



Ref. Wor Thor. Tor. 048/2025

August 13, 2025

Subject : Explanation and analysis of financial performance for the second quarter ended June 30, 2025

Attention : The President
The Stock Exchange of Thailand

The Board of Directors' meeting of Trinity Watthana Public Company Limited No. 5/2025, held on August 13, 2025, has approved the reviewed financial statements for the second quarter ended June 30, 2025. The Company would like to explain and analyze the financial position and operating results for the second quarter and the six-month period ended June 30, 2025 compared to the corresponding period of 2024 as follows:

Period ended 30 June	Second quarter			Six months		
	2025	2024	Change (%)	2025	2024	Change (%)
Net Profit (Loss) (Million Baht)	(23.13)	0.64	(3,714.06)	(15.44)	16.49	(193.63)
Earnings (Loss) per share (Baht)	(0.108)	0.003	(3,714.06)	(0.072)	0.077	(193.63)

The auditor has reviewed the financial statements and still qualified that except for the possible effects on securities business receivables of Baht 479 million included in the securities and derivatives business receivables of Baht 2,625 million as at June 30, 2024 that had defaulted on payments of outstanding positions resulting from purchase orders made for shares of a listed company that the Stock Exchange of Thailand ("SET") identified as potentially abnormal purchase and sale transactions in November 2022. The management of the Company and the subsidiary have determined that this event is an abnormal transaction, as it was carried out with fraudulent intent. Setting up the allowance for expected credit losses may have an adverse effect on the cases that the subsidiary has filed, therefore the subsidiary has not recorded any allowance for expected credit losses related to the overdue securities business receivables mentioned above. The management of the Company and the subsidiary believe that there is a high probability that this transaction will be cancelled and treated as if it had never occurred. The overdue amount is expected to be fully reimbursed from assets which are seized in accordance with the court order.

On July 18, 2025, the Civil Court has issued an order to seize assets according to the assets listed in the asset inventory document marked as Exhibit R.11 ("Asset Inventory") are connected to fraudulent acts under the Criminal Code, which are considered ordinary business offenses and constitute predicate offenses under Section 3(18) of the Anti-Money Laundering Act B.E. 2542 (1999). Accordingly, the Court ordered that the assets, together with any accrued benefits as specified in the asset inventory, be returned or compensated to ten securities companies identified as injured parties, in proportion to the damages sustained by each company, as listed in the asset inventory submitted by the injured parties. In the event that restitution or compensation cannot be made, or if there are remaining assets after restitution or compensation has been completed, such assets shall be forfeited to the state in accordance with the Anti-Money Laundering Act. The relevant parties have the right to file an appeal within 30 days, as disclosed in Note 6 to the financial statements. As a result, we were also unable to obtain sufficient appropriate audit evidence about the value of allowance for expected credit losses for such event as at June 30, 2025 of Baht 25 million. Consequently, we were unable to determine whether any adjustments to the amount of allowance for expected credit losses was necessary. If adjustments are necessary for the aforementioned transaction, the total assets and deficit in the consolidated and separate statements of financial position (which presented investments in subsidiaries under the equity method) as at January 1, 2025 and June 30, 2025 will decrease and increase, respectively, and this will have an impact on the profit or loss for the period and total comprehensive income in the consolidated and separate statements of comprehensive income for the three-month and three-month and six-month



periods ended June 30, 2025. We therefore conclude a qualified conclusion on the consolidated and separate financial statements for the three-month and six-month periods ended June 30, 2025. Moreover, we also conclude a qualified conclusion on the consolidated and separate financial statements for the three-month and six-month periods ended June 30, 2025 because of the effect of above matters on the comparability of the current period's figures and the corresponding figures.

Except for the possible effects of the matter as described above, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Impacts on Liquidity and Net Capital Ratio

In case that the subsidiary is required to provide the allowance for expected credit losses in the future due to the changes in circumstances in any amount, this would not have an impact to the subsidiary's liquidity and net capital ratio since the defaulted amount of securities business receivables of Baht 479 million has not been included as liquid assets in the calculation of net capital ratio as prescribed by the office of Securities and Exchange Committee. As of 30 June 2025, the subsidiary's net capital ratio was at 23.20% which was higher than the SEC requirement.

1. Overview of Business Operation and Significant Changes

In the second quarter of 2025, geopolitical conflicts and the trade war between the United States and China continued to be significant risk factors for the global economy, particularly from President Trump's tax/tariff policies causing a global economic slowdown, which will negatively impact stock markets worldwide, including the Thai stock market. The tariff policies have been postponed for 90 days to due on August 1, 2025.

Although the Thai economy recovered due to continued good export growth from the postponement of tariff policies, tourism slowdown from the reduction in number of Chinese tourists, and moderate expansion in private consumption, private investment slowed down due to economic and policy uncertainty, resulting in performance of listed companies. The stock market index decreased significantly by 22.18% from the end of year 2024, which was more than most stock markets in the region. The SET Index fell from 1,158.09 points at the end of March 2025 to 1,089.56 points at the end of June 2025. The average daily trading value for the second quarter of 2025 was Baht 40,784 million, a decrease of 8.69% compared to the same quarter in 2024 amounted to Baht 44,665 million.

Derivatives daily trading volume has decreased from 465,960 contracts in second quarter of 2024 to 411,052 contracts in the same period of 2025, or decreased by 11.78%.

In the second quarter of 2025, the foreign institutional investors and local institutional investors were more active in SET than the previous year. That is, their turnovers accounted for 54.20% and 9.56% of SET's total turnovers which slightly increased from 52.53% and 8.60% respectively in the same quarter of 2024. Whereas retail investors and proprietary trading accounts decreased in their trading proportions from the previous year, to 30.71% and 5.53%, respectively.

2. Summary of Key Events and Developments

The subsidiary has increased personnel focusing on using AI to provide timely information to investors.

3. Operating Results for the second quarter ended June 30, 2025

Income

The consolidated income of the Company and subsidiaries for the second quarter of 2025 was Baht 101.70 million, which decreased from Baht 137.12 million in the same period of 2024 or decreased by 25.83%. The changes in the consolidated income of the Company and subsidiaries were attributed to the following:

- 1) The securities business income decreased from Baht 82.94 million for the second quarter of 2024 to Baht 61.82 million in the same period of 2025 or decreased by 25.46% resulted from the following:



- Fee and service income decreased from Baht 15.91 million for the second quarter of 2024 to Baht 9.89 million in the same period of 2025 or decreased by 37.84% ;
 - Interest income from margin loan decreased from Baht 35.47 million for the second quarter of 2024 to Baht 26.73 million in the same period of 2025 or decreased by 24.64% as a result from the decrease in margin loan during the period.
- 2) Income from derivatives brokerage decreased from Baht 7.02 million in the second quarter of 2024 to Baht 5.72 million in the same period of 2025, a decrease of 18.52%, driven by a decrease in overall trading volume and retail investors' trading volume.
 - 3) The Company and subsidiaries' net loss and return from investment was Baht 5.55 million in the second quarter of 2025 whereas in the second quarter of 2024, the Company and subsidiaries' net gain and return from investment was Baht 6.96 million due to the market fluctuation in the second quarter of 2025 which SET index decreased from 1,158.09 point at the end of March 2025 to 1,089.56 point at the end of June 2025.
 - 4) Interest income increased from Baht 21.92 million in the second quarter of 2024 to Baht 29.25 million in the same period of 2025. This resulted from interest income from other loans receivable, which increased from Baht 21.46 million in the second quarter of 2024 to Baht 24.38 million, an increase of 13.61%, primarily due to increase in loans to joint ventures.

Operating Expenses

The Company and subsidiaries' total expenses were Baht 130.25 million for the second quarter of 2025 decreased from Baht 137.78 million for the second quarter of 2024 or decreased by 5.47%. The expenses which had significant changes include:

- 1) Employee benefit expenses in the first quarter of 2025 amounted to Baht 70.31 million which increased from Baht 65.90 million in the same period of 2024, or decreased by 6.27%. This decrease was in line with decline in income.
- 2) Financial expenses in the second quarter of 2025 was Baht 24.51 million decreased from Baht 32.46 million in the same period of 2024, or decreased by 24.49% as a result from the decrease in borrowings during the quarter.

Net Profit (Loss)

The Company and subsidiaries' net loss were Baht 23.13 million for the second quarter of 2025 compared to net profit were Baht 0.63 million in the same period of 2024 equivalent to decrease by 3,771%.

4. Operating results for the six-month period ended June 30, 2025

Income

The consolidated income of the Company and subsidiaries for the six-month period of 2025 decreased from that of 2024 by 9.89%; that is, the Company and subsidiaries' consolidated income for the six-month period of 2025 was Baht 265.72 million, which was decreased from Baht 294.89 million. The major changes in the consolidated income of the Company and subsidiaries were the following:

- 1) The securities business income decreased from Baht 175.19 million for the six-month period of 2024 to Baht 135.14 million in the same period of 2025 or decreased by 22.86%, resulted from the following:
 - Fee and service income decreased from Baht 41.48 million for the six-month period of 2024 to Baht 23.58 million in the same period of 2025 or decreased by 43.15% as a result from underwriting fee;



- Interest income from margin loan decreased from Baht 74.39 million for the six-month period of 2024 to Baht 55.38 million in the same period of 2025 as a result from the decrease in margin loan during the period.
- 2) Income from derivatives brokerage increased from Baht 10.70 million for the six-month period of 2024 to Baht 15.11 million in the same period of 2025, an increase of 41.21%, driven by an increase in the subsidiary retail investors' trading volume.
- 3) The Company's net gain and return from investment was Baht 20.07 million for the six-month period of 2025 compared to net gain and return from investment was Baht 25.86 million for the six-month period of 2024 due to the SET index decreased from 1,400.21 point at the end of 2024 to 1,089.56 point at the end of June 2025.
- 4) Interest income increased from Baht 43.22 million for the six-month period of 2024 to Baht 56.35 million in the same period of 2025. This resulted from interest income from other loans receivable, which increased from Baht 42.05 million for the six-month period of 2024 to Baht 50.89 million, an increase of 21.02%, primarily due to increase in loans to joint ventures.

Operating Expenses

The Company and subsidiaries' total expenses increased from Baht 276.17 million for the six-month period of 2024 to Baht 285.59 million in the same period of 2025 or increased by 19.81%. The expenses which had significant changes include:

- 1) Fee and service expenses for the six-month period of 2025 amounted to Baht 24.61 million which increased from Baht 20.54 million in the same period of 2024, or increased by 19.81%. This increase was due to increase in securities and derivatives trading volume during the quarter.
- 2) Expected credit loss amounted to Baht 13.62 million which arose from receivables with insufficient collateral that are currently in the process of providing additional collateral.
- 3) The financial costs decreased from Baht 66.85 million for the six-month period of 2024 to Baht 51.07 million in the same period of 2025 or decreased by 23.61%, resulting from the decrease in borrowings during the period.

Net Profit (Loss)

In the six-month period of 2025, the Company and subsidiaries' net loss were Baht 15.44 million compared to net profit amounted to Baht 16.49 million in the same period of 2024, equivalent to decrease by 193.63%.

5. Financial Position

Total Assets

As of June 30, 2025, the Company and its subsidiaries had total assets of Baht 4,293.53 million, a decrease compared to total assets of Baht 4,585.68 million at the end of 2024. Key items included:

- Receivables from securities and derivatives businesses in the amount of Baht 2,137.84 million, close to Baht 2,236.48 million.
- Investments in the amount of Baht 494.38 million, increased from Baht 417.02 million.
- Other loans in the amount of Baht 693 million, decreased from Baht 876.01 million.

These amounts represented 49.79%, 11.51%, and 16.14% of total assets of 2025, respectively.

Securities and Derivatives Business Receivables

As of June 30, 2025, the subsidiary's receivables from securities and derivatives businesses amounted to Baht 2,137.84 million, which included margin loan receivables of Baht 1,542.56 million, decreased from Baht 1,711.41 million at the end of 2024.



The subsidiary classified these receivables from securities and derivatives businesses according to financial reporting standards as follows:

- Performing debts: Baht 1,328.03 million
- Under-performing debts: Baht 333.85 million,
- Non-performing debts: Baht 797.74 million, for which the subsidiary has already recorded an allowance for expected credit losses of Baht 326.18 million in accordance with financial reporting standards. This included securities business receivables of Baht 479 million that had defaulted on payments of outstanding positions resulting from purchase orders made for shares of a listed company that the Stock Exchange of Thailand (“SET”) identified as potentially abnormal purchase and sale transactions in November 2022. The management of the Company and the subsidiary have determined that this event is an abnormal transaction, as it was carried out with fraudulent intent. Such conduct is prohibited by law and runs counter to public order and good morals. Therefore, this event must be cancelled and the transaction must be treated as if it had never occurred. Setting up the allowance for expected credit losses may have an adverse effect on the case that the subsidiary has filed with the AMLO, seeking protection of its rights from the predicate offense and the AMLO Transaction Committee resolved on November 21, 2023, that the Company be the victim of the underlying crime in the said case, based on the value of the damage. The Company will be compensated or reimbursed from the seized assets in proportion to the damage. It may also adversely affect the case under which the Company has filed the complaint alleging fraudulent conduct with the ECD. Setting up the allowance for expected credit losses could be interpreted as the subsidiary’s acceptance of the disputed transactions as being valid, along with the acceptance of the damage caused. In this regard, the subsidiary has not recorded any allowance for expected credit losses related to the overdue securities business receivables mentioned above. The management of the Company and the subsidiary believe that there is a high probability that this transaction will be cancelled and treated as if it had never occurred. However, given that the frozen assets, which partly consist of common shares, have decreased in fair value, coupled with significant progress in the first-instance court proceedings, with the Civil Court's witness examination scheduled to conclude by mid-March 2025. The subsidiary's legal advisor estimates that the distribution of frozen assets back to the victims might occur in the year 2027. The subsidiary has therefore estimated an expected credit loss allowance as at December 31, 2024, of approximately Baht 25 million, to reflect the present value of assets the subsidiary expects to recover in proportion to the damage

On July 18, 2025, the Civil Court has issued an order to seize assets according to the assets listed in the asset inventory document marked as Exhibit R.11 (“Asset Inventory”) are connected to fraudulent acts under the Criminal Code, which are considered ordinary business offenses and constitute predicate offenses under Section 3(18) of the Anti-Money Laundering Act B.E. 2542 (1999). Accordingly, the Court ordered that the assets, together with any accrued benefits as specified in the asset inventory, be returned or compensated to ten securities companies identified as injured parties, in proportion to the damages sustained by each Company, as listed in the asset inventory submitted by the injured parties. In the event that restitution or compensation cannot be made, or if there are remaining assets after restitution or compensation has been completed, such assets shall be forfeited to the state in accordance with the Anti-Money Laundering Act. The relevant parties have the right to file an appeal within 30 days.

Investments in Securities

As of June 30, 2025, net investments in securities held by the Company and its subsidiaries amounted to Baht 494.38 million, an increase from Baht 417.02 million at the end of 2024. These investments are categorized as follows:

- Current investments at fair value through profit or loss: Baht 204.66 million
- Current investments at amortized cost: Baht 13.67 million



- Long-term investments at fair value through profit or loss: Baht 115.00 million
- Long-term investments at fair value through other comprehensive income: Baht 70.93 million
- Investments in joint ventures and associates: Baht 90.11 million (accounted for using the equity method)

Other Short-Term Loans

As of June 30, 2025, other short-term loans amounted to Baht 693 million, representing 16.14 percent of total assets, a decrease from Baht 876.01 million at the end of 2024. These loans were provided to unrelated legal entities and individuals and are guaranteed by pledging the borrowers' equity instruments, both listed and unlisted. As of June 30, 2025, the Company has set up an allowance for expected credit loss totaling Baht 24.35 million for debts with insufficient collateral, for which additional collateral is currently being tracked.

Liabilities

As of June 30, 2025, the Company and subsidiaries had total liabilities of Baht 2,931.37 million, decrease from total liabilities of Baht 3,206.16 million at the end of 2024. The debt-to-equity ratio was 2.15 times, which was decreased from 2.32 times at the end of 2024. Significant changes in total liabilities were as follows:

1. Total borrowings decreased from Baht 2,785.60 million at the end of 2024 to Baht 2,521.20 million as at June 30, 2025, comprising loans from financial institutions amounting to Baht 1,225.00 million and short-term and long-term debentures due within 1 year amounting to Baht 1,296.20 million, used for settlement, margin loans, and other loans during the year.

Financial Ratios	Y 2024	6M 2025
Interest Bearing Debt to Equity	2.13	1.95
Interest Bearing Debt to EBITDA Ratio (times)	16.56	22.50
Interest Coverage Ratio (times)	1.39	1.15
Debt Service Coverage Ratio (times)	0.06	0.05

The above financial ratios improved due to the company's decreased debt burden but worse operating results, reflecting the company's lower ability to repay debt.

Liquidity

As of June 30, 2025, the Company and subsidiaries had an increase in cash and cash equivalents of Baht 40.25 million, resulting from the following types of cash flows:

- Cash flows from operating activities amounted to Baht 166.81 million (inflow), mainly comprising cash received from operating and securities business receivables/payables and clearing houses of Baht 411.32 million and cash payment for short-term loans of Baht 158.20 million, cash used for payment of interest and employee benefits amounting to Baht 86.31 million.
- Cash flows used in investing activities amounted to Baht 0.87 million.
- Cash flows used in financing activities amounted to Baht 125.69 million (outflow), consisting of repayment of debentures totaling Baht 106.2 million and repayment of principal of lease liabilities totaling Baht 19.49 million.



The Company's current ratio was 1.28 times, compared with 1.19 times at the end of 2024, indicating that current assets still exceeded current liabilities.

Shareholders' Equity

As of June 30, 2025, the Company and subsidiaries had shareholders' equity of Baht 1,362.16 million, decreased from Baht 1,379.52 million at the end of 2024 resulting from net loss for the period. The Company's return on shareholders' equity was -2.25 percent per annum, lower than 2.38 percent per annum for the same period of 2024.

6. Factors That May Affect Future Operations or Growth

Factors that will impact the Company's future performance and financial position include the growth of the global economy, which may be in a recessionary state due to President Trump's announcements of increased customs duties, as well as geopolitical tensions, which will affect trading conditions in stock markets worldwide.

The Company has prepared for future business changes or opportunities by developing its technology to be modern and aligned with efficient operational systems, as well as developing personnel with modern knowledge and skills ready to support new transactions. Furthermore, the Company has made preparations regarding stable funding sources to support the expansion of business volume and increase future revenue.

7. Sustainability Developments

The Company operates sustainably according to the group's sustainable development guidelines based on the principles of ESG, namely Environment, Social, and Governance, as follows:

1) Environment

The Company has continuously organized 3R (Reuse, Reduce, Recycle) campaigns for employees, including activities related to reducing energy consumption (electricity, tap water, fuel) and promoting the use of various renewable energies, activities related to paper usage, and activities related to waste and waste sorting. The Company has collaborated with the SEC (Securities and Exchange Commission) in participating in the "Ting Too Trash" project to educate employees on waste sorting. However, although the Company has undertaken activities that reduce negative environmental impacts as mentioned above, they are still considered indirect actions. Furthermore, in the past year, the Company did not have direct environmental conservation activities such as tree planting, reforestation, or other campaigns directly related to climate change and greenhouse gas emissions. As a result, there is still no data related to greenhouse gas emissions, and no organizational carbon footprint has been registered with the Thailand Greenhouse Gas Management Organization (TGO) according to international standards or equivalent.

2) Social

The Company has organized knowledge seminars on investment, innovation, and new financial products for customers, investors, the community, and the media, continuing from 2024. Customer service procedures and the online securities trading system have been developed to be modern. Employees are also encouraged to apply Artificial Intelligence (AI) for work efficiency and speed. For employees, the Company provides training and potential development for all levels, both online and offline, with a minimum of 12 hours per person per year or once per quarter. Employees are treated equally, and the Company strives to be a Happy Workplace. The Company also organizes activities for employees to assist society, such as supporting religious activities like Kathina and Pha Pa ceremonies, helping the needy in society, and various donation activities.



บริษัท ทรินิตี้ วัฒนา จำกัด (มหาชน)
TRINITY WATTHANA PUBLIC COMPANY LIMITED

3) Governance

The Company conducts business based on ethics and good corporate governance. Regarding shareholder meetings, the Company received an "Excellent" level evaluation score for its Annual General Meeting (AGM). It also received an "Excellent" level evaluation for good corporate governance. Additionally, the Company received its 3rd renewal as a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and was certified by CAC. Please be informed accordingly.

Please be informed accordingly.

Yours faithfully,

Visit Ongpipattanakul
Chairman