

Ref: FASET 05/2023

10 August 2023

Subject: Report the operating result for the three-month period ended 30 June 2023

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 six-month period ended 30 June 2023 as follows:

Consolidated operating result for the three-month period ended 30 June 2023

The Company reported net profit for the three-month period ended 30 June 2023 of Baht 41.50 million, comparing with the same period last year which reported net loss of Baht 93.97 million, increasing in profit by Baht 135.47 million. The details were as follows:

1. Total revenues were Baht 150.08 million, increasing by Baht 209.81 million mainly from:
 - Interest income of Baht 110.55 million increased by Baht 83.50 million mainly from interest income from loans to non-related parties of Baht 80.60 million.
 - Gain from investment of Baht 14.58 million increased by Baht 124.17 million mainly from an realized loss on investment unit trusts on last year from Asian and Developed Markets due to the volatility of both domestic and international markets, essentially the United States. However, the Company has adjusted its investment portfolio by investing in debt and equity instruments as well as lending more loans this year, resulting in lower investment losses and higher interest and dividend income.
 - The dividend income of Baht 6.79 million increased by Baht 2.90 million mainly from dividend income of domestic equity instruments.
2. Total expenses were Baht 120.76 million, increasing by Baht 46.04 million mainly from:
 - Personal expenses increased by Baht 20.31 million from the higher number of employees to support the group’s business expansion.
 - The expected credit loss of Baht 9.19 million was mainly from set up allowance of the expected credit losses from loans to the purchase of debtors and other receivables of a subsidiary.

- Other expenses of Baht 40.44 million increased by Baht 12.92 million mainly from the higher depreciation and amortization expenses of fixed assets of Baht 15.64 million and the decrease in consulting fee of Baht 3.35 million.
3. The Company recognized share of profit from associates of Baht 14.32 million, decreasing by Baht 26.28 million. This was mainly from the share of profit of Krungthai XSpring Securities Co., Ltd., which the Company hold 49.71% shareholding, decrease by Baht 27.05 million. The brokerage fee income decreased by Baht 98.99 million or 41.99% because the average equity trading value decreased from 71,810.53 million per day to Baht 46,423.03 million per day or 35.35%. Furthermore, an allowance for expected credit loss is additionally set up in accordance with the debtor's default on the irregular trading of securities of More Return Public Company Limited.

Consolidated operating result for the six-month period ended 30 June 2023

The Company reported net profit for the six-month period ended 30 June 2023 of Baht 33.88 million, comparing with the same period last year which reported net loss of Baht 132.06 million, increasing in profit by Baht 165.94 million. The details were as follows:

1. Total revenues were Baht 217.21 million, increasing by Baht 305.44 million mainly from:
 - Fee and service income of Baht 31.56 million increased by Baht 11.50 million mainly from an increase in fee and service income from asset management business of XSpring Asset Management Co., Ltd., a subsidiary.
 - Interest income of Baht 151.36 million increased by Baht 98.61 million mainly from interest income from loans to non-related parties of Baht 87.50 million.
 - Gain from investment of Baht 6.57 million increased by Baht 176.19 million mainly from a realized loss and unrealized loss on investment unit trusts on last year from Asian and Developed Markets due to the volatility of both domestic and international markets, essentially the United States. However, the Company has adjusted its investment portfolio by investing in debt and equity instruments as well as lending more loans this year, resulting in lower investment losses and higher interest and dividend income.
 - Dividend income of Baht 18.62 million increased by Baht 14.57 million mainly from dividend income of domestic equity instruments.

2. Total expenses were Baht 225.47 million, increasing by Baht 74.62 million mainly from:
 - Personal expenses increased by Baht 43.68 million from the higher number of employees to support the group's business expansion.
 - The expected credit loss of Baht 13.39 million was mainly from set up allowance of the expected credit losses from loans to the purchase of debtors and other receivables of a subsidiary.
 - Other expenses of Baht 72.24 million increased by Baht 11.25 million mainly from the higher in amortization expense of fixed assets of Baht 21.35 million and the decrease in consulting fee and loss on disposal fixed assets of subsidiaries of Baht 5.19 million and Baht 4.31 million, respectively.
3. The Company recognized share of profit from associates of Baht 43.15 million, decreasing by Baht 63.38 million. This was mainly from the share of profit of Krungthai XSpring Securities Co., Ltd., which the Company hold 49.71% shareholding decreased by Baht 67.16 million. The brokerage fee income decreased by Baht 217.67 million or 40.08% because the average equity trading value decreased from Baht 80,447.60 million per day to Baht 54,533.79 million per day or 32.21%. Furthermore, an allowance for expected credit loss is additionally set up in accordance with the debtor's default on the irregular trading of securities of More Return Public Company Limited.

Please kindly be informed accordingly.

Yours sincerely,

(Ms. Varangkana Artkarasatapon)
President