

Ref: AC 063/2566

November 14, 2023

Subject : Management Discussion and Analysis of AIRA Capital Public Company Limited and subsidiaries
Consolidated Financial Results: For the nine-month period ended September 30, 2023
To : The President
The Stock Exchange of Thailand

Operating results for 9-month period ended September 30, 2023 compared to the previous year

In terms of revenues, the significant changes are;

- Brokerage fees income and interest income from loans, mostly from the securities business of THB 300 million, decreased by 28% due to declining average trading volumes of the company in line with the decline stock market situation. Return on financial instruments were improved even though the securities business continues to be affected by unfavorable market conditions.
- Fees and service income and interest income from factoring which are major incomes of the Factoring business reached Baht 183 million, an increase of 12% due to the continued growth of the company's receivables portfolio and adjusting the interest rates in line with loans to reflect rising costs.
- Rental and service income grew to Baht 207 million, an increase of 43%, mostly attributable to rental and service income from the Property Development business of Baht 177 million and the remaining THB 30 million from operating lease income from the Leasing business. Rental and service income from the Spring Tower office building increased by 79% due to an increase in its occupancy rate to 80%.
- Interest income on hire purchase and finance leases of Baht 54 million, which are the key incomes of the Leasing business, decreased by 9%. The company's hire purchase and financial lease portfolio declined according to the conservative lending policy and high competition in the market.

Summary of revenues for the 9-month period ended September 30, 2023, the consolidated financial statements of the Company reported total revenues of Baht 749 million, an increase of 12%.

In terms of expenses, the significant changes are;

- Personnel expenses of the Company and its subsidiaries increased by 16% from last year in line which volume on financial instruments that have improved.
- Finance cost of the Company and its subsidiaries was Baht 152 million, an increase of 22% which is in line with the growth of the factoring lending portfolio and higher borrowing costs arising from BOT's policy rate increases.

The consolidated financial statements of the Company reported total expenses of Baht 810 million for the 9-month period ended September 30, 2023, an increase of 15%.

The operating performance of the associated company, AIRA & AIFUL Public Company Limited (“A&A”), which operates the personal loan business, generated a total income of Baht 1,536 million and a net profit of Baht 30 million in the first 9 months of 2023. The Company recognized a share of gain from this investment. On August 2, 2023, A&A has filed listing application for the initial public offering of ordinary shares (IPO) to the SEC. UOB Kay Hian Securities (Thailand) Public Company Limited was appointed as its financial advisor.

The foreign exchange business (“Travelex (Thailand) Limited”) reported some net loss. The Company is optimizing its operations to return to profitability.

Yours sincerely

AIRA Capital Plc.



(Mr.Suttiporn Tanthikul)

Managing Director