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Subject Discussion and Analysis of the Company's Performance for the 2021 Financial Statements

To President
The Stock Exchange of Thailand

Enclosures Management Discussion and Analysis of the Company's Performance for the 2021
Financial Statements in Thai and English, one copy each

Chase Asia Public Company Limited (the "Company") would like to submit the 2021 financial statements for the year ended 31 December 2021 which were audited by certified public accountants to the Stock Exchange of Thailand.

For the Company's performance for the 2021 financial statements, it had a net profit of 270.88 million baht. In the regard, the Company would like to explain the reasons for its performance in 2021, details which appear as attached.

Please be informed accordingly
Respectfully yours,

Ms. Waraluck Chaisuwan
Chief Financial Officer

Management Discussion and Analysis of the Company's Performance for the Year 2021**Chase Asia Public Company Limited****1. Business Overview**

Chase Asia Public Company Limited ("Company") and its subsidiaries (collectively referred to as "Group") operate two businesses i.e. (1) debt collection business and (2) asset management of transferred Non-Performing Loans ("NPLs"). However, the Group has suspended providing additional Hope Loan as from 31 December 2022 onwards. Courts Megastore (Thailand) Company Limited ("COURTS") and Resolution Way Company Limited ("RWAY") will continue to collect all their outstanding debts under the terms and conditions agreed upon.

(A) Debt Collection Business

The Group provides debt collection service to financial institutions (commercial banks) and non-financial institutions (collectively referred to as "Employer") to collect the debts in accordance to terms and conditions set out by the Employer. There are multiple types of services under the scope of debt collection that the Group provided to financial institutions including personal loan and credit card loan. While the similar services provide to the non-financial institution Employers for the collection of outstanding service fees. In addition to debt collection business, the Group also provide prosecution services to the Employer.

In order to ensure that debt collection service of the Group complies with the Group and Bank of Thailand's regulations, the Company's policy requires all collectors to pass training course conducted by Debt Collection Business to Financial Institutions Association or the Group. Additionally, all of the Group's collectors must be registered with the Lawyers Council.

For this particular service, the Group's service fee will be based on the agreed rate with the Employer – a percentage to total collected amount which is subject to level of complexity in debt collection, and professional fee in accordance to prosecution service by number of prosecuted cases.

(B) Asset Management of Transferred of NPLs

The Group provides asset management of transferred of NPLs for both secured and unsecured portfolio through 2 subsidiaries namely, C F Asia Asset Management Company Limited ("CFAM") which was granted with license from the Bank of Thailand under the Emergency Decree on Asset Management Companies and Resolution Way Company Limited ("RWAY"). CFAM focuses on acquiring NPLs from financial institutions while RWAY focuses on acquiring NPLs from non-financial institutions under the supervision of the Bank of Thailand.

After the Group received secured and unsecured NPLs from financial and non-financial institutions, the Group will collect debt from such NPLs by providing advices for debt repayment and/or debt restructuring by utilizing the Group experience in debt collection.

2. Business Performance Analysis

Currently, the Group operates two businesses i.e. (1) debt collection business and (2) asset management of transferred NPLs. As at the years ended 31 December 2020 and 2021, the Group's revenue from service and professional fees were 730.20 million baht and 781.07 million baht – increased by 50.88 million baht or 6.97%.

For the years ended 31 December 2020 and 2021, the Group's received its major source of revenue from revenue from debt collection and asset management of transferred NPLs. During such periods, the Group's revenues from debt collection service were at 47.73% and 35.37% of its total interest revenue and revenue from service and professional fees; while the revenues from asset management of transferred NPLs were at 44.64% and 48.04% of the total interest revenue and revenue from service and professional fees. For the years ended 31 December 2020 and 2021, the table shows data and details of the total revenue by type of business as follows:

Revenue by Type of Business	For the years ended 31 December			
	2020		2021	
	THBmm	Percent ¹	THBmm	Percent ¹
Debt Collection Business	348.53	47.73	276.27	35.37
Asset Management of Transferred NPLs	325.99	44.64	375.26	48.04
- Interest revenue	314.20	43.03	306.89	39.29
- Profit from derecognition of loans to NPLs ²	11.79	1.61	68.37	8.75
Others ²	55.67	7.63	129.54	16.59
- Interest revenue from Hope Loan ³	55.64	7.62	128.63	16.47
- Interest revenue from bank deposits	0.04	0.01	0.91	0.12
Total Interest Revenue and Revenue from Service and Professional Fees	730.20	100.00	781.07	100.00

Notes : ¹ Percentage of total interest revenue and revenue from service and professional fees

² Profit from derecognition of loans to NPLs derived from refinancing in which the debtors of CFAM/RWAY borrow from COURTS

³ The Board of Directors' Meeting on 14 November 2022 considered the risk from the ability-to-repay of Hope Loan debtors and resolved to limit Hope Loan credit program only to debtors already being advised by the Group and under a negotiating process with former creditors, and new credit will be suspended as from 31 December 2022 onwards. For outstanding debtors, the Group will continue to collect the debts according to the terms and conditions agreed upon.

(A) Interest Revenue

The Group's interest revenue comprised of (1) interest revenue from loans to NPLs, (2) interest revenue from bank deposit, and (3) interest revenue from Hope Loan³

For the years ended 31 December 2020 and 2021, the Group's interest revenue were 381.66 million baht and 504.80 million baht. The Group's interest revenue were mainly from interest revenue from loans to NPLs which were 82.32% and 60.79% of total interest revenue. Details of the Group's interest revenue are as follows:

Interest Revenue by Source of Revenue	For the years ended 31 December			
	2020		2021	
	THBmm	Percent ¹	THBmm	Percent ¹
Asset Management of Transferred NPLs	325.99	85.41	375.26	74.34
- Interest revenue	314.20	82.32	306.89	60.79
- Profit from derecognition of loans to NPLs ²	11.79	3.09	68.37	13.54
Interest revenue from bank deposits	0.04	0.01	0.91	0.18
Interest revenue from Hope Loan ³	55.64	14.58	128.63	25.48
Total	381.66	100.00	504.80	100.00

Notes : ¹ Percentage of total interest revenue and revenue from service and professional fees

² Profit from derecognition of loans to NPLs derived from refinancing in which the debtors of CFAM/RWAY borrow from COURTS

³ The Board of Directors' Meeting on 14 November 2022 considered the risk from the ability-to-repay of Hope Loan debtors and resolved to limit Hope Loan credit program only to debtors already being advised by the Group and under a negotiating process with former creditors, and new credit will be suspended as from 31 December 2022 onwards. For outstanding debtors, the Group will continue to collect the debts according to the terms and conditions agreed upon.

(1) Revenue from Loans to NPLs

1) Interest Revenue from Loans to NPLs

For the years ended 31 December 2020 and 2021, the Group's interest revenue from loans to NPLs were 314.20 million baht and 306.89 million baht. For the years ended 31 December 2020 and 2021, the Group's outstanding loans to NPLs (before including effects from accrued interest and Expected Credit Loss ("ECLs")) were 840.21 million baht and 1,639.97 million baht.

Loans to NPLs	For the years ended 31 December / As at 31 December	
	2020	2021
	(THBmm)	(THBmm)
Rights to claim based on loan agreements	18,131.36	22,087.86
Outstanding loans to NPLs	840.21	1,639.97
Plus: Accrued interest	57.97	127.19
Minus: ECLs	(362.63)	(351.82)
Outstanding loans to NPLs – Net as at year-end	535.56	1,415.34

The Group has received repayment from debtors as of the years ended 31 December 2020 and 2021 as follows:

	For the years ended 31 December	
	2020 (THBmm)	2021 (THBmm)
Cash flow the Group received from debtors	266.45	250.92

For the years ended 31 December 2020 and 2021, the Group's interest revenue from loans to NPLs decreased by 7.31 million baht or 2.33%. Such change was mainly caused by some of the debtors intended to repay the debt through refinancing with Hope Loan. As a result such revenue was recognized as profit from derecognition of loans to NPLs instead of interest revenue.

2) Profit from Derecognition of Loans to NPLs

For the years ended 31 December 2020 and 2021, the Group's profit from derecognition of loans to NPLs were 11.79 million baht and 68.37 million baht. Such change was in line with amount of loan provided for refinancing within the Group. However, according to the Board of Directors' Meeting on 14 November 2022 considered the risk from the ability-to-repay of Hope Loan debtors and resolved to limit Hope Loan credit program only to debtors already being advised by the Group and under a negotiating process with former creditors, and new credit will be suspended as from 31 December 2022 onwards. For outstanding debtors, the Group will continue to collect the debts according to the terms and conditions agreed upon.

The amount of refinancing loans granted to debtors of CFAM/RWAY by borrowing from COURTS for the years ended 31 December 2020 and 2021 were 13.39 million baht and 92.77 million baht. This amount was cash inflow within the Group.

(2) Interest Revenue from Bank Deposits

For the years ended 31 December 2020 and 2021, the Group's interest revenue from bank deposits were 0.04 million baht and 0.91 million baht. Such change was in line with the change in cash and cash equivalents of the Group during that period.

(3) Other Interest Revenue

For the years ended 31 December 2020 and 2021, the Group's interest revenue from Hope Loan were 55.63 million baht and 128.63 million baht, and the Group's outstanding loans to NPLs (before including effects from accrued interest and ECLs) were 465.84 million baht and 570.19 million baht.

Loans to Debtors	Unit	For the years ended 31 December / As at 31 December	
		2020	2021
Amount of Hope Loan provided to debtors during the period	THBmm	90.94	160.34
Number of Hope Loan contracts the Company provided during the period	Contracts	262	581

Loans to Debtors	Unit	For the years ended 31 December / As at 31 December	
		2020	2021
Amount of Hope Loan provided to debtors as at year-end	THBmm	465.84	570.19
Plus: Accrued interest	THBmm	178.58	219.82
Minus: ECLs	THBmm	(397.15)	(444.23)
Amount of Hope Loan provided to debtors – Net as at year-end	THBmm	247.27	345.78

For the years ended 31 December 2020 and 2021, the Group's interest revenue from Hope Loan increased by 73.01 million baht or 131.24% which was in line with increased in the amount of Hope Loan provided to debtors.

The Board of Director's Meeting on 14 November 2022 considered the risk from the ability-to-repay of Hope Loan debtors and resolved to limit Hope Loan credit program only to debtors already being advised by the Group and under a negotiating process with former creditors, and new credit will be suspended as from 31 December 2022 onwards. For outstanding debtors, the Group will continue to collect the debts according to the terms and conditions agreed upon.

However, the Group believes that the suspension of Hope Loan will not significantly affect its operation. During the years ended 31 December 2020 and 2021, the Group's average interest revenue from Hope Loan was approximately 11.99% of the total revenue.

	Unit	For the years ended 31 December	
		2020	2021
Interest revenue from Hope Loan	THBmm	55.63	128.63
The Group's total revenue	THBmm	732.39	785.07
Proportion to total revenue	Percent	7.60	16.38

Although COURTS and RWAY have suspended new loan approval as from 31 December 2022, the Group still has interest revenue from Hope Loan in the beginning as a result of debt collection of COURTS' and RWAY's existing debtors under the terms and conditions agreed upon. Previously, the Group generally provided Hope Loan tenor of 5 – 7 years and was able to collect the amount exceeding the provided loan within, approximately, the fifth year. The impacts of this include which would result in (1) a gradual decrease in interest revenue from Hope Loan, and (2) a profit from derecognition of loans to NPLs will not appear in the future. Moreover, RWAY has a plan to use cash flow received from Hope Loan debt collection to bid for NPL portfolios.

(B) Revenue from Service and Professional Fees

The revenue from service and professional fees are comprised of (1) revenue from service fee is granted by the Employer for debt collection business in a percentage to total collected amount – this commission is subject to level of complexity in debt collection, and (2) revenue from professional fee is granted by the Employer for the prosecution services for the prosecuted cases.

For the years ended 31 December 2020 and 2021, the Group's revenue from service and professional fees were 348.53 million baht and 276.27 million baht. Details of the Group's revenue from service and professional fees are as follows:

Revenue from Service and Professional Fees	For the years ended 31 December			
	2020		2021	
	THBmm	Percent ¹	THBmm	Percent ¹
Revenue from service fee	262.31	75.26	215.35	77.95
Revenue from professional fee	86.22	24.74	60.92	22.05
Total revenue from service and professional fee	348.53	100.00	276.27	100.00

Notes : ¹ Percentage of total interest revenue and revenue from service and professional fees

As at 31 December 2020 and 2021, the Group provides debt collection service at 18,141.88 million baht and 19,290.17 million baht and able to collect 1,134.28 million baht and 959.54 million baht or the commission rate of 22.44% – 23.13%. The commission rate is based on level of complexity in debt collection. Details are summarized as follows:

	Unit	For the years ended 31 December / As at 31 December	
		2020	2021
Number of account	Contract	167,038	173,260
Amount of loan that the Group provide debt collection service (as at year-end)	THBmm	18,141.88	19,290.17
Amount of loan that the Group able to collect (for the year-end period)	THBmm	1,134.28	959.54
Service fee	THBmm	262.31	215.35
Average commission rate	Percent	23.13	22.44
Success rate	Percent	6.63	5.13

For the years ended 31 December 2020 and 2021, the Group's service fee and professional fee decreased by 72.26 million baht or 20.73%. Such change was mainly caused by (a) a decrease in revenue from service fee because of a decreased amount of debts collected due to an economic slowdown as a result of the COVID-19 pandemic, and (b) a decrease in revenue from service fee because of a decreased balance of debts under debt collection service as some financial institutions have increasingly changed from debt collection to selling NPLs portfolio.

Previously, the debt collection business was impacted by the COVID-19 pandemic and debt moratorium to assists debtors suffering from the COVID-19 pandemic ("debt moratorium") in which debt repayments were suspended making the success rate of debt collection lower than usual. Although the debt moratorium by the Bank of Thailand ended on 31 December 2021, the Bank of Thailand on 3 September 2021 has announced additional long-term debt relief measure to support debtors affected by the COVID-19 pandemic ("long-term debt relief measure") which consists 2 main measures i.e. (1) existing debt relief measure in which financial institutions provides assistance to debtors through a long-term debt restructuring program which covers all types of retail loans such as credit card loans, personal loans and home loans; and (2) measure to maintain and provide new liquidity to retail debtors in which the Bank of Thailand has relaxed regulations regarding

credit card loans, supervised personal loans and digital personal loans to alleviate the debt burden by lowering the minimum percentage paid on credit card loans for 2022-2023, and increasing the credit limit on credit card, supervised personal loans (excluding title loans) and digital personal loans until 31 December 2022.

(C) Gross Profit

For the years ended 31 December 2020 and 2021, the Group's gross profits were at 496.36 million baht and 542.85 million baht, equivalent to the gross profit margins of 67.98% and 69.50%.

The following table shows data and details of total revenue (interest revenue, profit from derecognition of loans to NPLs, and revenue from service and professional fees), cost of service and professional fee and gross profit for the years ended 31 December 2020 and 2021.

	For the years ended 31 December	
	2020	2021
Interest revenue, profit from derecognition of loans to NPLs, and revenue from service and professional fees	730.20	781.07
Cost of service and professional fee	(233.84)	(238.23)
Gross profit	496.36	542.85

For the years ended 31 December 2020 and 2021, the Group's gross profit margin increased from 67.98% to 69.50%. Such change was mainly caused by an increased in interest revenue from loans to NPLs – resulting in an increase in interest revenue, and revenue from service and professional fees of 50.88 million baht or 6.97% increase which is more than an increase in cost of service and professional fee of 4.39 million baht or 1.88% increase.

(D) Net Profit

For the years ended 31 December 2020 and 2021, the Group's net profits were at 171.38 million baht and 270.88 million baht, equivalent to the net profit margins of 23.40% and 34.50%.

3. Financial Position Analysis

(A) Total Assets

Major assets of the Group comprise (1) loans to non-performing loans – net, (2) loans to customers – net, and (3) land, buildings and equipment. As at 31 December 2020 and 2021, the Group's total assets were at 1,279.13 million baht and 2,506.00 million baht.

As at 31 December 2020 and 2021, loans to non-performing – net were 535.56 million baht and 1,415.34 million baht, or 41.87% and 56.48% of total assets.

As at 31 December 2020 and 2021, loans to customers – net were 247.27 million baht and 345.78 million baht, or 19.33% and 13.80% of total assets.

As at 31 December 2020 and 2021, land, buildings and equipment comprised of land, buildings, and building improvements; and assets under construction. The Group's land, buildings, and equipment were 275.17 million baht and 329.98 million baht, or 21.51% and 13.17% of total assets.

(B) Liabilities

Major liabilities of the Group comprise (1) short-term borrowings from financial institutions and (2) long-term loans from financial institutions. As at 31 December 2020 and 2021, the Group's total liabilities were at 530.33 million baht and 588.40 million baht.

As at 31 December 2020 and 2021, short-term borrowings from financial institutions were at 28.66 million baht and 59.42 million baht, or 5.40% and 10.10% of total liabilities. The Group uses short-term borrowings from financial institutions as working capital.

As at 31 December 2020 and 2021, long-term loans from financial institutions were at 411.80 million baht and 349.23 million baht, or 77.65% and 59.35% of total liabilities. The Group uses long-term borrowings from financial institutions as funding capital.

(C) Shareholders' equity

As at 31 December 2020 and 2021, the Group's Shareholders' Equity were at 748.80 million baht and 1,917.60 million baht which significantly increased by 1,168.80 million baht mainly due to (A) the Company issued new ordinary shares of 2,744,773 shares with a par value of 100 baht for the investment by R Alliance Company Limited, and the Company received money at 335.18 baht per share or 920.0 million baht resulting in a share premium of 623.44 million baht; and (B) an increase in unappropriated retained earnings from the net profit of the year 2021.