

Ref: FASET 05/2024

13 August 2024

Subject: Report the operating result for the three-month and six-month periods ended 30 June 2024

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 2024 as follows:

Consolidated operating result for the three-month period ended 30 June 2024

The Company reported net profit for the three-month period ended 30 June 2024 of Baht 0.24 million, compared with the same period last year which reported net profit of Baht 41.50 million, decreasing by Baht 41.26 million. The details were as follows:

1. Total revenues were Baht 179.72 million, increasing by Baht 29.64 million mainly from:
  - Interest income of Baht 134.05 million increased by Baht 23.50 million mainly from interest income from investment of Baht 9.76 million and interest income from loans to the purchase of debtors of Baht 21.77 million of XSpring AMC Asset Management Co., Ltd., a subsidiary. While the interest income from loans to non-related parties decreased by Baht 8.10 million.
  - Fee and service income of Baht 57.60 million increased by Baht 42.78 million mainly from an increase in the Company’s fee and service income of Baht 8.55 million and the subsidiaries’ fee and service income of Baht 34.23 million.
  - Loss from investment of Baht 35.83 million increased by Baht 50.41 million mainly from a loss on investment of Baht 44.57 million and loss from digital asset of Baht 5.84 million, due to the decrease in the prices of debt and equity securities, as well as cryptocurrency prices during the period.
2. Total expenses were Baht 171.98 million, increasing by Baht 51.22 million mainly from:
  - Personal expenses of Baht 92.13 million increased by Baht 25.64 million from the higher number of employees to support the group’s business expansion.
  - Fee and service expenses of Baht 7.93 million increased by Baht 3.30 million mainly from fee and service expenses which increased in line with fee and service income of XSpring Asset Management Co., Ltd., a subsidiary.

- The expected credit loss of Baht 21.41 million, increasing by Baht 12.22 million was mainly from 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 expansion of investment in loans to the purchase of debtors.
  - Other expenses of Baht 50.50 million increased by Baht 10.06 million mainly from the higher consulting fee and professional fee of Baht 5.20 million and communication and information technology expenses of Baht 2.29 million.
3. The Company recognized share of profit from associates of Baht 0.20 million, decreasing by Baht 14.51 million, mainly from the share of profit of Krungthai XSpring Securities Co., Ltd., which the Company hold 49.71% shareholding decreased by Baht 12.31 million. Net profit of Krungthai XSpring Securities Co., Ltd. decreased by Baht 24.76 million, due to the lower in brokerage fee income by Baht 21.60 million or 6.64% because of the decrease of the average equity trading value from Baht 46,423.03 million per day to Baht 41,909.21 million per day or 9.72% and other income increased by Baht 0.88 million. While the total expenses increased by Baht 4.04 million.

Consolidated operating result for the six-month period ended 30 June 2024

The Company reported net profit for the six-month period ended 30 June 2024 of Baht 50.94 million, compared with the same period last year which reported net profit of Baht 33.88 million, increasing by Baht 17.06 million. The details were as follows:

1. Total revenues were Baht 407.75 million, increasing by Baht 190.54 million mainly from:
  - Interest income of Baht 255.17 million increased by Baht 103.81 million mainly from interest income from investment of Baht 15.65 million, interest income from loans to the purchase of debtors of Baht 48.73 million of XSpring AMC Asset Management Co., Ltd., a subsidiary and interest income from loans to non-related parties of Baht 41.33 million.
  - Fee and service income of Baht 120.67 million increased by Baht 89.11 million mainly from an increase in the Company's fee and service income of Baht 14.54 million and the subsidiaries' fee and service income of 74.57 million.
  - Loss from investment of Baht 15.72 million increased by Baht 21.84 million mainly from a loss on investment of Baht 31.13 million while there was gain on digital asset of Baht 9.29 million, due to the decrease in the prices of debt and equity securities, whereas the cryptocurrency prices increased during the period.

2. Total expenses were Baht 351.86 million, increasing by Baht 126.39 million mainly from:
- Personal expenses of Baht 177.12 million increased by Baht 45.87 million from the higher number of employees to support the group's business expansion.
  - Fee and service expenses of Baht 32.71 million increased by Baht 24.12 million mainly from fee and service expenses which increased in line with fee and service income of XSpring Asset Management Co., Ltd., a subsidiary.
  - The expected credit loss of Baht 46.93 million, increasing by Baht 33.54 million was mainly from 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 expansion of investment in loans to the purchase of debtors.
  - Other expenses of Baht 95.10 million increased by Baht 22.85 million mainly from the higher amortization expense of fixed assets and intangible assets of Baht 7.07 million, consulting fee and professional fee of Baht 4.22 million and communication and information technology expenses of Baht 3.79 million.
3. The Company recognized share of profit from associates of Baht 14.78 million, decreasing by Baht 28.37 million, mainly from the share of profit of Krungthai XSpring Securities Co., Ltd., which the Company hold 49.71% shareholding decreased by Baht 27.61 million. Net profit of Krungthai XSpring Securities Co., Ltd. decreased by Baht 55.54 million, due to the lower in brokerage fee income by Baht 81.47 million or 25.04% because of the decrease of the average equity trading value from Baht 54,533.79 million per day to Baht 42,285.11 million per day or 22.46%, other income decreased by Baht 4 million and the total expenses decreased by Baht 29.93 million.
4. Corporate income tax of Baht 18.08 million increased by Baht 18.84 million mainly from the higher in profit from operation for the period. Whereas, the same period of prior year, the Company had utilized tax loss carry forward from 2022.

Please kindly be informed accordingly.

Yours sincerely,

(Ms. Varangkana Artkarasatapon)  
Managing Director