

Ref. BYD 1107/2023

November 14, 2023

Subject: Clarification of the Company's Operating Results for the three-month period and nine-month period ended September 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 nine-month period ended September 30, 2023, which has been reviewed by an auditor. For the three-month period ended September 30, 2023 according to the separate financial statement, the Company had a net profit of 92.96 million baht, better operating result compared to the same period last year which had a net profit of 25.45 million baht. Considering the financial statements in which the equity method is applied, it had a net profit of 92.96 million baht, increased by 115.57 million baht when compared to the same period last year which had a net loss of 22.61 million baht.

For the nine-month period ended September 30, 2023 according to the separate financial statement, the Company had a net profit of 250.37 million baht, better operating result compared to the same period last year which had a net loss of 15.08 million baht. Considering the financial statements in which the equity method is applied, it had a net loss of 562.15 million baht, increased by 457.11 million baht when compared to the same period last year which had a net loss of 105.04 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 September 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	203.77	75.15	128.62	171.15	203.77	75.15	128.62	171.15
Share of loss from investment in an associate	-	(48.06)	(48.06)	(100.00)	-	-	-	-
Total revenues	203.77	27.09	176.68	652.20	203.77	75.15	128.62	171.15
Expenses								
Expenses	92.72	51.63	41.09	79.59	92.72	51.63	41.09	79.59
Reversal of expected credit loss	(3.66)	(1.88)	1.78	94.68	(3.66)	(1.88)	1.78	94.68
Total expenses	89.06	49.75	39.31	79.02	89.06	49.75	39.31	79.02
Profit (loss) before income tax	114.71	(22.66)	137.37	606.22	114.71	25.40	89.31	351.61
Income tax	(21.75)	0.05	21.80	43,600.00	(21.75)	0.05	21.80	43,600.00
Profit (loss) for periods	92.96	(22.61)	115.57	511.15	92.96	25.45	67.51	265.27

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

The total revenues presented in the separate financial statements increased from 75.15 million baht to 203.77 million baht, increased by 128.62 million baht or 171.15%. And having the total revenues through financial statements in which the equity method is applied, increased from 27.09 million baht to 203.77 million baht, increased by 176.68 million baht or 652.20% when compared to the same period last year. The significant revenue items are as follows:

1. Fees and service income increased from 16.72 million baht to 34.08 million baht, increased by 17.36 million baht or 103.83% mainly due to an increase of income from underwriting fee, private fund management fee and selling agent fee.
2. Interest income increased from 29.09 million baht to 144.35 million baht, increased by 115.26 million baht or 396.22% 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 profit 7.86 million baht to loss 1.90 million baht, profit decreased by 9.76 million baht or 124.17% 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, while profit from derivatives trading increased.
4. Share of loss from investment in an associate, the ACE Incorporation Co., Ltd., decreased from 48.06 million baht when compared to the same period last year. For the three-month period ended September 30, 2023 the Company was not recognized share of loss from investment in associate in profit or loss due to The Company recognized its share of loss from investment in associate up to the total amount of capital invested. It mainly caused from the operating losses results of Thai Smile Bus Co., Ltd. ("TSB") and its group which was in the 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 49.75 million baht to 89.06 million baht, increased by 39.31 million baht or 79.02% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 20.33 million baht to 42.38 million baht, increased by 20.05 million baht or 108.46% 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 3.66 million baht caused by the Company got repaid from bill of exchange which had provided allowance for expected credit loss in the prior year.
3. Other expenses increased from 20.00 million baht to 38.47 million baht, increased by 18.47 million baht or 92.35% mainly resulted from the increase in the financial advisory and legal expenses relating to the shareholding and organizational restructuring plan of the Company.

	Financial statements in which the equity method is applied				Separate financial statements			
	2023	2022	Change	Percent	2023	2022	Change	Percent
Revenues								
Revenues	525.36	119.52	405.84	339.56	525.36	119.52	405.84	339.56
Share of loss from investment in an associate	(812.52)	(89.96)	722.56	803.20	-	-	-	-
Total revenues	(287.16)	29.56	(316.72)	(1,071.45)	525.36	119.52	405.84	339.56
Expenses								
Expenses	224.28	149.15	75.13	50.37	224.28	149.15	75.13	50.37
Reversal of expected credit loss	(10.05)	(14.41)	4.36	30.26	(10.05)	(14.41)	4.36	30.26
Total expenses	214.23	134.74	79.49	59.00	214.23	134.74	79.49	59.00
Profit (loss) before income tax	(501.39)	(105.18)	396.21	376.70	311.13	(15.22)	326.35	2,144.22
Income tax	(60.76)	0.14	60.90	43,500.00	(60.76)	0.14	60.90	43,500.00
Profit (loss) for periods	(562.15)	(105.04)	457.11	435.18	250.37	(15.08)	265.45	1,760.28

Operating results for the nine-month period ended September 30, 2023

The total revenues presented in the separate financial statements increased from 119.52 million baht to 525.36 million baht, increased by 405.84 million baht or 339.56%. And having the total revenues through financial statements in which the equity method is applied, decreased from 29.56 million baht to (287.16) million baht, decreased by 316.72 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 525.36 million baht. The significant revenue items are as follows:

1. Fees and service income increased from 25.38 million baht to 63.17 million baht, increased by 37.79 million baht or 148.90% mainly due to an increase of income from underwriting fee, private fund management fee and selling agent fee.
2. Interest income increased from 38.04 million baht to 421.61 million baht, increased by 383.57 million baht or 1,008.33% 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 profit 3.47 million baht to loss 17.37 million baht, profit decreased by 20.84 million baht or 600.58% 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, while profit from derivatives trading increased.
4. Share of loss from investment in an associate, the ACE Incorporation Co., Ltd., increased from 89.96 million baht to 812.52 million baht, increased by 722.56 million baht or 803.20% 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 1,048.62 million baht, increased from the same period last year at 167.93 million baht, or increased at 524.22% 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 EV Buses into the service for both TSB and SMB groups and in 2023 nearly 2,000 EV buses have already been operated.
- 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 2,031.95 million baht, increased from the same period last year at 265.42 million baht or increased at 665.56% 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 774.12 million baht increased by 695.44 million baht from the same period last year at financial costs of 78.68 million baht or increased at 883.88% due to loans from the Company (BYD) and a hire purchase of EV Buses.

The Company’s total expenses increased from 134.74 million baht to 214.23 million baht, increased by 79.49 million baht or 59.00% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 58.34 million baht to 106.74 million baht, increased by 48.40 million baht or 82.96% 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 10.05 million baht caused by the Company got repaid from bill of exchange which had provided allowance for expected credit loss in the prior year.

3. Other expenses increased from 61.00 million baht to 83.66 million baht, increased by 22.66 million baht or 37.15% mainly resulted from the increase in the Company's specific business tax expenses relating to increased interest income and the increase in the financial advisory and legal expenses relating to the shareholding and organizational restructuring plan of the Company.

Please be inform accordingly

Sincerely Yours,

A handwritten signature in blue ink, appearing to be 'Sumrit Aunjitham', written in a cursive style.

(Mr. Sumrit Aunjitham)

Authorized to sign on behalf of the company