

Ref: FASET 03/2022

May 13<sup>th</sup>, 2022

Subject: Report the operating result for the first quarter ended March 31, 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 audited by our auditor for the first quarter ended March 31, 2022 as follows:

The Company reported net loss for the first quarter 2022 of Baht 38.09 million, comparing with the first quarter last year which reported net profit of Baht 50.41 million, decreased by Baht 88.50 million. The details were as follows:-

1. The Company had lower total revenue by Baht 53.59 million or 214% mainly from:
  - Fee and service income of Baht 4.45 million, increasing by Baht 3.53 million, was mainly from the increase of the service fee recognition from rendering ICO portal of XSpring Digital Co., Ltd., a subsidiary.
  - Interest income of Baht 25.71 million, increasing by Baht 25.38 million, derived mainly from interest income of the Company’s investments and business operation of subsidiaries.
  - Loss from investment in this quarter of Baht 60.02 million, resulting a revenue from the investment to decrease by Baht 81.31 million, was mainly from an unrealized loss on investment in marketable unit trusts essentially from Asian Market and Developed Market (DM) essentially the United States. Due to the volatility of both domestic and international markets which is expected to recover in the near term.

Excluding unrealized loss from the investment, however, the Company would have net profit from operation of Baht 23.19 million.

2. Total expenses were Baht 76.14 million, increasing by Baht 27.98 million or 58% mainly from:
  - Personal expenses increased by Baht 8.35 million from the higher number of employees to support the group’s business expansion.
  - Fee and service expenses increased by Baht 0.99 million mainly from the increase of consulting fee and fee expenses relating to the rendering of ICO portal service of XSpring Digital Co., Ltd.

- The reversal of expected credit loss of Baht 0.71 million was mainly from the debt repayment of the Company and subsidiaries.
  - Other expenses increased by Baht 15.04 million mainly from the increase of communication and information expenses of Baht 4.18 million in relation to business operation. Likewise, other fees increased 5.53 million from loss on disposal of fixed assets due to the office relocation of the Company and subsidiaries.
3. The share of profit from associates in the first quarter 2022 was Baht 65.41 million, decreased from the same period last year of Baht 5.01 million. The Company recognized share of profit of Baht 63.68 million was from Krungthai XSpring Securities Co., Ltd. (“Krungthai XSpring”) which the Company has 49.71% shareholding. Krungthai XSpring’s total revenue decreased by 4%, comparing to the same period last year, mainly from the decrease of brokerage fee income. However, Krungthai XSpring had an increase in fees and service income and gain and return on financial instruments while there was a reduce in their operating expenses, resulting to the slight decrease in the operating result of Krungthai XSpring which reported net profit of Baht 128.11 million in this year.

The operating results of Krungthai XSpring for the first quarter of 2022 and 2021 were as follows: -

	(Unit : Million Baht)	
	2022	2021
Net securities business income	523.25	543.13
Operating expenses	(363.12)	(370.83)
Corporate income tax – expenses	(32.02)	(33.89)
Net profit	128.11	138.41

Please kindly be informed accordingly.

Yours sincerely,

(Ms. Varangkana Artkarasatapon)

President