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14 May 2024

Subject: Management Discussion and Analysis of the Company's Performance for the quarter 1/2024

To: President
The Stock Exchange of Thailand

Chase Asia Public Company Limited ("**Company**") would like to submit the financial statements for the three-month period ended 31 March 2024, which were reviewed by Certified Public Accountants to the Stock Exchange of Thailand.

The Company recorded a Net profit for the quarter 1/2024 amounting to THB 39.0 million. In this connection, the Company would like to explain the reasons for its performance in the quarter 1/2024, details which appear as attached.

Management Discussion and Analysis of the Company's Performance for the Quarter 1/2024

1Q 2024 EXECUTIVE SUMMARY

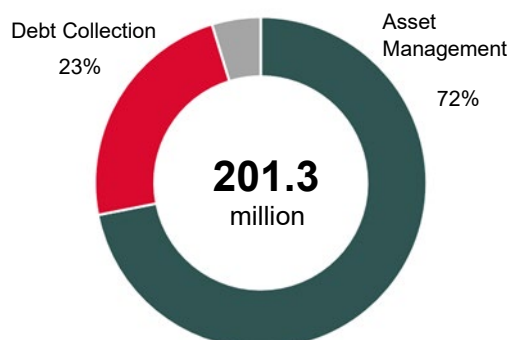
- **Total revenue** in 1Q 2024 was THB 201.3mn, increased 38.3% YoY from THB 145.5mn mostly attributed to the growth in the Asset Management Business.
- **Profit from Operation** was THB 99.7mn, increased by 116.1% YoY mainly from the increase of interest income, and reduction in the cost of services but partly offset by the increase in administrative expenses.
- **Net Profit** was THB 39.0mn, increased by 218.7% YoY from THB 12.3mn mainly from the growth in interest income in the Asset Management Business.
- **Total Assets** as of 31 March 2024 stood at THB 4,198.5mn, marking an 8.3% increase from 31 December 2023 mainly from investments in Non-Performing Loans during the period.

FINANCIAL PERFORMANCE

Unit: THB Million	<u>1Q 2023</u>		<u>1Q 2024</u>		<u>Changes</u>	
	Amount	%	Amount	%	Amount	%
Total revenue	145.5	100.0	201.3	100.0	55.7	38.3
Asset Management Business	93.3	64.1	144.7	71.9	51.4	55.1
Debt Collection Business	48.7	33.5	47.0	23.3	(1.7)	(3.5)
Other income	3.5	2.4	9.6	4.8	6.1	172.4
Cost of service and professional fee	(67.0)	(46.0)	(62.3)	(31.0)	(4.7)	(7.0)
Gross profit	78.5	54.0	139.0	69.0	60.4	76.9
Administrative expenses	(32.4)	(22.3)	(39.3)	(19.5)	6.9	21.2
Profit from operation	46.1	31.7	99.7	49.5	53.5	116.1
Expected credit loss	(21.8)	(15.0)	(44.0)	(21.9)	22.2	101.8
Finance costs	(6.7)	(4.6)	(7.2)	(3.6)	0.5	7.2
Income tax expense	(5.4)	(3.7)	(9.4)	(4.7)	4.1	76.1
Net profit	12.2	8.4	39.0	19.4	26.8	218.7

Revenues

Total Revenue in 1Q 2024 was THB 201.3mn, an increase of 38.3% or THB 55.7mn compared to the previous period at 145.5mn. The growth was primarily driven by the interest income from the growth in the Asset Management Business partly mitigated by a decline in the Debt Collection Business which can be described by segment as follows.



Asset Management Business

Core revenue from the Asset Management Business is interest income from loans to NPLs. In 1Q 2024, the Company recorded interest income of THB 144.7mn, a robust increase of 51.4% compared to the previous year's. This growth was primarily driven by additional investment in NPLs throughout the period and effective cash collection practices. Overall, Revenue from the Asset Management Business accounted for 71.9% of the total revenue.

As of March 31, 2024, the Right to Claim of NPLs reached THB 38,000mn, representing an increase of 17.7% YoY. In 1Q 2024, the Company invested THB 329mn in NPLs and successfully collected THB 146.2mn in cash, reflecting a 46.9% YoY growth.

	31 Dec 23 (THB mn)	31 Mar 24 (THB mn)	Change (%)
Rights to claim based on NPL value	32,276	38,000	17.7%

	For the quarter		
	2023 (THB mn)	2024 (THB mn)	Change (%)
Cash flow received from debtors	99.5	146.2	46.9

Debt Collection Business

Revenue from the debt collection business is the service fee paid by employers for the debt collection services and professional fees related to litigation services. In 1Q 2024, the Company reported services revenue of THB 47.0mn, a slight drop of THB 1.7mn or 3.5% YoY.

As of 31 March 2024, the amount of loan that the Company provided debt collection service is THB 13,419.7mn, representing a 10.4% decrease from last year. The reduction can be attributed to a decline in the number of assignments received from financial institutions, following a change in their assignment policy. During the year, the Company successfully collected THB 151.2mn. The average success rate stood at 4.58%, dropping slightly from 4.64% in the previous year. While the average success rate dropped, the Commission rate increased to 28.3% from 24.4% reflecting the higher complexity involved in debt collection efforts.

Particulars	1Q 2023 (THB mn)	1Q 2024 (THB mn)	Change (%)
Amount of loan that the Company provided debt collection service (as at period-end)	14,977.8	13,419.7	(10.4)
Collected amount (for the period)	176.2	151.2	(14.2)
Average commission rate (%)	24.4	28.3	16.0
Success rate (%)	4.64	4.58	(1.3)

Other income

Other income contributed mainly from lending services. In 1Q 2024, the Company reported interest income from loans to customers amounting to THB 9.0mn, an increase of 218% YoY. The increase is attributable to the repayment from customers.

Cost of service and professional fee

In 1Q 2024, the cost of services and professional fees amounted to THB 62.3mn, representing a drop of THB 4.7mn or 7.0% YoY. The drop contributed to the reduction of the court fee. As a result, the Gross Profit margin for this quarter stood at 69%, compared to 54% from 1Q 2023.

Administrative expenses

In 1Q 2024, the administrative expenses amounted to THB 39.3mn, representing an increase of THB 6.9mn or 21.2% YoY. Major contributions were from the depreciation expenses from the new building fully recognised in this quarter.

Expected Credit Loss (ECL)

In 1Q 2024, the expected credit loss amounted to THB 44.0mn, representing an increase of THB 22.2mn or 101.8% YoY. The increase is primarily attributable to additional investment in NPLs, partly compensated by the ECL reversal from Loans to customers amounting to THB 6.5mn.

Finance cost

In 1Q 2024, the finance cost amounted to THB 7.2mn, representing an increase of THB 0.5mn or 7.2% YoY. This rise can be attributed primarily to the additional loans for investment in NPLs.

FINANCIAL POSITION

Unit: THB Million	31 Dec 23		31 Mar 24		Change	
	Amount	%	Amount	%	Amount	%
Total assets	3,875.5	100.0	4,198.5	100.0	323.0	8.3
Cash and cash equivalents	135.2	3.5	181.8	4.3	46.6	34.5
Loans to non-performing assets, net	2,699.6	69.7	2,979.4	71.0	279.7	10.4
Loans to customers, net	311.6	8.0	302.1	7.2	(9.6)	(3.1)
Property, plant and equipment, net	443.4	11.4	438.8	10.5	(4.6)	(1.0)
Other assets	285.6	7.4	296.4	7.1	10.9	3.8
Total liabilities	495.8	12.8	779.8	18.6	284.0	57.3
Payables from NPL	25.4	0.7	184.1	4.4	158.8	626.1
Current portion of long-term borrowings from financial institutions	129.0	3.3	154.8	3.7	25.9	20.1
Long-term borrowings from financial institutions	267.9	6.9	358.3	8.5	90.4	33.7
Other liabilities	73.5	1.9	82.5	2.0	8.9	12.2
Total shareholder's equity	3,379.7	87.2	3,418.7	81.4	39.0	1.2

Total assets

Total assets as of 31 March 2024 stood at THB 4,198.5mn, an increase of THB 323.0mn or 8.3% from the end of the previous year. The growth can be attributed to the following factors:

- The increment of cash and cash equivalents of THB 46.6mn
- The increment of loans to non-performing assets, net of THB 279.7mn from the investment in new NPLs amounting to THB 329mn, partly offset by the recognition of Expected Credit Loss
- The decrement of plant, and equipment, net of THB 4.6mn from the recognition of depreciation expense of the new offices.
- The decrement of loans to customers, net of THB (9.6)mn from customer repayment during the period.

Total liabilities

Total liabilities as of 31 March 2024 stood at THB 779.8mn, an increase of 284.0mn or 57.3% from the end of the previous year. The decrement can be attributed to the following factors:

- The increase of payable from the acquisition of NPL of THB 158.8mn from the investment in NPL.
- The increment of borrowings from financial institutions both current and non-current portions of THB 116.3mn, contributed mainly from the additional loans of investment in NPLs amounting to 143.6mn partly offset by the repayment in this quarter.

Total shareholder's equity

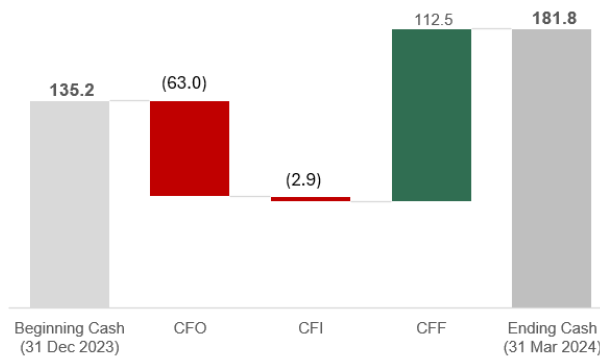
Total shareholder's equity as of 31 March 2024 stood at THB 3,418.7mn, which increased by THB 39.0mn or 1.2% compared to the end of the previous year mainly from the operating profit.

Debt to Equity ratio

As of 31 March 2024, the Group's Debt-to-Equity ratio stood at 0.23x increased from 0.15x at the end of the previous year.

CASH FLOW

(Unit: THB mn)



As of 31 March 2024, cash and cash equivalents stood at THB 181.8mn, reflecting an increase of THB 46.7mn. from the beginning cash of THB 135.2mn.

The Net Cash flow used in operating activities was THB (63.0)mn, derived from a Profit before tax of THB 48.5mn. Key contributors are from investment in NPL during the 1Q 2024 amounting to THB (131.9)mn, partly offset by the interest received THB 110.4mn.

The Net Cash flow used in investing activities was THB (2.9)mn from additional costs associated with the new office.

The Net Cash flow proceeds from financing activities was THB 112.5mn mainly contributed from the proceeds from the additional loans from the financial institution amounting to THB 143mn, partly offset by the repayment during the period.

Please be informed accordingly,

Respectfully yours,
Chase Asia Public Company Limited

Ms. Waraluck Chaisuwan
 Chief Financial Officer