

Ref. BYD 0212/2024

February 28, 2024

Subject: Clarification of the Company's Operating Results for year ended
December 31, 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 year ended December 31, 2023, which has been audited by an auditor. For the year ended December 31, 2023 according to the separate financial statement, the Company had a net profit of 321.00 million baht, better operating result compared to the same period last year which had a net profit of 155.51 million baht. Considering the financial statements in which the equity method is applied, it had a net loss of 491.52 million baht, increased by 329.78 million baht when compared to the same period last year which had a net loss of 161.74 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 year ended December 31, 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	714.09	287.15	426.94	148.68	714.09	287.15	426.94	148.68
Share of loss from investment in an associate	(812.52)	(317.25)	495.27	156.11	-	-	-	-
Total revenues	(98.43)	(30.10)	(68.33)	(227.01)	714.09	287.15	426.94	148.68
Expenses								
Expenses	311.68	208.69	102.99	49.35	311.68	208.69	102.99	49.35
Reversal of expected credit loss	(0.15)	(28.76)	(28.61)	(99.48)	(0.15)	(28.76)	(28.61)	(99.48)
Total expenses	311.53	179.93	131.60	73.14	311.53	179.93	131.60	73.14
Profit (loss) before income tax	(409.96)	(210.03)	199.93	95.19	402.56	107.22	295.34	275.45
Income tax	81.56	(48.29)	129.85	268.90	81.56	(48.29)	129.85	268.90
Profit (loss) for the years	(491.52)	(161.74)	329.78	203.90	321.00	155.51	165.49	106.42

Operating results for the year ended December 31, 2023

The total revenues presented in the separate financial statements increased from 287.15 million baht to 714.09 million baht, increased by 426.94 million baht or 148.68%. And having the total revenues through financial statements in which the equity method is applied, decreased from (30.10) million baht to (98.43) million baht, decreased by 68.33 million baht or 227.01% 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 714.09 million baht. The significant revenue items are as follows:

1. Fees and service income increased from 29.11 million baht to 73.42 million baht, increased by 44.31 million baht or 152.22% mainly due to an increase of income from underwriting fee, private fund management fee and selling agent fee.
2. Interest income increased from 174.77 million baht to 571.14 million baht, increased by 396.37 million baht or 226.80% 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 the increase in average margin loan in accordance with marketing strategies.
3. Loss and return on financial instruments decreased from profit 15.93 million baht to loss 15.25 million baht, profit decreased by 31.18 million baht or 195.37% 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 317.25 million baht to 812.52 million baht, increased by 495.27 million baht or 156.11% caused from the operating losses results of Thai Smile Bus Co., Ltd. ("TSB") and its group. Since the 3rd quarter of 2023, the Company has not recognized share of loss from investment in an associate in profit or loss due to The Company recognized its share of loss from investment in an 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 summary of TSB operating results are as follows:

- 4.1 According to TSB's consolidated financial statements, sales and service income was 1,450.20 million baht, increased from the same period last year at 461.73 million baht, increased by 988.47 million baht or 214.08% 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 approximately 2,000 EV buses have already been operated. Moreover, TSB has higher advertising income because TBS has penetrated the EV Bus advertising media market with private companies.
 - 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 2,835.28 million baht, increased from the same period last year at 754.72 million baht, increased by 2,080.56 million baht or 275.67% 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 1,068.80 million baht increased by 807.08 million baht or 308.38% from the same period last year at financial costs of 261.72 million baht due to loans from the Company (BYD) and a hire purchase of EV Buses.

The Company's total expenses increased from 179.93 million baht to 311.53 million baht, increased by 131.60 million baht or 73.14% when compared to the same period last year are as follows:

1. Employee benefit expenses increased from 80.84 million baht to 152.34 million baht, increased by 71.50 million baht or 88.45% 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 0.15 million baht caused by the Company got repaid from bill of exchange 13.13 million baht which had provided allowance for expected credit loss in the prior year. Meanwhile, the Company has provided allowance for expected credit loss from securities business receivables at 11.58 million baht.
3. Other expenses increased from 88.66 million baht to 113.99 million baht, increased by 25.33 million baht or 28.57% 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,



(Mr. Sumrit Aunjittham)

Authorized to sign on behalf of the company