

Ref: FASET 06/2022

November 14, 2022

Subject: Report the operating result for the three-month and nine-month periods ended September 30, 2022  
To: President of the Stock Exchange of Thailand

XSpring Capital Public Company Limited (“The Company”) would like to report the consolidated operating result that has been reviewed by our auditor for the three-month and nine-month periods ended September 30, 2022 as follows:

Consolidated operating result for the three-month period ended September 30, 2022

The Company reported net profit for the three-month period ended September 30, 2022 of Baht 1.43 million, comparing with the same period last year which reported net loss of Baht 13.20 million, decreased by Baht 14.63 million. The details were as follows:

1. Total revenues were Baht 56.13 million, increasing by Baht 48.13 million or 602% mainly from:
  - Interest income of Baht 31.78 million, increasing by Baht 23.54 million mainly from interest income from investments of the Company, and interest income from subsidiaries’ business operations.
  - Gain from investment of Baht 0.71 million, increasing by Baht 8.47 million mainly from the increase of gain on digital assets and the decrease of loss on unit trust comparing to the same period last year.
  - Dividend income of Baht 13.24 million, increasing by Baht 12.37 million mainly from dividend income of domestic marketable equity instruments.
  - Other income increased by Baht 1.27 million mainly from gain on exchange rate and gain on repayment of debtors of XSpring AMC Asset Management Co., Ltd., a subsidiary.

2. Total expenses were Baht 81.96 million, increasing by Baht 3.38 million or 4% mainly from:
  - Personal expenses increased by Baht 21.53 million from the higher number of employees to support the group's business expansion.
  - Expected credit loss of Baht 0.80 million was from the repayment of the Company's account receivables that had been set up an allowance of the expected credit losses in the past.
  - Other expenses decreased by Baht 23.89 million mainly from consulting fees in relation to the Company's capital increase, the acquiring of digital asset licenses, and the group's business expansion decreased by Baht 28.53 million. In addition, other expense decreased by Baht 2.38 million while the premise expenses and information expenses increased by Baht 3.83 million and Baht 3.19 million respectively.
  
3. The share of profit from associates in the three-month period ended September 30, 2022 was Baht 30.12 million, decreasing by Baht 22.54 million from the same period last year. This was mainly from the recognition of the Company's share of profit of Krungthai XSpring Securities Co., Ltd. ("Krungthai XSpring"), which the Company has 49.71% shareholding, decreased by Baht 22.47 million. Total revenue of Krungthai XSpring decreased compared to last year which was mainly from the decline in brokerage fee and interest income. However, Krungthai XSpring had an increase in fees and service income together with the efficient control of their operating expense, resulting in the lowering of Krungthai XSpring's total expenses comparing with the same period last year.

Consolidated operating result for the nine-month period ended September 30, 2022

The Company reported net loss of Baht 130.63 million, decreasing by Baht 182.07 million comparing to the same period last year which reported net profit of Baht 51.44 million. The details were as follows:

1. Total revenues decreased by Baht 89.90 million or 156% mainly from:
  - Fee and service income of Baht 28.87 million, increasing by Baht 15.92 million mainly from the increase of fee and service income of XSpring Digital Co., Ltd., a subsidiary.
  - Interest income of Baht 84.53 million, increasing by Baht 74.57 million mainly from interest income from both investments of the Company and business operations of subsidiaries.

- Loss on investment of Baht 168.90 million affected the investment income to decrease by Baht 198.12 million. The loss was mainly from both realized and unrealized loss on revaluation of the investment in equity unit investment trusts from Asian Market and Developed Market (DM) due to the volatility of both domestic and international markets, essentially the United States.

Excluding loss from unit trust, the Company would have profit from operation of Baht 35.91 million.

2. Total expenses were Baht 232.81 million, increasing by Baht 51.63 million or 28% mainly from:
  - Personal expenses increased by Baht 44.48 million from the higher number of employees to support the group's business expansion.
  - The reversal of expected credit loss of Baht 0.67 million. While it amounted to Baht 17.69 million last year. This was caused by the repayment of account receivables of the Company and subsidiaries that had been set up an allowance of the expected credit losses in the past.
  - Other expenses decreased by Baht 14.72 million mainly from the expenses of consulting fees in relation to the Company's capital increase and digital asset business expansion decreased comparing with the same period last year.
3. The Company recognized share of profit from associates of Baht 136.65 million, decreasing by Baht 33.36 million or 20% from the same period last year mainly from the lower share of profit of Krungthai XSpring due to the decrease in brokerage fee and interest income. However, Krungthai XSpring was able to efficiently control their operating expenses which resulting in the lowering of Krungthai XSpring's total expenses comparing with the same period last year.

Please kindly be informed accordingly.

Yours sincerely,

(Ms. Varangkana Artkarasatapon)

President