



## Management's Discussion and Analysis

For the period ended 30 June 2021

Bangkok Airways Public Company Limited and Its Subsidiaries



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#### Executive Summary

The Thai economy in the second quarter of 2021 was affected by the third wave of the COVID-19 outbreak. Private consumption declined from the previous quarter. In addition, the tourism sector has not recovered as international travel restrictions remained. On the economic stability front, headline inflation rate turned positive, mainly from energy sector due to an increase in domestic retail oil prices. This is in line with the global oil prices and the low benchmarking of energy prices last year. The current account registered a higher deficit than the previous quarter as the net services, income and transfers exhibited a larger deficit. (Source: Bank of Thailand)

The overall global aviation industry has recovered in first half of 2021, a growth in passenger traffic was supported by 192.5 percent increase in revenue passenger kilometers (RPK) where Africa had the highest growth at 1,206.8 percent, following by Latin America and Europe, accounting for 449.7 percent and 387.7 percent respectively. Meanwhile, Asia Pacific had the lowest growth at 46.2 percent. Furthermore, worldwide capacity growth or available seat kilometers (ASK) rose 145.6 percent on the average. Africa ranked as the top with 632.0 percent, followed by 381.3 percent growth in Latin America, and 291.9 percent growth in Europe. Whereas, The Asia Pacific had the lowest growth at 43.8 percent. Moreover, the overall passenger load factor (PLF) was 69.6 percent, increased 11.1 percentage from the same period of the previous year. (Source: International Air Transport Association).

For the Thailand tourism industry in the second quarter of 2021, the government relaxed some travel restrictions for those who wish to travel to Thailand under the purposes of business, medical treatment (long-term stay) and leisure with Special Tourist VISA (STV) or Thailand Privilege Card. Consequently, the number of international tourist arrivals to Thailand showed a slight growth compared to the same period last year when the country was fully lockdown. In the second quarter of 2021, the number of international tourist arrivals to Thailand amounted to 20,275, or 0.2 percent of the second quarter of 2019, when was normal situation before Covid-19 outbreak (Source: Ministry of tourism and sport)

For the second quarter of year 2021, the company has been continuously challenged from the impact of COVID-19 pandemic since it has become worsening and emerged as the third wave. The government has considered to impose lockdown policy to limit the third wave outbreak, while Thai people also postponed their travel plan during Songkran festival in April 2021.

As a consequence, the Company lessen flight frequency of domestic routes i.e. Bangkok to Samui, Bangkok to Chiang Mai, Bangkok to Sukhothai and Bangkok to Lampang, Bangkok to Phuket, Bangkok-Trat and Had-Yai-Phuket to match with lower travel demand and the travel restriction. Nevertheless, comparing

with the second quarter of year 2020, when each country had been severely forced by their own government orders, the number of flights increased by 102.4 percent while number of passengers carried increased by 229.8 percent from the same period of last year. The overall load factor was at 57.9 percent.

For the six-month period of year 2021, the Company reported total revenue amount 2,800.2 million baht, decreased by 61.8 percent. The downward of total revenue was resulted from airline business decreased by 88.8 percent, airport business decreasing by 85.3 percent and airport-related businesses decreasing by 39.5 percent. The Company reported net loss at 1,454.4 million baht of which loss attributable to the equity holders of the Company was 1,431.6 million baht. Loss per share for the period was 0.69 baht.

## Notable Events 2Q 2021

### Airline Business

The Company adjusted route operation and flight frequency to match with situation of lower travel demand as shown in table below:

Route	2Q2021 Flight Frequency (Weekly)		
	April	May	June
Bangkok-Samui	39	9	14
Bangkok-Phuket*	12	2	4
Bangkok-Chiang Mai*	11	2	3
Bangkok-Lampang*	8	-	3
Bangkok-Sukhothai	4	-	3
Bangkok-Trat	4	-	-
Had Yai-Phuket	3	-	-

\*Remark: Temporarily suspended during 4-14 May 2021

The Company has strengthened the airline's precautions and prevention measures to be in accordance with the standards and guidance of The Civil Aviation Authority of Thailand (CAAT) regarding practices in passenger service for domestic flight routes during COVID-19's situation. The Company has temporarily suspended in-flight meals service and closed all of its passenger lounge services with recognition of passengers and staffs' health and safety as the utmost priority.

### Airport Related Business and Investments

The impact of COVID-19 disease has affected Samui airport business. Therefore, in May 2021, the Board of Director approved the company to offer to terminate the long-term lease agreement, which had remaining leasehold rights of 15.5 years approximately, and related agreements between the company and

Samui Airport Property Fund. As a result of termination, the Company would be able to operate Samui airport without being subjected to any obligations to the property fund in terms of agreements' terms and conditions. Besides, this would allow the company to be more flexible to business operation and the use of asset for more benefits.

In June 2021, U-Tapao International Aviation Co., Ltd. (UTA) submitted the completed Master Plan to the Civil Aviation Authority of Thailand (CAAT) for consideration and approval. The international design architect (IDA) was selected to design the new passenger terminal for this project. The selected IDA has extensive experience in large scale airport terminal design works.

The Airport of Thailand PCL. (AOT) approved the relief measurement due to COVID-19 pandemic to all business operators including Bangkok Air Catering (BAC), Worldwide Flight Services Bangkok Air Ground Handling Company Limited (BFS Ground) and WFS-PG Cargo Company Limited (BFS Cargo). The relief measures offered 50% discount of rental fee and waived for minimum guarantee obligation.



## Management's Discussion and Analysis

Bangkok Airways is a full serviced airline providing premium service to passengers. Company owns and operates 3 airports which are Samui Airport, Trat Airport and Sukhothai Airport. In addition to airline and airport businesses, it operates airport related businesses which include passenger and ramp services, catering services and international cargo.

Consolidated financial statement of the Company consists of Separate Financial Statement and Financial Statements of the 14 subsidiaries that include: 1) Bangkok Air Catering Company Limited (BAC) 2) Worldwide Flight Services Bangkok Air Ground Handling Company Limited (BFS Ground) 3) Bangkok Airways Ground Service Company Limited (PGGS) 4) Bangkok Airways Holding Company Limited (PGH) 5) SA Services Company Limited 6) BFS Cargo DMK Company Limited 7) BAC Gourmet House Company Limited 8) Bangkok Air Catering Phuket Company Limited 9) Gourmet Primo Company Limited 10) Bangkok Air Catering Samui Company Limited and 11) Bangkok Air Catering Chiang Mai Company Limited 12) More Than Free Company Limited 13) Bangkok Air Aviation Training Center Co., Ltd. 14) Bangkok Air Catering Don Mueang Co., Ltd

### Airline Operating Data

	Unit	April-June		January-June	
		2021	2020	2021	2020
Scheduled passenger revenues <sup>(1)</sup>	Million Baht	201.8	78.2	487.5	4,521.1
Domestic		201.8	78.2	487.5	3,149.1
International		-	-	-	1,372.0
Available Seat Kilometers (ASK)	Million Seat - Kilometers	94.4	34.7	250.2	1,536.1
Domestic		94.4	34.7	250.2	889.5
International		-	-	-	646.6
Revenue Passenger Kilometers (RPK)	Million Passenger -Kilometers	54.6	16.4	146.2	948.3
Domestic		54.6	16.4	146.2	612.6
International		-	-	-	335.7
Passenger Load Factor	Percentage	57.9	47.3	58.4	61.7
Domestic		57.9	47.3	58.4	68.9
International		-	-	-	51.9
Number of scheduled passengers carried	Thousand Passengers	94.0	28.5	245.9	1,352.6
Domestic		94.0	28.5	245.9	997.7
International		-	-	-	354.9

	Unit	April-June		January-June	
		2021	2020	2021	2020
Number of flights flown	Flights	1,548	765	4,012	17,831
Domestic		1,548	765	4,012	12,542
International		-	-	-	5,289
Total seat capacity	Thousand Seats	161.7	60.4	417.9	2,120.0
Domestic		161.7	60.4	417.9	1,448.8
International		-	-	-	671.2
Aircraft utilization <sup>(2)</sup>	Block Hour per Day per Aircraft	4.0	2.2	3.7	5.0
Airbus A320		4.0	0.5	3.8	4.7
Airbus A319		4.1	2.5	3.8	5.2
ATR 72-500 & ATR 72-600		3.9	3.6	3.6	5.3
Number of aircraft at period end	Aircraft	39	40	39	40
Airbus A320		9	9	9	9
Airbus A319		15	16	15	16
ATR 72-500		2	2	2	2
ATR 72-600		13	13	13	13
Kilometers flown	Million Kilometers	0.9	0.4	2.4	12.1
Average Stage Length	Kilometers	581.0	575.6	594.6	701.1
Passenger Yield <sup>(3)</sup>	Baht per Passenger - Kilometer	3.69	4.76	3.33	4.77
Revenue ASK (RASK)	Baht per Available Seat - Kilometer	3.55	18.13	4.36	3.75
Cost per ASK (CASK)		14.69	65.78	11.25	4.73
Cost per ASK excluding fuel cost		14.15	65.17	10.77	3.99
RASK – CASK		(11.14)	(47.65)	(6.89)	(0.98)

Remarks

(1) These figures are different from those included in Company's consolidated Financial Statements as they include revenues (before deducting discounts and commissions) from scheduled flights, net interline revenues from flights operated by other airlines and marketed by it on a code-share basis, revenues derived from non-codeshare interline sales by it of seats on other airlines' flights, fuel and insurance surcharge revenue. Exclude revenues from cargo services, charter services and other revenue.

(2) Calculate from operating aircraft only

(3) Scheduled passenger revenues including fuel surcharge and insurance surcharge, but excluding excess baggage divided by RPKs.



## Operating performance summary for the period ended June 30, 2021

Unit: million baht

	April-June				January-June			
	2021	2020	Variance		2021	2020	Variance	
			Amount	%			Amount	%
Total revenue	1,442.9	1,037.7	405.2	39.0	2,800.2	7,322.9	(4,522.7)	(61.8)
Operating revenue <sup>(1)</sup>	683.1	794.4	(111.3)	(14.0)	1,789.5	6,852.3	(5,062.7)	(73.9)
Total expenses	1,936.6	3,705.5	(1,768.9)	(47.7)	3,970.4	10,274.3	(6,304.0)	(61.4)
Net profit for the period	(697.9)	(2,994.0)	2,296.1	76.7	(1,454.4)	(3,332.8)	1,878.5	56.4
Profit attributable to equity holders of the Company	(686.0)	(2,974.8)	2,288.9	76.9	(1,431.6)	(3,313.4)	1,881.8	56.8
EBIT <sup>(2)</sup>	(1,002.1)	(1,983.7)	981.6	49.5	(1,609.0)	(1,611.1)	2.1	0.1
EBITDA <sup>(2)</sup>	(410.8)	(1,250.9)	840.1	67.2	(405.0)	(148.0)	(257.0)	(173.7)
EBIT Ratio (%)	(146.7)	(249.7)	103.0		(89.9)	(23.5)	(66.4)	
EBITDA Ratio (%)	(60.1)	(157.5)	97.3		(22.6)	(2.2)	(20.5)	

### Remarks

- (1) Comprises of total revenue net dividend income, gain on foreign exchange, gain on derivatives and non-operating revenues.
- (2) EBIT, EBIT margins, EBITDA, EBITDA margins are not standard measures, nor measurements of financial performance or liquidity, under TFRS, and should not be considered alternatives to net profit (loss) or any other performance measure or as an alternative to cash flow from operating activities. Since there are various calculation methods, its presentation may not be comparable to similarly titled measures used by other companies.

### Operating Profit and Net Income

The operating revenue of the Company for the second quarter of year 2020 and year 2021 was 794.4 million baht and 683.1 million baht respectively, decreased by 14.0 percent while total expenses decreased from 3,705.5 million baht to 1,936.6 million baht or around 47.7 percent. The earnings before interest and tax, depreciation, amortization (EBITDA) equaled to loss 1,250.9 million baht and loss 418.8million baht respectively or decreased by 67.2 percent

The operating revenue of the Company for the six-month period of 2020 and 2021 were 6,852.3 million baht and 1,789.5 million baht respectively, decreased by 73.9 percent while total expenses dropped by 61.4 percent from 10,274.3 million baht to 3,970.4 million baht. The earnings before interest and tax,



depreciation, amortization (EBITDA) equaled to loss 148.0 million baht and loss 405.0 million baht respectively or dropped by 173.7 percent

For the six-month period of 2021, net loss of the Company was 1,454.4 million baht, improved by 1,878.5 million baht from the same period of last year. The net loss amounts attributable to equity holders of the Company at 1,431.6 million baht.

### Revenue

Consolidated revenue of the Company, excluding the inter-segment revenue, are divided into 4 segments as follows:

Unit: million baht

	April-June				January-June			
	2021	2020	Variance		2021	2020	Variance	
			MB	%			MB	%
<b>Airlines</b>	211.7	107.7	104.0	96.6	515.1	4,602.8	(4,087.7)	(88.8)
Net scheduled passenger revenue	202.3	106.7	95.6	89.6	496.7	4,518.5	(4,021.8)	(89.0)
Charter flights and charter services revenue	8.6	-	8.6	100.0	15.7	38.4	(22.7)	(59.0)
Cargo revenue	0.8	1.0	(0.2)	(20.0)	2.7	45.9	(43.3)	(94.2)
<b>Airports</b>	9.0	2.5	6.5	260.9	20.5	139.9	(119.4)	(85.3)
<b>Airport-related Operations</b>	352.0	176.8	175.2	99.1	708.0	1,170.8	(462.8)	(39.5)
Bangkok Air Catering Company Limited (BAC)	18.7	6.5	12.2	188.2	41.2	276.0	(234.8)	(85.1)
Worldwide Flight Services Bangkok Air Ground Handling Company Limited (BFS Ground)	248.9	123.2	125.7	102.0	503.5	645.3	(141.8)	(22.0)
Bangkok Airways Ground Service Company Limited (PGGS)	4.0	3.1	0.9	30.5	9.2	79.0	(69.8)	(88.4)
Other revenue <sup>(1)</sup>	80.4	44.0	36.4	82.7	154.1	170.5	(16.4)	(9.6)
<b>Unallocated revenue</b>	870.2	750.7	119.5	15.9	1,556.6	1,409.4	147.2	10.4
<b>Total Revenue</b>	1,442.9	1,037.7	405.2	39.0	2,800.2	7,322.9	(4,522.7)	(61.8)



Remarks: (1) Other revenue includes revenue from BAC Gourmet House Company Limited, the subsidiary of BAC which main activity is to provide food services in business district and major tourist attractions in Bangkok, Gourmet Primo Company Limited and More Than Free Company Limited, a subsidiary of Bangkok Airways Holding Company Limited

### Revenue from Airline Operations

For the second quarter and six-month period of year 2021, total revenue from airline business which was accounted for 14.7 percent and 18.4 percent of total revenue respectively. Revenue from airlines consists of earnings from scheduled flights, charter flights and charter services and cargo.

Revenue from scheduled flights for the second quarter of year 2021 was 202.3 million baht, increased by 89.6 percent from the same period last year. The sharply growth was resulted from a resumption of domestic flight operations during the period, when the company had been severely impacted from a travel restriction due to an announcement from Civil Aviation Authority of Thailand (CAAT) regarding to COVID-19 pandemic situation in April 2020. By means of the second quarter of year 2021, the company resumed domestic flights with gradually increased and arranged seat capacity to match with travel demand. Consequently, the number of flight and passenger grew by 102.4 percent and 229.8 percent compared to the same period last year.

For the six-month period, revenue from scheduled flights was 496.7 million baht, lower by 89.0 percent from the same period last year. The decreasing revenue was from the lower number of passengers which dropped by 81.8 percent resulted from suspension of all international flights started from April 2020, together with decreasing domestic flights to match with travel demand. For the six-month period of 2021, number of flights dropped by 77.5 percent while available seat kilometers decreased by 83.7 percent, resulting in the load factor reported at 58.4 percent. The average fare was 1,982.6 baht per passenger, decreased by 40.7 percent from last year.

Revenue of charter flights and charter services for six-month period decreased from 38.4 million baht to 15.7 million baht, lower by 59.0 percent. That was a resulted from travel restrictions announced by Civil Aviation Authority of Thailand (CAAT) since April 2020.

### Revenue from Airport Operations

For the second quarter and six-month period of year 2021, revenue from airport operations was accounted for 0.6 percent and 0.7 percent of total revenue respectively. Majority of the airport revenue derived from passenger services charges which were passengers outbound from Samui Airport. Revenue from airport operations for six-month period reported at 20.5 million baht, decreased by 85.3 percent from the same period of last year.

### Revenue from Airport-Related Operations

#### ***Bangkok Air Catering Company Limited (BAC)***

For second quarter of year 2021, the revenue of BAC was 18.7 million baht, increased by 188.2 percent from the same period last year. The increasing amount resulted from resumption flight operations from airline customers after severely impacted from government orders of each country according to COVID-19 pandemic situation since second quarter of year 2020. Consequently, the average meal produced for second quarter of year 2021 increased by 506.8 percent compared with previous year.

For six-month period, the revenue of BAC reported at 41.2 million baht, decreased by 85.1 percent while the average meal produced dropped by 81.2 percent compared with the same period last year.

#### ***Worldwide Flight Services Bangkok Air Ground Handling Company Limited (BFS Ground)***

The operating performance of BFS Ground for services provided to other airlines for the second quarter of year 2021 reported at the amount of 248.9 million, increased by 102.0 percent from the previous year. That was resulted from an increasing number of handling flights by 168.1 percent due to a resumption of flight operations of airline customers during period

For the six-month period of year 2021, the revenue of BFS Ground reported at 503.5 million baht, dropped by 22.0 percent resulted from lower number of handling flights by 22.4 percent. As of 30 June 2021, BFS Ground had 59 activated airline customers from total of 95 airline customers.

#### ***Bangkok Airways Ground Service Company Limited (PGGS)***

The total revenue of PGGS for the second quarter and six-month period of 2021 reported at the amount of 4.0 million baht and 9.2 million baht respectively, increased by 30.5 and dropped by 88.4 percent respectively. Likewise, the number of handling flights increased by 13.6 percent for second quarter and dropped by 85.3 percent for six-month period of year 2021 compared with same period year 2020.

### Unallocated Revenues

Total unallocated revenues of the Company for the six-month period of year 2021 was 1,556.6 million baht or increased by 10.4 percent. Main contributions of unallocated revenues were dividend received from BDMS shares and gain on derivatives

### Share of Profit from Investments in Associates

The Company reported share of profit from associated companies for the second quarter and six-month period of year 2021 reported at 153.2 million baht and 305.6 million baht respectively. For six-month period of year 2021, The profit contributed to shareholders increased by 0.4 percent which mainly resulted from was the better performance of WFS-PG Cargo Company.

	April-June				January-June			
	2021	2020	Variance		2021	2020	Variance	
			MB	%			MB	%
WFS-PG Cargo Company Limited	119.3	137.5	(18.2)	(13.2)	231.5	174.2	57.3	32.9
Samui Property Fund (SPF)	34.4	38.7	(4.3)	(11.1)	73.3	132.2	(58.9)	(44.6)
U-Tapoa International Aviation Company Limited	(0.6)	(2.0)	1.4	70.0	0.8	(2.0)	2.8	140.0
Share of Profit from Investments in Associates	153.2	174.2	(21.0)	(12.1)	305.6	304.4	1.2	0.4

### Expenses

For the second quarter and six-month period of year 2021, total expenses were 1,936.6 million baht and 3,970.3 million baht, dropped by 47.7 percent and 61.4 percent respectively from same period last year. For the six-month period of year 2021, the cost of sales and services reported at 2,981.6 million baht, dropped by 58.5 percent compared with last year. The lower amount of cost of sales and services was fuel cost that declined from lower fuel consumption and cost related to flight operation such as flight pay, aircraft maintenance, landing and parking fee, passenger services. The company reported loss from exchange rate at 263.2 million baht.

Expenses consist of costs of sales and services, selling expenses and administrative expenses with details as follows:

Unit: million baht

	April-June				Jan-June			
	2021	2020	Variance		2021	2020	Variance	
			Amount	%			Amount	%
1. Cost of sales and services	1,463.5	2,204.8	(741.3)	(33.6)	2,981.6	7,192.5	(4,210.9)	(58.5)
➤ Airlines	1,055.5	1,549.3	(493.8)	(31.9)	2,156.7	5,518.5	(3,361.8)	(60.9)
Aircraft Fuel Cost	50.5	21.2	29.3	138.2	119.8	1,133.0	(1,013.2)	(89.4)
Aircraft Repair and Maintenance	178.8	482.2	(303.4)	(62.9)	386.3	1,164.0	(777.7)	(66.8)
Personnel Expenses	283.1	428.3	(145.2)	(33.9)	571.2	1,201.8	(630.6)	(52.5)
Landing, Parking and	21.6	8.6	13.0	151.2	51.7	272.7	(221.0)	(81.0)

	April-June				Jan-June			
	2021	2020	Variance		2021	2020	Variance	
			Amount	%			Amount	%
<i>Navigation fee</i>								
Depreciation	457.8	581.2	(123.4)	(21.2)	916.3	1,167.0	(250.7)	(21.5)
Others*	63.7	27.8	35.9	129.1	111.4	580.0	(468.6)	(80.8)
➤ <i>Airports, Airport-related Operations and Others</i>	408.0	655.5	(247.5)	(37.8)	824.9	1,674.0	(849.1)	(50.7)
<b>2. Selling Expenses</b>	<b>62.5</b>	<b>37.2</b>	<b>25.3</b>	<b>68.0</b>	<b>118.2</b>	<b>357.5</b>	<b>(239.3)</b>	<b>(66.9)</b>
➤ <i>Airlines</i>	54.6	33.1	21.5	65.0	104.8	347.6	(242.8)	(69.9)
➤ <i>Airports, Airport-related Operations and Others</i>	7.9	4.1	3.8	92.7	13.4	9.9	3.5	35.4
<b>3. Administrative Expenses</b>	<b>311.2</b>	<b>715.9</b>	<b>(404.7)</b>	<b>(56.5)</b>	<b>603.2</b>	<b>1,246.2</b>	<b>(643.0)</b>	<b>(51.6)</b>
➤ <i>Airlines</i>	186.7	611.6	(424.9)	(69.5)	359.4	944.4	(585.0)	(61.9)
➤ <i>Airports, Airport-related Operations and Others</i>	124.5	104.3	20.2	19.4	243.8	301.8	(58.0)	(19.2)
<b>4. Others</b>	<b>99.4</b>	<b>747.6</b>	<b>(648.2)</b>	<b>(86.7)</b>	<b>267.3</b>	<b>1,478.1</b>	<b>(1,210.8)</b>	<b>(81.9)</b>
<b>Total Expenses</b>	<b>1,936.6</b>	<b>3,705.5</b>	<b>(1,768.9)</b>	<b>(47.7)</b>	<b>3,970.3</b>	<b>10,274.3</b>	<b>(6,304.0)</b>	<b>(61.4)</b>

Remark \* mainly comprised of passenger services expenses which eliminated from related party transactions

### Costs of Sales and Services

Costs of sales and services principally consist of fuel costs, aircraft repair and maintenance costs, personnel expenses, cost of passenger service and depreciation. For the second quarter and six-month period of year 2021, costs of sales and services were 1,463.5 million baht and 2,981.6 million baht, accounted for 75.6 percent and 75.1 percent of total expenses respectively.

### Selling Expenses

For the second quarter and six-month period of year 2021, selling expenses were accounted for 3.2 percent and 3.0 percent of total expenses respectively. The selling expenses for the six-month period of year 2021 reported at 118.2 million baht, dropped by 66.9 percent from last year. The decreasing amount was mainly from the own usage of reservation system, advertising and expenses related to selling and marketing campaign.

### Administrative Expenses

The administrative expenses of the Company for the second quarter and six-month period of year 2021 were accounted for 16.1 percent and 15.2 percent of total expenses respectively. The administrative

expenses for the six-month period decreased by 51.6 percent compared with last year. The significant decrease of administrative expenses was from the lower of personal cost which reflected from voluntary resignation program.

### Finance Costs

Finance costs consist of lease payments under the sub-lease agreement from the Samui Property Fund (SPF) for Samui Airport which includes the rental portion of the sub-lease agreement and the variable portion based on the number of departing passengers and arrival flights at Samui Airport. In addition, finance costs also include interest expenses paid to financial institutions and interest paid under lease liabilities.

Unit: million baht

	April-June				January-June			
	2021	2020	Variance		2021	2020	Variance	
			MB	%			MB	%
Interest expenses paid to the Samui Property Fund	273.9	153.7	120.2	78.2	516.1	420.1	96.0	22.9
Interest and Fee expenses <sup>(1)</sup>	91.1	84.3	6.8	8.1	184.1	235.2	(51.1)	(21.7)
<b>Total</b>	<b>365.0</b>	<b>238.0</b>	<b>127.0</b>	<b>53.4</b>	<b>700.2</b>	<b>655.3</b>	<b>44.9</b>	<b>6.9</b>

Remark: (1) Interest and fees including expenses related to financial institutions, lease liabilities and credit card fee

For six-month period of year 2021, financial cost reported at 700.2 million baht, grew by 6.9 percent resulted from financial cost paid to the Samui Property Fund (SPF) which increased by 22.9 percent compared to year 2020. The interest costs and fee expenses reported at 184.1 million baht or decreased by 21.7 percent which mainly due to lower credit card fee, interest paid to financial institution and lease liabilities.

### Assets

As of 30 June 2021, the Company and its subsidiaries have total assets amounted of 50,987.8 million baht, increased by 386.3 million baht from 31 December 2020.

Unit: million baht

	As at June 30, 2021	As at December 31, 2020	Variance
<b>Current assets</b>			
Cash & cash equivalents	1,253.1	2,181.1	(928.0)
Trade and other receivables	253.2	400.7	(147.5)
Reimbursable maintenance expense	-	15.6	(15.6)
Other current assets	670.8	659.4	11.4

	As at June 30, 2021	As at December 31, 2020	Variance
<i>Total current assets</i>	<i>2,177.1</i>	<i>3,256.8</i>	<i>(1,079.7)</i>
<i>Non-current assets</i>			
Investments in associates	4,915.8	4,881.2	34.6
Other non-current financial assets	26,035.0	23,424.1	2,610.9
Property, plant and equipment	9,375.7	9,776.8	(401.1)
Right-of-use assets	7,005.0	7,762.5	(757.5)
Deposits	527.0	529.0	(2.0)
Other non-current assets	952.2	971.1	(18.9)
<i>Total Non-current assets</i>	<i>48,810.7</i>	<i>47,344.7</i>	<i>1,446.0</i>
<i>Total assets</i>	<i>50,987.8</i>	<i>50,601.5</i>	<i>386.3</i>

#### Current assets

Total current assets of the Company as of 30 June 2021 was 2,177.1 million baht, decreased from 31 December 2020 by 1,079.7 million baht. This was mainly due to:

- *Cash and cash equivalents* and *Current investment* lower by 928.0 million baht, mainly resulted from cash paid for operating activities, lease liabilities and finance cost during the period. However, that was offset from dividend received from investments in associates and equity instruments during the period.
- *Trade and other receivables* decreased by 147.5 million baht in a consequence of lower advanced bookings and refund ticket during the period.

#### Non-current assets

Total non-current assets of the Company were 48,810.7 million baht, increased from the end of 2020 by 1,466.0 million baht. This was resulted from:

- *Other non-current financial assets* increased by 2,610.9 million baht due to the mark to market of long-term investments in marketable securities.
- *Right-of-use assets* decreased by 757.5 million baht due to lease adjustment and depreciation during the period.
- *Property, Plant and Equipment* which decreased by 401.1 million baht, mainly from depreciation during the period.

#### Liabilities

As of 30 June 2021, the Company and its subsidiaries have liabilities amounted of 30,705.8 million baht. A decrease of 290.1 million baht from 31 December 2020 was as follows:

	As at June 30, 2021	As at December 31, 2020	Variance
<b><i>Current liabilities</i></b>			
Short-term loan	1,205.0	1,105.0	100.0
Trade and other payables	888.0	1,119.0	(231.0)
Current portion of long-term loans	864.7	916.9	(52.2)
Current portion of long-term loan from related party	1,000.0	-	1,000.0
Current portion of lease liabilities	1,800.2	4,240.7	(2,440.5)
Unearned revenue	281.1	571.6	(290.5)
Other current financial liabilities	648.5	1,089.0	(440.5)
Other current liabilities	1,608.9	1,635.2	(26.3)
<b><i>Total current liabilities</i></b>	<b><i>8,296.4</i></b>	<b><i>10,677.4</i></b>	<b><i>(2,381.0)</i></b>
<b><i>Non-Current liabilities</i></b>			
Long-term loans– net current of portion	2,804.0	2,046.4	757.6
Long-term loans- related party	-	1,000.0	(1,000.0)
Lease liabilities - net of current portion	4,264.0	2,359.1	1,904.9
Long-term loans from related party – net of current portion	9,854.1	9,623.0	231.1
Employee benefits	831.0	798.5	32.5
Deferred tax liabilities	4,370.9	3,955.6	415.3
Other non-current financial liabilities	272.9	522.3	(249.4)
Other non-current liabilities	12.5	13.6	(1.1)
<b><i>Total non-current liabilities</i></b>	<b><i>22,409.4</i></b>	<b><i>20,318.5</i></b>	<b><i>2,090.9</i></b>
<b><i>Total liabilities</i></b>	<b><i>30,705.8</i></b>	<b><i>30,995.9</i></b>	<b><i>(290.1)</i></b>

#### ***Current liabilities***

Total current liabilities amounting to 8,296.4 million baht, decreased from 31 December 2020 by 2,381.0 million baht, the changes were mainly due to;

- *Current portion of lease liabilities* reported at 1,800.2 million baht, decreased by 2,440.5 million baht. The reported amount was mainly from outstanding of lease liabilities of 9-ATR 72-600 under financial lease agreement.
- *Trade and other payables* amounting to 888.0 million baht, decreased by 231.0 million baht. This was mainly from decreasing of major expenses related to lower flight operations.

- *Other current financial liabilities* amounting to 648.5 million baht, lower by 440.5 million baht due to mark to market of derivative transactions.
- *Current portion of long-term loans from related party* increased by 1,000.0 million baht due to reclassification of *long-term loans from related party* at the end of year 2020 from non-current liabilities to be current liabilities.

#### Non-current liabilities

Total non-current liabilities of the Company were 22,409.4 million baht, increased by 2,090.9 million baht from 31 December 2020, largely derived from:

- *Long-term loans– net current of portion* amounting to 2,804.0 million baht, increased by 757.6 million baht from additional of long-term loan from financial institution during the period.
- *Lease liabilities - net of current portion* amounting to 4,264.0 million baht, an increasing amount of 1,904.9 million baht compared with the end of year 2020 was mainly resulted from reclassification of *long-term lease liabilities - net of current portion* from current liabilities to non-current liabilities.
- *Other non-current financial liabilities* decreased by 249.4 million baht which resulted from the liabilities arisen from mark to market of cross currency and interest rate swap transactions during the period

#### Shareholders' Equity

Unit: million baht

	As at June 30, 2021	As at December 31, 2020	Variance
Paid up capital	2,100.0	2,100.0	-
Premium on ordinary shares and capital reserve for share-based payment transactions	9,319.5	9,319.5	-
Treasury stocks	(491.6)	(491.6)	-
Other components of shareholders' equity	16,394.9	14,264.4	2,130.5
Retained earnings (loss)	(6,821.4)	(5,389.9)	(1,431.5)
Others <sup>(1)</sup>	(219.4)	(196.9)	(22.5)
<b>Total shareholders' equity</b>	<b>20,282.0</b>	<b>19,605.5</b>	<b>676.5</b>

Remark (1) Comprised of discount on changes in shareholding in subsidiaries and non-controlling interests of the subsidiaries



As of 30 June 2021, total shareholders of the Company and its subsidiaries was 20,282.0 million baht. An increasing amount of 676.5 million baht was mainly from mark to market of marketable securities. The Company has retained loss at the amount of 6,821.4 million baht, being a further loss of 1,431.5 million baht from the end of year 2020.

**Statement of Cash Flow**

Unit: million baht

	As at 30 June	
	2021	2020
Net cash flows from operating activities	(1,126.9)	(3,088.9)
Net cash flows from investing activities	826.9	2,061.1
Net cash flows used in financing activities	(627.9)	(1,348.1)
<b><i>Cash and cash equivalents at end of period</i></b>	<b><i>1,253.2</i></b>	<b><i>2,897.3</i></b>

**Cash flows from operating activities**

As of 30 June 2021, the loss of the Company and its subsidiaries before changes in operating assets and liabilities is 606.6 million baht while the amount of net cash flows used in operating activities was 1,126.9 million baht.

**Cash flows from investing activities**

As of 30 June 2021, net cash flows from investing activities of the Company and its subsidiaries were 826.9 million baht which mainly from dividend received from investments in associates and equity instruments.

**Cash flows from financing activities**

As of 30 June 2021, the Company and its subsidiaries have cash flow used in financing activities at the amount of 627.9 million baht, mainly from cash paid for long term lease liabilities and interest expense. However, this was offset by cash received from short term loan and long-term loan during the period.

## Summary Consolidated Financial and Ratio

		As at 30 June	
		2021	2020
Liquidity Ratio	Current Ratio (Time)	0.3	0.6
	Quick Ratio (Time)	3.3	3.2
	Collection Period (Day)	17.8	28.0
	Stock Turnover Period (Day)	14.0	12.6
	Payment Period (Day)	17.4	35.3
Profitability Ratio	Gross Profit Margin (%)	(139.7)	(21.6)
	Operating Profit Margin (%)	(129.4)	(27.2)
	EBITDA Margin (%)	(22.6)	(2.2)
	Net profit Margin (%)	(51.9)	(45.5)
	Return on Equity (%)	(29.2)	(25.2)
Efficiency Ratio	Return on Assets (%)	(11.5)	(11.2)
	Return on Fixed Assets (%)	(10.5)	(28.9)
	Asset Turnover (Time)	0.2	0.2
Leverage Ratio	Debt to Equity (Time)	1.5	1.5
	Interest Coverage Ratio (Time)	(0.6)	(0.2)

