

Ref. BYD 0810/2023

August 31, 2023

Subject: Clarification of the Company's Operating Results for the three-month period and six-month period ended

June 30, 2023

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 three-month period and six-month period end June 30, 2023, which has been reviewed/audited by an auditor. For the three-month period ended June 30, 2023 according to the separate financial statement, the Company had a net profit of 76.26 million baht, better operating result compared to the same period last year which had a net loss of 30.77 million baht. Considering the financial statements in which the equity method is applied, it had a net loss of 367.68 million baht, increased by 318.88 million baht when compared to the same period last year which had a net loss of 48.80 million baht. The significance is from the share of loss from investment in an associate at 443.94 million baht.

For the six-month period ended June 30, 2023 according to the separate financial statement, the Company had a net profit of 157.41 million baht, better operating result compared to the same period last year which had a net loss of 40.53 million baht. Considering the financial statements in which the equity method is applied, it had a net loss of 655.11 million baht, increased by 572.68 million baht when compared to the same period last year which had a net loss of 82.43 million baht. The significance is from the share of loss from investment in an associate at 812.52 million baht. The company would like to clarify the reasons for significant changed as follows;

For 3 month period ended June 30, 2023

(Unit:Million Baht)

	Financial statements in which the equity method is applied				Separate financial statements			
	2023	2022	Change	Percent	2023	2022	Change	Percent
Revenues								
Revenues	168.71	18.87	149.84	794.06	168.71	18.87	149.84	794.06
Share of loss from investment in an associate	(443.94)	(18.03)	425.91	2,362.23	-	-	-	-
Total revenues	(275.23)	0.84	(276.07)	(32,865.48)	168.71	18.87	149.84	794.06
Expenses								
Expenses	76.48	55.08	21.40	38.85	76.48	55.08	21.40	38.85
Reversal expected credit loss	(3.11)	(5.40)	(2.29)	(42.41)	(3.11)	(5.40)	(2.29)	(42.41)
Total expenses	73.37	49.68	23.69	47.69	73.37	49.68	23.69	47.69
Profit (loss) before income tax	(348.60)	(48.84)	299.76	613.76	95.34	(30.81)	126.15	409.44
Income tax	19.08	(0.04)	19.12	47,800.00	19.08	(0.04)	19.12	47,800.00
Profit (loss) for periods	(367.68)	(48.80)	318.88	653.44	76.26	(30.77)	107.03	347.84

Operating results for the three-month period ended June 30, 2023

The total revenues presented in the separate financial statements increased from 18.87 million baht to 168.71 million baht or increased by 149.84 million baht or 794.06%. And having the total revenues through financial statements in which the equity method is applied, decreased from 0.84 million baht to (275.23) million baht, decreased by 267.07 million baht when compared to the same period last year. However, if the Company excluded share of loss from investment in an associate of 443.94 million baht, the Company had the total revenues 168.71 million baht. The significant revenue items are as follows:

1. Fees and service income increased from 4.41 million baht to 19.22 million baht, increased by 14.81 million baht or 335.83% mainly due to an increase of income from underwriting fee, private fund management fee and investment banking fee.
2. Interest income increased from 4.06 million baht to 141.81 million baht, increased by 137.75 million baht or 3,392.86% mainly due to the interest received from loans to Thai Smile Bus Co., Ltd., an indirect associate in accordance with the Company shareholders approved plan. And also receive a higher interest income from margin loan in accordance with marketing strategies.
3. Loss and return on financial instruments increased from 4.94 million baht to 8.62 million baht, loss increased by 3.68 million baht or 74.49% mainly as a result of an increase in loss from securities trading due to the fluctuation of overall capital market condition affected from various factors.
4. Share of loss from investment in an associate, the ACE Incorporation Co., Ltd., increased from 18.03 million baht to 443.94 million baht, increased by 425.91 million baht or 2,362.23% caused from the operating losses results of Thai Smile Bus Co., Ltd. ("TSB") and its group which was in the first phase of investment expansion. Therefore, more depreciation and various expenses must be recognized, while the growth in income still increased less than the increase in expenses.

The Company's total expenses increased from 49.68 million baht to 73.37 million baht, increased by 23.69 million baht or 47.69% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 18.92 million baht to 40.59 million baht, increased by 21.67 million baht or 114.53% mainly due to the increase in number of employees for the growing of securities business and wealth management business.
2. Reversal of expected credit loss of 3.11 million baht caused by the Company got repaid from bill of exchange which had provided allowance for expected credit loss in the prior year.

	Financial statements in which the equity method is applied				Separate financial statements			
	2023	2022	Change	Percent	2023	2022	Change	Percent
Revenues								
Revenues	321.58	44.36	277.22	624.93	321.58	44.36	277.22	624.93
Share of loss from investment in an associate	(812.52)	(41.90)	770.62	1,839.19	-	-	-	-
Total revenues	(490.94)	2.46	(493.40)	(20,056.91)	321.58	44.36	277.22	624.93
Expenses								
Expenses	131.55	97.52	34.03	34.90	131.55	97.52	34.03	34.90
Reversal expected credit loss	(6.39)	(12.53)	(6.14)	(49.00)	(6.39)	(12.53)	(6.14)	(49.00)
Total expenses	125.16	84.99	40.17	47.26	125.16	84.99	40.17	47.26
Profit (loss) before income tax	(616.10)	(82.53)	533.57	646.52	196.42	(40.63)	237.05	583.44
Income tax	39.01	(0.10)	39.11	39,110.00	39.01	(0.10)	39.11	39,110.00
Profit (loss) for periods	(655.11)	(82.43)	572.68	694.75	157.41	(40.53)	197.94	488.38

Operating results for the six-month period ended June 30, 2023

The total revenues presented in the separate financial statements increased from 44.36 million baht to 321.58 million baht or increased by 277.22 million baht or 624.93%. And having the total revenues through financial statements in which the equity method is applied, decreased from 2.46 million baht to (490.94) million baht, decreased by 493.40 million baht when compared to the same period last year. However, if the Company excluded share of loss from investment in an associate of 812.52 million baht, the Company had the total revenues 321.58 million baht. The significant revenue items are as follows:

1. Fees and service income increased from 8.66 million baht to 29.09 million baht, increased by 20.43 million baht or 235.91% mainly due to an increase of income from underwriting fee, private fund management fee, investment banking fee and selling agent fee.
2. Interest income increased from 8.95 million baht to 277.26 million baht, increased by 268.31 million baht or 2,997.88% mainly due to the interest received from loans to Thai Smile Bus Co., Ltd., an indirect associate in accordance with the Company shareholders approved plan. And also receive a higher interest income from margin loan in accordance with marketing strategies.
3. Loss and return on financial instruments increased from 4.40 million baht to 15.47 million baht, loss increased by 11.07 million baht or 251.59% mainly as a result of an increase in loss from securities trading due to the fluctuation of overall capital market condition affected from various factors.
4. Share of loss from investment in an associate, the ACE Incorporation Co., Ltd., increased from 41.90 million baht to 812.52 million baht, increased by 770.62 million baht or 1,839.19% 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:
 - 4.1 According to TSB's consolidated financial statements, sales and service income was 669.42 million baht, increased from the same period last year at 71.41 million baht, or increased at 837.43% because of the follows:

- In September 2022, TSB acquired the business of Smart Bus Co.,Ltd. ("SMB") group, and Thai Smile Boat Co.,Ltd. (formerly known as E Smart Transport Co., Ltd.). Therefore, the TSB's consolidated financial statements then include the results from such acquisitions.
 - 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 about 1,850 EV Buses into the service for both TSB and SMB groups in 2023.
 - 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 EV Boat. However, the increasing of passenger is less than its plan while the increase in expenses is in proportion as its plan; TSB is working on marketing strategy.
- 4.2 The cost of sales and services was 1,335.32 million baht, increased from the same period last year at 116.71 million baht or increased at 1,044.14% 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 an increase in the number of buses and number of trips in service.
 - The cost of personnel salary both drivers and bus attendants increased in line with an increase in the number of buses.
- 4.3 Financial costs of 485.05 million baht increased by 454.69 million baht from the same period last year at financial costs of 30.36 million baht or increased at 1,497.66% due to loans from the Company (BYD) and a hire purchase of EV Buses.

The Company's total expenses increased from 84.99 million baht to 125.16 million baht, increased by 40.17 million baht or 47.26% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 38.01 million baht to 64.36 million baht, increased by 26.35 million baht or 69.32% mainly due to the increase in number of employees for the growing of securities business and wealth management business.
2. Fees and service expenses increased from 17.31 million baht to 20.80 million baht, increased by 3.49 million baht or 20.16% mainly due to the increase in commission expenses relating to increased fees and service income.
3. Reversal of expected credit loss of 6.39 million baht caused by the Company got repaid from bill of exchange which had provided allowance for expected credit loss in the prior year.

4. Other expenses increased from 41.01 million baht to 45.19 million baht, increased by 4.18 million baht or 10.19% mainly resulted from the increase in the Company's specific business tax expenses relating to increased interest income.

Please be inform accordingly

Sincerely Yours,



(Mr. Sumrit Aumjittham)

Authorized to sign on behalf of the company