

CAPITAL ALLOCATION & INVESTMENT STRATEGY

AURA.CO.TH

1. Overview

Capital allocation is one of the most important responsibilities of an investment company. It involves determining how available financial resources should be deployed across different investment opportunities, businesses, assets and markets.

The quality of capital allocation decisions can influence an organisation's financial strength, investment performance, risk exposure and long-term development.

At Aura, capital allocation and investment strategy form part of the framework through which the company evaluates opportunities and determines how its own family-owned capital may be deployed.

As a privately owned, family-controlled international investment company, Aura approaches capital allocation with a long-term perspective, disciplined financial analysis and an understanding of the responsibilities associated with family-owned capital.

The investment universe may include public and private equity, fixed income, private credit, real estate,

infrastructure, energy, technology, natural resources, commodities, strategic corporate investments and other selected opportunities.

Aura recognises that investment opportunities compete for limited capital. An attractive opportunity must therefore be assessed not only on its individual merits, but also in comparison with alternative uses of capital and its potential contribution to the wider investment structure.

The objective is to make informed capital allocation decisions based on economic fundamentals, valuation, financial sustainability, risk considerations and long-term investment objectives.

2. Capital Allocation Philosophy

Aura's capital allocation philosophy is based on financial discipline, independent assessment, responsible risk-taking and long-term value creation.

Capital should not be committed simply because an opportunity is available, a market is expanding or a particular industry is attracting attention.

Each investment requires an assessment of its underlying business or asset, financial characteristics, valuation, capital requirements and associated risks.

Aura may consider the following principles:

- Protecting the financial integrity of family-owned capital.
- Understanding the economic foundations of each opportunity.
- Comparing alternative investment uses.
- Maintaining appropriate financial flexibility.
- Avoiding excessive concentration.
- Assessing valuation discipline.
- Considering liquidity and capital commitments.
- Evaluating long-term commercial sustainability.
- Recognising uncertainty and downside risks.
- Maintaining appropriate investment oversight.

Capital allocation is therefore treated as a continuous process of evaluation and prioritisation rather than a one-time decision.

3. Strategic Investment Objectives

Investment strategy provides a framework for determining the direction and priorities of capital deployment.

Aura may establish investment objectives that reflect its ownership structure, financial resources, investment horizon and broader long-term considerations.

These objectives may include:

- Preservation of family-owned capital.
- Long-term capital appreciation.
- Sustainable income generation.
- Diversification across investment categories.
- Exposure to selected industries and markets.
- Participation in long-term economic development.
- Ownership of strategically relevant businesses and assets.
- Maintenance of financial flexibility.

The relative importance of these objectives may vary according to investment conditions and the characteristics of individual opportunities.

An investment strategy should provide direction while allowing appropriate flexibility to respond to changing market conditions and newly identified opportunities.

4. Long-Term Capital Allocation

Long-term capital allocation involves committing financial resources to opportunities that may develop economic value over extended periods.

These opportunities may include established operating companies, infrastructure assets, real estate, energy projects, technology businesses and other investments with longer development or ownership horizons.

Aura may assess long-term opportunities according to:

- The durability of the underlying business model.
- Long-term market demand.
- Competitive positioning.
- Asset quality.
- Management capability.
- Capital requirements.
- Financial sustainability.

- Valuation.
- Regulatory conditions.
- Principal investment risks.

Long-term investment decisions require an understanding of how the business or asset may perform under different economic conditions.

Aura may consider opportunities whose underlying economic characteristics are sufficiently clear to justify the required capital commitment and ownership horizon.

5. Shorter-Term and Opportunistic Capital Allocation

Certain investment opportunities may arise from temporary market dislocations, valuation differences, corporate developments or specific financial circumstances.

Aura may evaluate selected opportunities that have shorter or more defined investment horizons, provided they are consistent with its broader investment principles.

Potential considerations may include:

- Market valuation dislocations.

- Corporate restructuring.
- Special situations.
- Event-driven opportunities.
- Temporary financing needs.
- Asset disposals.
- Distressed situations.
- Changes in market liquidity.

Shorter-term opportunities require careful assessment of timing, liquidity, transaction costs and exit conditions.

The potential for a short-term gain should not replace an understanding of the underlying economic and financial risks.

6. Investment Opportunity Identification

Capital allocation begins with identifying opportunities that may warrant further examination.

Opportunities may emerge through investment research, industry analysis, market developments, corporate

transactions, direct business discussions and other appropriate information channels.

Aura may consider opportunities across its broader investment universe, including:

- Publicly listed companies.
- Privately held businesses.
- Fixed-income instruments.
- Private credit transactions.
- Real estate assets.
- Infrastructure projects.
- Energy investments.
- Technology companies.
- Strategic corporate investments.
- Alternative investment opportunities.

Opportunity identification does not imply an investment commitment.

Each opportunity must be evaluated according to its commercial foundations, financial characteristics, valuation and suitability within the broader investment strategy.

7. Investment Screening and Initial Assessment

An initial screening process may help determine whether an opportunity warrants further research and due diligence.

Aura may consider several preliminary factors:

- Strategic relevance.
- Business model clarity.
- Market opportunity.
- Financial condition.
- Valuation.
- Capital requirements.
- Management quality.
- Ownership structure.
- Geographic suitability.

- Regulatory considerations.
- Principal risks.

An opportunity that does not meet relevant investment considerations may be excluded from further review.

Where additional information is required, the assessment may remain preliminary until the relevant uncertainties have been addressed.

8. Comparative Evaluation of Investment Opportunities

Capital allocation involves comparing different opportunities that may have substantially different characteristics.

For example, a public equity investment, a private company acquisition and an infrastructure project may each offer different potential economic benefits, liquidity characteristics and capital requirements.

Aura may compare opportunities according to:

- Expected financial contribution.
- Valuation.
- Capital intensity.

- Cash-flow characteristics.
- Liquidity.
- Investment duration.
- Downside exposure.
- Financing requirements.
- Management and governance.
- Strategic relevance.
- Alternative uses of capital.

Comparative analysis should reflect the different risk and return characteristics of each investment.

An opportunity with a higher projected return may not necessarily be preferable if it involves substantially greater uncertainty, leverage or capital requirements.

9. Opportunity Cost of Capital

Every capital commitment involves an opportunity cost because the same financial resources cannot be deployed simultaneously across every available investment.

Aura may consider the alternatives available before committing capital to a particular opportunity.

The assessment may include:

- Other investment opportunities.
- Existing portfolio requirements.
- Liquidity needs.
- Potential future commitments.
- Financial obligations.
- Alternative investment categories.
- The cost of delaying or declining an opportunity.

Opportunity-cost analysis encourages disciplined prioritisation.

It helps distinguish between an investment that may be attractive in isolation and one that represents an appropriate use of capital relative to available alternatives.

10. Valuation and Investment Pricing Discipline

Valuation is central to capital allocation because the price paid for an investment can materially influence its future financial outcome.

A strong business may still represent an unattractive investment if acquired at an excessive valuation.

Aura may assess investment pricing through relevant valuation methodologies, including:

- Discounted cash-flow analysis.
- Comparable company analysis.
- Comparable transaction analysis.
- Asset-based valuation.
- Earnings and cash-flow multiples.
- Net asset value analysis.
- Replacement cost analysis.
- Project-level financial modelling.

The selected methodology should reflect the characteristics of the investment.

Valuation assumptions may include revenue growth, operating margins, capital expenditure, financing costs, expected cash flows and terminal values.

Aura recognises that valuation involves judgement and uncertainty. Accordingly, investment pricing should be assessed in relation to the underlying financial and commercial risks.

11. Capital Requirements and Funding Capacity

Before committing capital, Aura may assess the total financial resources required to acquire, develop, operate or maintain an investment.

The capital requirement may extend beyond the initial purchase price.

Potential requirements may include:

- Acquisition costs.
- Development expenditure.
- Construction costs.
- Working capital.

- Maintenance expenditure.
- Technology upgrades.
- Regulatory compliance.
- Expansion capital.
- Debt repayment.
- Contingency funding.

The assessment may also consider the timing of these requirements and whether additional capital could be needed under less favourable operating conditions.

Understanding the full funding profile is important to maintaining financial discipline and avoiding commitments that could create unnecessary pressure on other investment activities.

12. Capital Allocation Across Asset Classes

Aura may consider distributing investment capital across different asset classes according to their economic characteristics and strategic relevance.

Potential categories may include:

Public equities: Investments in listed companies, evaluated through financial performance, market position, valuation and liquidity.

Private equity: Ownership interests in privately held businesses, assessed through business fundamentals, management, governance and long-term value creation potential.

Fixed income: Debt instruments evaluated through issuer quality, repayment capacity, interest-rate exposure and credit risk.

Private credit: Privately negotiated lending and financing opportunities assessed through borrower strength, collateral, contractual protections and repayment sources.

Real estate: Property-related investments evaluated through location, occupancy, rental economics, asset condition and capital requirements.

Infrastructure: Essential infrastructure assets and operating businesses assessed through demand, utilisation, contractual structures and long-term maintenance.

Energy: Conventional and renewable energy opportunities evaluated through resource quality, technology, market demand and financial sustainability.

Technology: Businesses and assets evaluated through commercial adoption, innovation, intellectual property and competitive positioning.

Alternative investments: Selected opportunities requiring specialised analysis of structure, liquidity, valuation and risk.

The allocation across these categories may evolve as the investment environment and available opportunities change.

13. Sector and Geographic Prioritisation

Capital allocation may involve identifying sectors and geographic markets that warrant particular research and investment consideration.

Aura may examine opportunities according to:

- Industry fundamentals.
- Long-term demand.
- Economic development.
- Competitive conditions.
- Infrastructure quality.

- Regulatory frameworks.
- Political stability.
- Financial-market development.
- Currency considerations.
- Market valuations.

Sector and geographic priorities should be informed by evidence and relevant investment analysis.

A favourable industry outlook or attractive national economic conditions do not automatically establish the quality of an individual investment.

The underlying business or asset must still meet the relevant financial and commercial requirements.

14. Diversification and Capital Concentration

Diversification may help manage exposure to individual investments, sectors, markets and economic drivers.

Aura may consider concentration risk when evaluating the amount of capital committed to a particular opportunity.

Relevant considerations may include:

- Exposure to individual companies.
- Industry concentration.
- Geographic concentration.
- Currency exposure.
- Counterparty dependence.
- Financing concentration.
- Dependence on individual customers.
- Correlated investment exposures.

Diversification does not eliminate investment risk.

Different assets may become exposed to similar economic pressures, particularly during periods of market stress.

Aura therefore considers the underlying relationships between investments rather than relying solely on the number of holdings or formal asset classifications.

15. Risk-Adjusted Capital Allocation

Capital allocation should consider both the potential economic benefits and the risks required to achieve them.

Aura may evaluate opportunities using risk-adjusted analysis that considers the possibility of adverse outcomes alongside expected financial performance.

The assessment may include:

- Downside scenarios.
- Financial leverage.
- Cash-flow sensitivity.
- Market volatility.
- Credit exposure.
- Liquidity constraints.
- Regulatory uncertainty.
- Operational risks.
- Valuation uncertainty.
- Potential capital impairment.

An investment with attractive projected returns may require a more cautious assessment if the outcome depends on uncertain assumptions or substantial leverage.

The objective is to understand whether the potential economic benefits justify the associated financial and operational risks.

16. Investment Timing and Market Conditions

The timing of a capital commitment can influence investment economics.

Market prices, financing conditions, asset valuations and transaction opportunities may change over time.

Aura may consider investment timing through an assessment of:

- Current valuation levels.
- Economic-cycle conditions.
- Interest rates.
- Market liquidity.
- Financing availability.

- Industry developments.
- Transaction terms.
- Regulatory conditions.
- Competitive activity.

Market timing is inherently uncertain.

Aura's approach may therefore distinguish between the attractiveness of an underlying investment and the conditions under which capital is committed.

A strong long-term opportunity may still require careful consideration of entry valuation, financing structure and timing.

17. Staged Capital Deployment

Certain investments may benefit from capital being committed in stages rather than entirely at the beginning.

Staged deployment can be relevant to development projects, early-stage businesses, infrastructure investments and other opportunities with significant execution uncertainty.

Potential approaches may include:

- Milestone-based funding.
- Phased project investment.
- Development-stage commitments.
- Conditional capital contributions.
- Expansion funding.
- Follow-on investment decisions.

Aura may assess staged deployment according to project progress, financial performance, contractual protections and the achievement of defined milestones.

This approach may help align capital commitments with the development and performance of the underlying opportunity.

However, staged funding does not eliminate the risk of project failure, additional funding requirements or changes in commercial conditions.

18. Internal Investment Review and Approval

Investment decisions may require structured internal review and appropriate approval according to their nature, scale and complexity.

Aura may consider a process involving:

1. Opportunity identification.
2. Preliminary screening.
3. Investment research.
4. Financial analysis.
5. Valuation assessment.
6. Due diligence.
7. Risk evaluation.
8. Capital allocation assessment.
9. Internal review and approval.
10. Documentation of the decision.

The specific process may vary according to the investment category and ownership structure.

The purpose is to ensure that material financial, commercial and risk considerations are understood before capital is committed.

19. Strategic Investments and Long-Term Ownership

Certain investments may be considered for their strategic relevance as well as their direct financial characteristics.

Strategic investments may involve ownership interests in businesses, infrastructure or assets that have particular commercial importance.

Potential considerations may include:

- Long-term industry relevance.
- Access to important markets.
- Technology capabilities.
- Supply-chain relationships.
- Infrastructure connectivity.
- Operational synergies.
- Intellectual property.

- Strategic partnerships.
- Long-term ownership opportunities.

Strategic relevance should not replace financial discipline.

Aura may assess whether the strategic characteristics of an opportunity are supported by a credible economic foundation and whether the required capital commitment is appropriate.

20. Investment Acquisitions and Corporate Transactions

Capital allocation may involve acquiring ownership interests in established businesses or participating in selected corporate transactions.

Potential transaction types may include:

- Business acquisitions.
- Minority investments.
- Controlling investments.
- Strategic equity participation.
- Joint ventures.

- Corporate restructurings.
- Selected mergers and acquisitions.
- Asset acquisitions.

Aura may examine the transaction rationale, purchase price, financial condition, liabilities, management capability, legal structure and integration requirements.

For acquisitions, additional attention may be given to transaction financing, due diligence findings, ownership rights and post-acquisition responsibilities.

The objective is to understand whether the transaction represents an appropriate deployment of family-owned capital.

21. Reinvestment and Capital Recycling

Investment capital may become available through dividends, interest, operating distributions, asset disposals, repayments or the realisation of investment gains.

Aura may evaluate whether such capital should be retained, reinvested or allocated to alternative opportunities.

Capital recycling may involve:

- Reinvestment in existing businesses.
- Expansion of operating assets.
- Acquisition of additional investments.
- Repayment of financial obligations.
- Strengthening liquidity.
- Funding new investment opportunities.
- Reducing selected exposures.

The decision may depend on the financial condition of the underlying investment, available opportunities and the company's broader capital requirements.

Reinvestment should be based on the economic attractiveness of the next use of capital rather than an automatic preference to retain an existing position.

22. Cash Reserves and Financial Flexibility

Maintaining financial flexibility may be an important consideration in capital allocation.

Available liquidity can help meet obligations, support existing investments and provide the capacity to respond to unexpected developments or attractive opportunities.

Aura may consider the appropriate level of liquidity according to:

- Near-term financial obligations.
- Expected investment commitments.
- Potential capital calls.
- Debt-service requirements.
- Operating expenses.
- Contingency needs.
- Market conditions.
- Future investment opportunities.

Holding cash may involve an opportunity cost, particularly when inflation reduces its purchasing power.

However, committing all available capital may also create unnecessary liquidity pressure.

The assessment therefore seeks to balance investment deployment with appropriate financial flexibility.

23. Capital Allocation During Economic Cycles

Economic conditions can influence investment opportunities, financing costs, asset valuations and business performance.

Aura may consider the characteristics of different investments across economic cycles.

During periods of economic expansion, opportunities may emerge through business growth, infrastructure development and increased capital investment.

During periods of economic contraction, businesses may experience reduced demand, tighter financing conditions and lower valuations. Certain assets or companies may also become available under different transaction conditions.

Aura may assess economic-cycle exposure through:

- Revenue sensitivity.
- Cost flexibility.
- Financing requirements.
- Market demand.

- Asset liquidity.
- Valuation changes.
- Credit conditions.
- Industry resilience.

The objective is not to predict every economic turning point, but to understand how different investments may respond to changing conditions.

24. Long-Term Capital Preservation

Capital preservation is an important consideration in the management of family-owned investment resources.

It involves understanding the risks that could permanently impair capital and evaluating whether an investment's economic foundations are sufficiently resilient.

Aura may consider:

- Quality of underlying assets.
- Financial strength.
- Management capability.
- Valuation discipline.

- Leverage.
- Liquidity.
- Diversification.
- Regulatory exposure.
- Operational resilience.
- Long-term market relevance.

Capital preservation does not mean avoiding all risk.

Investment necessarily involves uncertainty, and excessive conservatism may also carry economic costs.

Aura's approach seeks to understand the risks being assumed and determine whether they are consistent with the investment objectives and financial capacity of the company.

25. Capital Allocation and Intergenerational Responsibility

Family-owned capital may involve responsibilities that extend beyond an individual investment cycle.

Aura's long-term perspective recognises the importance of disciplined financial decisions, responsible ownership and appropriate governance in supporting continuity across generations.

Capital allocation may therefore consider:

- Long-term financial stability.
- Sustainable investment economics.
- Responsible leverage.
- Diversification.
- Financial flexibility.
- Quality of ownership.
- Governance and oversight.
- Long-term asset relevance.
- Future capital requirements.

The objective is to make investment decisions with an understanding of their potential consequences over extended periods.

26. Monitoring Capital Deployment

After capital has been committed, Aura may monitor how the investment is using its financial resources and whether the original investment assumptions remain valid.

Monitoring may include:

- Capital expenditure.
- Operating performance.
- Financial results.
- Cash-flow generation.
- Debt and financing.
- Project progress.
- Management performance.
- Valuation developments.
- Regulatory changes.
- New financial risks.

For development projects, monitoring may also examine construction progress, expenditure against budget, delivery milestones and commissioning requirements.

For operating businesses, the focus may include profitability, customer relationships, working capital and capital efficiency.

The purpose is to maintain an informed understanding of the investment after the initial allocation decision.

27. Performance Review and Capital Reassessment

Capital allocation decisions should be reviewed in light of actual performance and changing circumstances.

Aura may compare investment outcomes with the original financial and strategic assumptions.

The review may examine:

- Actual versus projected performance.
- Cash-flow developments.
- Changes in valuation.
- Capital expenditure.
- Financial leverage.
- Risk developments.

- Market conditions.
- Strategic relevance.
- Alternative uses of capital.

Where the original investment rationale changes materially, Aura may reassess the appropriate course of action.

Possible considerations may include maintaining the investment, committing additional capital, reducing exposure, restructuring or evaluating an exit.

The appropriate decision depends on the facts and circumstances of the individual investment.

28. Investment Strategy and Technology

Technology may support investment research, capital allocation analysis and internal decision-making.

Aura may use appropriate systems to organise financial information, compare investment opportunities and monitor capital commitments.

Potential capabilities may include:

- Financial modelling.

- Investment screening.
- Valuation analysis.
- Portfolio analytics.
- Scenario testing.
- Risk measurement.
- Capital commitment tracking.
- Cash-flow forecasting.
- Market information systems.
- Investment reporting.

Artificial intelligence and data-analysis tools may also support selected analytical tasks.

However, technology outputs require appropriate verification and human oversight.

Investment decisions should remain grounded in reliable information, sound judgement and a clear understanding of the limitations of analytical models.

29. Governance, Accountability and Documentation

Capital allocation involves financial decisions that may have significant long-term consequences.

Aura may maintain appropriate internal procedures to support the review, approval and documentation of investment commitments.

These may include:

- Defined investment responsibilities.
- Clear approval authority.
- Documented investment rationale.
- Financial and risk assessments.
- Due-diligence records.
- Valuation documentation.
- Capital commitment records.
- Periodic performance reviews.
- Appropriate reporting.

The level of oversight may vary according to the size, complexity and risk profile of an investment.

Clear documentation can help preserve the reasoning behind investment decisions and support consistent review over time.

30. The Relationship Between Capital Allocation and Other Aura Activities

Capital allocation and investment strategy connect the different areas of Aura's investment activities.

Investment research provides information about potential opportunities. Portfolio management considers their combined effect. Risk management examines potential vulnerabilities. Corporate governance supports oversight and accountability.

These functions may work together when evaluating investment decisions.

For example, a potential infrastructure acquisition may require industry research, financial modelling, valuation, due diligence, risk assessment, financing analysis and portfolio-level consideration before a capital commitment is made.

This integrated perspective helps ensure that investment decisions are considered within a broader financial and strategic framework.

31. Conclusion

Capital allocation and investment strategy provide the framework through which an investment company determines how its financial resources may be deployed across different opportunities.

At Aura, the process is centred on disciplined evaluation, financial analysis, valuation awareness, risk consideration and a long-term understanding of investment economics.

As a privately owned, family-controlled international investment company, Aura makes capital allocation decisions in relation to its own family-owned capital.

The emphasis remains on comparing opportunities carefully, understanding the full financial commitment, maintaining appropriate flexibility and evaluating investments according to their potential contribution to long-term value.

Aura regards capital allocation as an ongoing responsibility that requires independent judgement, financial discipline and responsible stewardship of family-owned capital over time.