



Ref. BEYOND/BKK-BS-083/2021

12 November 2021

Re: Management Discussion and Analysis (MD&A) for the Third Quarter of 2021 Ended 30 September 2021
To: President of The Stock Exchange of Thailand
Fellow Shareholders and Investors

MANAGEMENT'S OUTLOOK ON OPERATIONS

In 2021, Bound and Beyond Public Company Limited and subsidiaries ("the Company") (SET:BEYOND) has executed a strategic direction to transition its business to hospitality business by investing in assets with ability to generate consistent positive cash flow and offer growth opportunities, thereby creating long-term value and leading to stable and sustainable growth for the shareholders.

During the first nine months of 2021, the Company has made significant headways toward transforming its business, consisting of:

- Disposition of investment in subsidiaries operating solar farm business in Thailand valued at THB 1,704.55mn and subsidiaries operating solar farm business in Japan valued at THB 711.88mn.
- Shareholders approved the investment of 51% of paid-up capital in Urban Resort Hotel Company Limited ("URH") and Waterfront Hotel Company Limited ("WFH") at the amount of THB 2,805mn. URH and WFH hold rights to use assets, land and related patents of Four Seasons Hotel Bangkok at Chao Phraya River and Capella Bangkok, respectively. The transactions were completed on 11 November 2021.
- The Company received shareholder support through a right offering to existing shareholders of 62,868,301 shares, totaling THB 628,683,010. The proceeds will be utilised on debenture repayment and future investment projects.
- Shareholders approved the additional investment of 49% of paid-up capital in URH and WFH. The Company plans to complete the investment in stages by 2022.
- The Company has completed the process for changing its name and stock symbol from Padaeng Industry Public Company Limited (PDI) to Bound and Beyond Public Company Limited (BEYOND) to align with the Company's future operation.
- The company is in the planning stage of hotel development project in Sathorn area, where land was acquired in the beginning of 2021.

The abovementioned accomplishments have laid a solid foundation for the Company to support future expansion. Thailand's economy and business sector have been disrupted by several waves of the COVID-19 outbreak since the beginning of 2021, especially tourism and hotel businesses. However, since the number of new Covid-19 infections continues to decline and the global vaccine rollout continues to progress positively, Thailand's Covid-19 restrictions have been gradually relaxed, leading to an increasing economic activity. In addition, Thailand has also begun admitting fully vaccinated travelers from 63 low-risk countries without quarantine from 1 November 2021, signaling the good start of the country's economic recovery.

Thailand's tourism industry has undoubtedly demonstrated potential. Prior to the COVID-19 pandemic, the country was ranked the 31st out of 140 countries as having the world's most competitive travel and tourism economy. This reflects the country's strong natural resource base, well-developed tourism infrastructure, and robust air transport network, all of which are undisrupted by Covid-19. The Company believes that once Thailand's border is fully reopened, Thailand will be placed among foreign travelers' Top-of-Mind destinations. Meanwhile, Four Seasons Hotel Bangkok and Capella Bangkok are highly potential assets in various of aspects, including its location, design and decoration, and service standards that have been recognised by many prestigious international awards.



Assets used in operations

Four Seasons Hotel Bangkok at Chao Phraya River – 299 rooms



Capella Bangkok – 101 rooms



3Q 2021 AND 9M OF 2021 PERFORMANCE

Note: The Company completed the sale of remaining solar farm investment on 28 September 2021 and the acquisition of 51% of paid-up capital in URH and WFH on 11 November 2021. As a result, the Company has no significant transactions from normal business operation.

| Unit: THB mn | 3Q 2021 | 3Q 2020 | % YoY | 9M 2021 | 9M 2020 | % YoY |
|--|----------------|----------------|-----------------|-----------------|-----------------|---------------|
| Gain from disposal of investment in subsidiaries | 277.07 | - | N.A. | 407.66 | - | N.A. |
| Revenue from sales and services | 3.66 | 2.63 | 39.16 | 11.72 | 9.72 | 20.58 |
| Gain on investment | 1.24 | 1.63 | (23.93) | 18.49 | 39.62 | (53.33) |
| Other income | 1.57 | 3.18 | (50.63) | 20.44 | 24.00 | (14.83) |
| Total revenues | 283.54 | 7.44 | 3,711.02 | 458.31 | 73.34 | 524.91 |
| Cost of sales and services | (2.65) | (2.28) | 16.23 | (9.07) | (8.17) | 11.02 |
| Administrative expenses | (54.09) | (42.52) | 27.21 | (136.88) | (123.50) | 10.83 |
| Total expenses | (56.74) | (45.07) | 25.89 | (145.95) | (131.67) | 10.85 |
| Operating profit (loss) | 226.80 | (37.63) | 702.71 | 312.36 | (58.33) | 635.50 |
| Finance income | 2.58 | 4.99 | (48.30) | 9.51 | 11.20 | (15.09) |
| Finance cost | (13.18) | (15.70) | (16.05) | (41.14) | (49.44) | (16.79) |
| Income tax revenue | 0.56 | 0.48 | 16.67 | 1.68 | 1.43 | 17.48 |
| Others ¹ | 17.61 | 93.22 | (81.11) | 26.12 | 193.53 | (86.50) |
| Net profit | 234.37 | 45.36 | 416.69 | 308.53 | 98.39 | 213.58 |
| Earnings per share (THB) | 0.99 | 0.20 | 395.00 | 1.31 | 0.44 | 197.73 |
| EBITDA | 243.06 | 57.31 | 324.11 | 359.49 | 156.27 | 130.04 |

¹Others include share of loss from investments in joint ventures and profit for the period from discontinued operation. More details can be found in the Company's 3Q 2021 financial statement.



3Q 2021 PERFORMANCE ENDED 30 SEPTEMBER 2021

In 3Q 2021, the Company reported total revenues of THB 283.54mn, a significant increase of THB 276.10mn or 3,711.02% YoY, chiefly owing to a recognition of gain from disposal of investment in solar farm business in Japan of THB 277.07mn.

The Company's administrative expenses for 3Q 2021 were THB 54.09mn, increased of THB 11.57mn or 27.21% YoY from consulting fees paid to of independent financial advisors and lawyers for the disposition of solar farm and acquisition of hotel and hospitality business.

Consequently, the Company posted operating profit of THB 226.80mn, rising by THB 264.43mn or 702.71% YoY, while the Company's net profit stood at THB 234.37mn, increasing by THB 189.01mn or 416.69% YoY.

9M 2021 PERFORMANCE ENDED 30 SEPTEMBER 2021

The Company reported total revenues of THB 458.31mn, increased by THB 384.97mn or 524.91% YoY, owing to recognition of gain from disposition of investment in subsidiaries of THB 407.66mn, which consists of the disposal of investment in solar farm business in Thailand in Q1 2021 of THB 130.59mn and solar farm in Japan in Q3 2021 of THB 277.07mn.

Administrative expenses of THB 136.88mn, increased by THB 13.38mn or 10.83% YoY from consulting fees paid to of independent financial advisors and lawyers for assessing future projects that aim enhance revenue capability of the Company.

Consequently, the Company posted operating profit of THB 312.36mn, surged by THB 370.69mn or 635.50% while the Company's net profit was THB 308.53mn, rising by THB 210.14mn or 213.58% YoY.

FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

| ASSETS | 30 September 2021 | | 31 December 2020 | | % change |
|--|-------------------|-------------------|------------------|-------------------|----------------|
| | THB mn | % of total assets | THB mn | % of total assets | |
| Cash and cash equivalents | 2,680.87 | 40.81 | 692.62 | 9.50 | 287.06 |
| Other current financial assets | 1,387.74 | 21.13 | 1,889.56 | 25.91 | (26.56) |
| Trade and other receivables | 60.32 | 0.92 | 101.35 | 1.39 | (40.48) |
| Other current assets | 13.67 | 0.21 | 23.54 | 0.32 | (41.93) |
| Total current assets | 4,142.60 | 63.07 | 2,707.07 | 37.12 | 53.03 |
| Property, plant and equipment | 1,227.81 | 18.69 | 3,019.05 | 41.39 | (59.33) |
| Advance payment for share subscription | 1,000.00 | 15.22 | - | - | N.A. |
| Investment properties | 185.52 | 2.82 | 185.52 | 2.54 | - |
| Intangible assets | 3.11 | 0.05 | 756.58 | 10.37 | (99.59) |
| Other non-current assets | 9.58 | 0.15 | 625.09 | 8.58 | (98.47) |
| Total non-current assets | 2,426.02 | 36.93 | 4,586.24 | 62.88 | (47.10) |
| Total assets | 6,568.62 | 100.00 | 7,293.31 | 100.00 | (9.94) |

Total assets as at 30 September 2021 stood at THB 6,568.62mn, an decrease of THB 724.69mn or 9.94% from 31 December 2020. The drop was primarily attributed to an decrease in current financial assets from a sale of unit trusts and listed entity investments, as well as a reduction in property, plant and equipment and intangible assets from the disposition of investment in solar farm business. On the other hand, the Company received proceeds from the disposition, which resulted in higher cash and cash equivalents of THB 1,988.25mn or 287.06%. In addition, the Company made advance payment for share subscription in Urban Resort Hotel Company Limited and Waterfront Company Limited of THB 1,000.00mn in 3Q 2021.



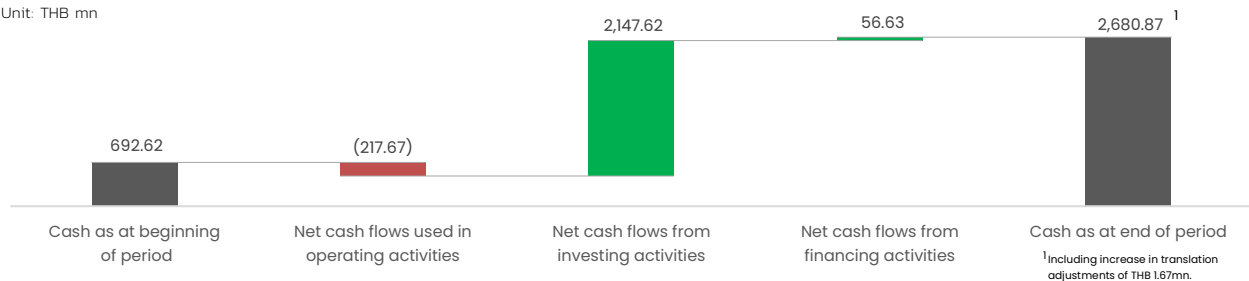
| LIABILITIES AND SHAREHOLDERS' EQUITY | 30 September 2021 | | 31 December 2020 | | % of change |
|---|-------------------|-------------------|------------------|-------------------|----------------|
| | THB mn | % of Total assets | THB mn | % of total assets | |
| Trade and other payables | 45.49 | 0.69 | 45.04 | 0.62 | 1.00 |
| Current portion of debentures | 496.84 | 7.56 | 1,025.92 | 14.07 | (51.57) |
| Current portion of long-term loans | - | - | 141.43 | 1.94 | N.A. |
| Current portion of provision for restoration | 119.74 | 1.82 | 104.53 | 1.43 | 14.55 |
| Other current liabilities | 25.01 | 0.39 | 33.73 | 0.46 | (25.85) |
| Total current liabilities | 687.08 | 10.46 | 1,350.65 | 18.52 | (49.13) |
| Long-term loans, net of current portion | - | - | 838.76 | 11.50 | N.A. |
| Deferred tax liabilities | 102.24 | 1.56 | 212.88 | 2.92 | (51.97) |
| Other non-current liabilities | 38.03 | 0.58 | 109.23 | 1.50 | (65.18) |
| Total non-current liabilities | 140.27 | 2.14 | 1,160.87 | 15.92 | (87.92) |
| Total liabilities | 827.35 | 12.60 | 2,511.52 | 34.44 | (67.06) |
| Total shareholders' equity | 5,741.27 | 87.40 | 4,781.79 | 65.56 | 20.07 |
| Total liabilities and shareholders' equity | 6,568.62 | 100.00 | 7,293.31 | 100.00 | (9.94) |

Total liabilities of the Company as at 30 September 2021 were THB 827.35mn, comprising of total current liabilities of THB 687.08mn equivalent to 83.05% of total liabilities and non-current liabilities of THB 140.27mn equivalent to 16.95% of total liabilities. Total liabilities dropped THB 1,684.17mn or 67.06% from 31 December 2020, mainly attributable to the disposition of investment in subsidiaries operating solar farm business that resulted in a decrease in long-term loans of THB 980.19mn. Furthermore, net debenture declined by THB 529.08mn due to a partial redemption.

Total shareholders' equity of THB 5,741.27mn, increased by THB 959.48mn or 20.07% from 31 December 2020, mainly due to profit for the period and an increase in share capital from issuance of right offering to existing shareholders in August 2021.

LIQUIDITY AND CASH FLOW

Unit: THB mn



As at 30 September 2021, the Company's cash and cash equivalents stood at 2,680.87mn, significantly increased by 280.06% or THB 1,988.25mn from 31 December 2020. **Net cash flows used in operating activities** of THB 217.67mn mainly from adjustments to reconcile non-cash items. The Company's **net cash flows from investing activities** was THB 2,147.62mn, mainly from net cash received from the disposal of investments in subsidiaries of THB 2,416.43mn and sales of unit trusts and listed entity investments of THB 733.12mn, which were partially offset by payments for share subscription of hotel business transactions of THB 1,000mn. **Net cash flows from in financing activities** was THB 56.63mn from proceeds received from shares issuance of THB 628.69mn, which was partially offset by a repayment of long-term debentures of THB 534.89mn.

Sincerely yours,

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 Mrs.Kamonwan Wipulakorn
 (Managing Director)
 Bound and Beyond Public Company Limited

Investor Relations Division
 Tel. +662 695 9317
 E-mail ir@boundandbeyond.co.th