchase of EV Buses.

The Company's total expenses decreased from 251.75 million baht to 179.94 million baht, decreased by 71.81 million baht or 28.52% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 68.40 million baht to 80.84 million baht, increased by 12.44 million baht or 18.19% mainly due to the increase in the expenses related to increasing in brokerage fees income and number of employees for the growing of securities business.
2. Fees and service expenses increased from 23.78 million baht to 36.81 million baht, increased by 13.03 million baht or 54.79% which related to the increasing of trading volume and transaction from securities business.
3. Reversal of expected credit loss of 28.76 million baht caused by the Company got repaid from loan and bill of exchange which had provided allowance for expected credit loss in the previous year.
4. Other expenses decreased from 140.11 million baht to 88.66 million baht, decreased by 51.45 million baht or 36.72% mainly resulted from the decrease of provision for litigation at 38.59 million baht. In addition, others decreased due to the success in costs controlled by reducing or cutting down on unnecessary expenditures for better performance.

Please be inform accordingly

Sincerely Yours,



(Mr. Sumrit Aumjittham)

Authorized to sign on behalf of the company