

Ref: FASET 03/2025

8 May 2025

Subject: Report the operating result for the three-month period ended 31 March 2025

To: President of the Stock Exchange of Thailand

XSpring Capital Public Company Limited (“The Company”) would like to report the consolidated operating result and financial position that has been audited by our auditor for the three-month period ended 31 March 2025, including overall business, key events and developments, factors that may impact on future performance, and sustainability developments as follows:

Overall business

XSpring has created the group’s ecosystem to meet customers’ needs, encompassing six financial service businesses, which are divided into three groups as follows:

1. Financial services for clients seeking capital include:

- Investment Banking provides comprehensive financial advisory services with expertise in mergers and acquisitions, business rehabilitation and restructuring, and debt issuance. This includes initial public offerings (IPO) and digital fundraising for digital tokens through initial coin offerings (ICO).
- Debt Financing promotes and supports high-potential companies to facilitate stable and sustainable business growth through direct loans and debt securities (e.g., bonds, commercial paper, and promissory notes), as well as off-market debt securities (Private Credit).

2. Financial services for clients seeking investments include:

- Wealth Management - offers a variety of investment products for customers, including products from 16 partner asset management companies and various funds under curation by our asset management company, such as private equity funds and real estate investment trust funds.
- Brokerage - provides brokerage services for securities and digital assets.

3. Businesses under the XSpring Group include:

- Investment - focuses on investing in high-potential businesses domestically and internationally to maximize returns. Investments are targeted into three aspects: Financial Technology (Fintech), Customer-Centric, and Environment, Social and Corporate Governance (ESG) businesses.

- Distressed Asset Management - another business of XSpring Group that leverages real estate experiences from its shareholders and the management team's expertise to strategize the selection of distressed assets. In the past year, XSpring managed its debt portfolio worth over 4 billion baht, including secured and unsecured loans, and corporate loans, in collaboration with Plus Property Co., Ltd., a leading integrated real estate management company, as the partner in managing non-performing asset (NPA) sales.

Summary of key events and developments

In 2025, XSpring Capital Public Company Limited continues building upon its achievements from 2024, advancing under the strategic theme "Resilient Growth in a Challenging Landscape." Amid ongoing market volatility, the company remains steadfast, offering tailored financial products and services designed to meet the needs of corporate clients seeking capital and investors seeking sustainable returns with a strategy that emphasizes stable revenue growth and robust market responsiveness.

Consistent with its vision, XSpring maintains its role as a comprehensive financial hub, bridging capital seekers and investors through diverse financial solutions. For 2025, the Company has reinforced its commitment to sustainable and stable growth despite prevailing economic uncertainties. This revenue goal will be derived primarily from four key business pillars:

- Pillar 1: Lending Business, XSpring continues to significantly expand its loan portfolio, particularly when traditional financial institutions adopt conservative lending practices. The proactive approach enables the Company to address market demands effectively, leading to considerable growth in interest income. Additionally, our private credit offerings have been enthusiastically received by investors.
- Pillar 2: Wealth Management Business, XSpring plans to launch an expanded suite of financial products, both traditional and digital.

The fund management segment remains highly active, building on the successful launch of four private real estate funds and two mutual funds in the previous year. This year, the subsidiary anticipates introducing new financial products approximately 10-15 new financial products to fulfill rising investor demand. Early success in the first quarter of 2025 includes the closing of a six-month fixed-income Term Fund, specifically designed to provide attractive returns with minimized risk.

Furthermore, the digital asset business continues to flourish following the relaxation of tax restrictions previously impacting the ICO market. Leveraging the positive momentum from the successful issuance of the Siri Hub Token four years ago and the recent Private Placement ICO project was completed in the first quarter of 2025. The subsidiary plans to issue an additional 3-5 ICOs within the year.

- Pillar 3: Non-Performing Asset Management Business, XSpring aims to actively expand it through strategic acquisitions of additional NPL portfolios from financial institutions seeking debt reduction.
- Pillar 4: XSpring Group Application, XSpring has introduced an application to increase service efficiency and broaden its client base. This Application simplifies account openings, investment transactions, and portfolio management. This initiative is designed to significantly boost operational efficiency and reduce costs.

Consolidated operating result for the three-month period ended 31 March 2025

The Company reported net profit for the three-month period ended 31 March 2025 of Baht 62.99 million, compared with the same period of last year, which reported net profit of Baht 50.69 million, increasing by Baht 12.30 million. The details were as follows:

1. Total revenues were Baht 258.94 million, increasing by Baht 31.91 million mainly from:
 - Fee and service income of Baht 69.17 million increased by Baht 6.10 million mainly from an increase in the fee and service income of the subsidiaries of Baht 8.02 million. While the Company decreased by Baht 1.92 million.
 - Interest income of Baht 163.52 million increased by Baht 42.39 million, mainly from loans of Baht 60.50 million. While interest from investment and interest income from loans to the purchase of debtors of XSpring AMC Asset Management Co., Ltd., a subsidiary, decreased by Baht 7.54 million and Baht 5.82 million, respectively.
 - Gain from investment and dividend income of Baht 22.56 million decreased by Baht 13.61 million mainly from the decrease from gain on investment and dividend income of Baht 8.97 million and the decrease from gain on digital assets of Baht 4.64 million, due to the decrease in the prices of equity securities and cryptocurrency during the current period.
2. Total expenses were Baht 175.24 million, decreasing by Baht 4.64 million mainly from:
 - Personal expenses of Baht 92.00 million increased by Baht 7.02 million from the higher number of employees to support the group's business expansion.
 - Fee and service expenses of Baht 8.70 million decreased by Baht 16.07 million, mainly from the fee and service expenses of subsidiaries.

- The expected credit loss of Baht 22.32 million, decreased by Baht 3.20 million was mainly from decrease in the setting up allowance of the expected credit losses from loans to the purchase of debtors and other receivables of XSpring AMC Asset Management Co., Ltd., a subsidiary due to the decrease in interest income recognition during the current period.
 - Other expenses of Baht 52.22 million increased by Baht 7.62 million, mainly from the higher consulting fee and professional fee of Baht 4.16 million, and communication and information technology expenses of Baht 2.25 million
3. The Company recognized a share of loss from associates of Baht 1.42 million. The share of profit decreased by Baht 16.40 million, mainly from the share of loss of Krungthai XSpring Securities Co., Ltd., which the Company holds 49.71% shareholding, decreased by Baht 9.47 million. Net profit of Krungthai XSpring Securities Co., Ltd. decreased by Baht 19.04 million, due to the lower brokerage fee income by Baht 6.79 million or 5.27%. The average equity trading value decreased from Baht 42,625.21 million per day to Baht 40,163.13 million per day, or 5.78%. Other income decreased by Baht 22.85 million, and the total expenses decreased by Baht 10.60 million. In addition, the Company disposed of the entire investment in Absolute Yoga Co., Ltd. during the current period; the share gain therefore decreased by Baht 6.53 million.
 4. Corporate income tax of Baht 19.58 million increased by Baht 7.98 million, mainly from the higher profit from operations for the current period.

Summary financial position

As of 31 March 2025, the Company had total assets of Baht 12,326.82 million, increased by Baht 39.26 million or 0.32% compared to as of 31 December 2024. The total assets mainly included loans of Baht 5,128.04 million, loans to the purchase of debtors of Baht 1,092.15 million, financial assets of Baht 3,184.91 million, and investments in associates of Baht 1,407.59 million.

As of 31 March 2025, shareholders' equity was Baht 11,907.79 million, increased by Baht 43.85 million, or 0.37%, from as of 31 December 2024, due to net operating profit of Baht 62.99 million and decreased other components of equity of Baht 19.14 million.

Factors Influencing Future Performance

XSpring anticipates that several external factors may impact its future performance. These include inflation, the fluctuating value of the Baht and the United States' reciprocal tariffs imposed on all countries, including Thailand.

Sustainability developments

XSpring is committed to driving business growth in alignment with sustainability principles, with a focus on environmental responsibility, social impact, and strong governance practices (ESG). By adhering to these values, the company aims to foster long-term sustainable development for both the organization and society. It prioritizes transparency, fairness, and the protection of stakeholder benefits while actively addressing environmental concerns. The company continuously implements strategies to reduce greenhouse gas emissions, supports sustainable business financing, and prioritizes investments in clean energy initiatives to further the green economy. In terms of social responsibility, XSpring recognizes the importance of enhancing financial literacy and accessibility to financial tools for the wider community.

XSpring continues its commitment to financial knowledge expansion since 2023 as follows:

- In 2023, XSpring created the “Play to Win – The Arena of Life That Cannot Be Lost” project. This project provided financial education to boxing athletes and industry professionals to mitigate financial risks and help them achieve long-term financial stability, thereby supporting sustained growth.
- In 2024, the Company collaborated with the Securities and Exchange Commission, Thailand (SEC), the Stock Exchange of Thailand (SET), and the National Association of the Deaf in Thailand (NADT) on initiatives aimed at promoting financial literacy and preventing investment fraud among the hearing-impaired community. These efforts included educational seminars, production of sign language interpretive videos and subtitled content, and fundraising activities under the "Because Sharing is Caring – The Unsilenced Truths: Money is Something You Need to Know" campaign. This initiative empowers the hearing-impaired community with essential financial knowledge, enabling informed financial decisions and protecting them from investment scams, ultimately enhancing their quality of life.

For these contributions, XSpring was honored by the SEC with the special recognition "Investment Knowledge Provider" in the "Sustainability" category as part of the "Capital Market Jointly Delivering Knowledge to the Public" initiative, as a recognition of its ongoing efforts in financial education for the second consecutive year. This prestigious award highlights the company's significant contribution as a provider of valuable investment knowledge, extending beyond product offerings to deliver substantial benefits to society and the public.

In 2025, the company will further enhance the “Because Sharing is Caring – The Unsilenced Truths” initiative by expanding its reach to schools for the deaf. This expansion aims to provide comprehensive financial and investment education tailored specifically to students with hearing impairments. The project will include the production of educational videos with sign language interpretation, ensuring that these students have equitable access to essential financial knowledge. Through this initiative, XSpring seeks to empower hearing-impaired students with the ability to confidently plan their financial futures, protect themselves against investment fraud, and improve their overall quality of life.

Please kindly be informed accordingly.

Yours sincerely,

(Ms. Varangkana Artkarasatapon)
Managing Director