

2Q 2021/22 HIGHLIGHTS

- BTS Group reported **total revenue of THB 6,863mn**, declining by 31% YoY chiefly owing to reduced recognition of revenue from the construction of the Pink and Yellow Lines from the temporary closure of construction worker camps in July 2021
- Following the full commencement of the Green Line extension in December 2020, **Operating & Maintenance (O&M) revenue grew by 20% YoY to THB 1,557mn**
- **MIX revenue rose by 30% YoY to THB 959mn**, predominantly owing to the growth of Rabbit Group and the 2-month consolidation of Fanslink Communication Company Limited
- **Recurring EBITDA of THB 1,975mn**
- Included as a member of **the 2021 Dow Jones Sustainability Indices (DJSI) in the Emerging Markets, ranking #1** globally in the Transportation and Transportation Infrastructure Sector

2Q 2021/22 SIGNIFICANT EVENTS

SUSTAINABILITY AT BTS GROUP



28 July 2021: BTS Group Holdings PCL (BTS Group or the Company) was recognised as **a constituent of the FTSE4 Good Index Series for the 5th consecutive year**. The index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

29 July 2021: BTS Group announced its new **Statement on Diversity and Inclusion** which includes the Company's zero-tolerance to discrimination and harassment at work, the introduction of paternity leave, increase days of paid maternity leave as well as re-employment programme for retired employees.

26 August 2021: The **2021 Annual General Meeting of Shareholders, which was held on 19 July 2021, was certified as a carbon neutral event by Thailand Greenhouse Gas Management Organisation (Public Organisation)**. The Company has offset an equivalent of 29 tonnes of carbon dioxide emitted at the event with carbon credits from Mitr Phol Bio-Power project.

4 October 2021: BTS Group was included in the **Thailand Sustainability Investment (THSI) list of 2021 for the 3rd consecutive year**. The THSI is a performance assessment questionnaire prepared by the Stock Exchange of Thailand (SET) for listed companies with outstanding performance on Environmental, Social and Governance aspects. This recognition aims to drive companies towards sustainability best practices that creates long-term stakeholders' value.

28 October 2021: BTS Group received the **Best Corporate Governance – Thailand 2021 award** from Capital Finance International (CFI.co). CFI.co is a print journal based in London that provides news, analysis and commentary on markets, finance and sustainability.

28 October 2021: Amongst 716 assessed Thai listed companies, BTS Group has been assessed as **'Excellent' in Corporate Governance Scoring for the 10th consecutive year**, under the Corporate Governance Report of Thai Listed Companies 2021 Project, by the Thai Institute of Directors Association (IOD) with support from SET.

8 November 2021: **Bangkok Mass Transit System PCL (BTSC) issued THB 10,200mn Green Bond** (rate A, negative outlook by TRIS) to institutional and high net worth investors. The Green Bond consisted of 4 tranches due in 2024, 2026, 2028 and 2031 with an average coupon rate of 3.06%. The proceeds will be used for the Northern and Southern Green Line extensions.

13 November 2021: BTS Group has been included in the Dow Jones Sustainability Index (DJSI) family in the Emerging Markets for the 4th year running, and is **ranked number 1 globally in the DJSI Transportation and Transportation Infrastructure Sector for two consecutive years.**

BTS GROUP

6 July 2021: The Company issued senior unsecured bonds of THB 13,000mn (rated A, negative outlook by TRIS) to institutional and high net worth investors. The bond was issued in 3 tranches due in 2024, 2026 and 2031 with an average coupon rate of 3.21%. The proceeds will be used for debt refinancing.

19 July 2021: The 2021 Annual General Meeting of Shareholders approved **the final dividend payment for FY 2020/21 at THB 0.16 per share. The actual dividend of THB 2,106.0mn was paid on 11 August 2021**, bringing the total annual dividend paid to THB 4,080.1mn (or THB 0.31 per share), or equivalent to an annual dividend yield of 3.3%. Also approved was **the issuance of new warrants at no cost to existing shareholders** as follows; 1 BTS-W6 warrant for every 20 existing shares held (20:1) with an exercise price of THB 9.90, equivalent to a maximum of 658.41mn warrants, 1 BTS-W7 for every 10 shares held (10:1), with an exercise price of THB 11.90 equivalent to a maximum of 1,316.81mn warrants and 1 BTS-W8 for every 5 shares held (5:1) with an exercise price of THB 14.90 equivalent to a maximum of 2,633.61mn units.

¹ The issuance of new warrants (BTS-W6, BTS-W7 and BTS-W8) up to 4,608.8mn units, is calculated based on the assumption that BTS-WD warrants entitled to exercise are fully exercised. Each warrant converts into 1 BTS share.

MOVE business

29 September 2021: BGSR Joint Venture (BTS Group shareholding of 40%) has **entered into the public private partnership (PPP) agreements under a 30-year gross cost scheme with the Department of Highways for 2 Intercity Motorways; M6 (Bang Pa-In – Nakhon Ratchasima) and M81 (Bang Yai – Kanchanaburi).**

1 November 2021: Following the termination of monthly pass card promotion on the BTS SkyTrain Core Network, BTSC has launched its **new promotion - “Ride – Earn Points – Get Free Trips”**. Passengers are able to collect Rabbit Points, redeem free trips on the BTS SkyTrain and enjoy special discounts and deals from many leading brands via the Rabbit Rewards loyalty programme. This new promotion will be effective for 1 year from 1 November 2021 - 31 October 2022.

MIX business

2 August 2021: VGI PCL (VGI), through BSS Holdings Company Limited successfully acquired **51% in Fanslink Communication Company Limited (Fanslink)**, an omni-Channel e-Commerce service provider and the leading brand management for Chinese brands.

26 August 2021: VGI announced its **intention to acquire 15% in Jay Mart PCL (Jaymart)**, an investment holding company consisting of retail, financial services and technology business. This marks a further step from the acquisition of Fanslink for VGI to expand beyond its Offline-to-Online (O2O) Solutions to have a presence in the retail network. Furthermore, this strategic partnership will allow VGI to explore potential synergies with Jaymart, which includes providing VGI's advertising and marketing services to the Jaymart Group, utilising BTS spaces for pick-up/ service point, expand Fanslink's distribution network across Jaymart and Singer Thailand PCL's (Singer) nationwide network as well as learn know-how from Jaymart's innovative FinTech business.

27 October 2021: Rabbit Cash Company Limited (RCash) entered a collaboration with Kerry Express (Thailand) PCL, and Humanica PCL, to **launch a 100% digital lending service platform under the concept “Money Rabbolution”**. RCash plans to officially launch its lending services in 4Q 2021/22 after obtaining the lending business licenses from the Bank of Thailand. The products offered in the first phase will include nano loans, welfare loans, pay day loans and Buy Now Pay Later lending service.

MATCH business

26 August 2021: U City PCL (U City) announced its **intention to invest THB 7.2bn or equivalent to 24.9% in Singer and THB 10.4bn or equivalent to 9.9% in Jaymart**. On the same day, U City also informed its **intention to acquire THB 2.1bn or 75.0% in Advance Life Assurance PCL (A Life)**. The purpose of these investments is to reposition U City amidst the COVID-19 pandemic to exit the hospitality and real estate business and become the financial services and investment arm for BTS Group.

15 November 2021: VGI's associate Company, Master Ad PCL (MACO), signed a joint venture with BTS Group Match partner YGGDrazil Group Co., Ltd. (YGG) to establish a new JV Company to source and distribute mobile games for the Thai and ASEAN markets. The JV is expected to leverage off BTS Group's 3M strategy, in particular through enhanced reach to gamers as well as utilising Rabbit for payment top ups.

1H 2021/22 P&L SNAPSHOT

Total consolidated revenue of 1H 2021/22 stood at THB 16,335mn, decreasing by 21.4% or THB 4,452mn YoY. The decline in revenue was predominantly from a decrease in revenues from contracting works of THB 6,322mn, largely from a reduction in (1) services income for the provision of E&M works and the train procurement service for the Green Line extensions and (2) construction revenue for the Pink and Yellow Lines. However, the decrease was partially offset by (3) an increase in service and sales income of THB 1,086mn, (4) gain on sale of Thana City land of THB 481mn and (5) higher interest income of THB 335mn. Despite the decrease in total revenue, **group recurring EBITDA in 1H 2021/22 rose by THB 754mn or 21.4% YoY to THB 4,287mn**. The Group recorded **net profit (after MI) of THB 1,959mn, a considerable growth of THB 751mn or 62.1% YoY**. The increase was primarily from a lower share of loss from investment in associates/ JVs, an increase in interest income and the aforesaid recognition of the gain on sale of Thana City land, being somewhat offset by higher finance costs.

2Q 2021/22 PERFORMANCE

(THB mn)	2Q 2021/22	2Q 2020/21	% YoY	1Q 2021/22	% QoQ
Reported Revenue	6,863	9,996	(31)%	9,553	(28)%
Operating Revenue	5,544	8,910	(38)%	7,805	(29)%
Recurring EBITDA¹	1,975	2,012	(2)%	2,312	(15)%
Recurring Net Profit	571	751	(24)%	1,020	(44)%
Reported Net Profit	576	765	(25)%	1,383	(58)%

¹ Recurring EBITDA calculated from the operational performance of 3 BUs, interest income, dividend income, other income, net share of recurring profit/(loss) from associates/ JV, yet, excludes other non-recurring items.

The Group posted **total reported (consolidated) revenues** of THB 6,863mn in 2Q 2021/22. This represented a decrease of 31.3% or THB 3,133mn YoY from THB 9,996mn in 2Q 2020/21. The reduction in total reported revenue was chiefly attributed to lower revenues from contracting works of THB 3,825mn, owing to a reduction in (1) construction revenue for the Pink and Yellow Lines, resulting from the temporary closure of the construction worker camps in July 2021 and (2) services income for the provision of E&M works and the train procurement service for the Green Line extensions as we entered tail-end of development. Nonetheless, the decrease in the reported revenue was partly offset by (3) increased service and sales income of THB 514mn and (4) higher interest income of THB 126mn.

Total consolidated expenses amounted to THB 4,854mn in 2Q 2021/22, a decrease of THB 3,077mn or 38.8% YoY largely from lower recognition of costs related to the construction of the Pink and Yellow Lines and the provision of E&M works and the train procurement service for the Green Line extensions.

Share of loss from investments in associates/JVs was THB 236mn (compared to reported share of loss of THB 242mn in 2Q 2020/21). The lower share of loss of THB 6mn was primarily owing to the improved performance in MACO and U City during this quarter. Share of profit from MACO was THB 17mn (compared to share of loss of THB 119mn in 2Q 2020/21)

while share of loss from U City was THB 161mn (compared to share of loss of THB 268mn in 2Q 2020/21). However, in this quarter, the Company recorded share of loss from BTSGIF due to the impact of the Delta variant since June 2021.

Recurring EBITDA was THB 1,975mn, relatively stable YoY.

Finance costs rose by 37.7% or THB 229mn YoY to THB 838mn, primarily from interest expense of THB 13bn of BTSG debentures issued on 6 July 2021 and the drawdown of loans related to the development of the Pink and Yellow Lines.

Recurring net profit (after minority interests) stood at THB 571mn, a decrease of 24.0% or THB 180mn YoY and **reported net profit attributable to the equity holders of the Company was THB 576mn**, a decline of 24.7% or THB 189mn YoY. The decline was largely due to higher finance costs, being partially offset with higher interest income.

The net profit margin attributable to the equity holders of the Company in 2Q 2021/22 was 8.4% (versus 7.7% in 2Q 2020/21). The increase in net profit margin was predominantly from the reduced recognition of the construction revenue for the Pink and Yellow Lines and services income for the provision of E&M works and the train procurement for the Green Line extensions which have lower margins.

2Q 2021/22 OPERATIONAL PERFORMANCE

Operating Revenue (THB mn)	2Q 2021/22	% of Total	2Q 2020/21	% of Total	% Change (YoY)	2Q 2021/22 GP margin (%)	2Q 2020/21 GP margin (%)
MOVE	4,493	81%	7,946	89%	(44)%	27.1%	15.2%
MIX	959	17%	738	8%	30%	20.0%	43.7%
MATCH	92	2%	226	3%	(59)%	N.A.	N.A.
Total	5,544	100%	8,910	100%	(38)%	24.4%	17.0%

Total operating revenue in 2Q 2021/22 was THB 5,544mn, a decrease of 37.8% or THB 3,366mn YoY. Revenues from the MOVE, MIX and MATCH businesses accounted for 81%, 17% and 2% of total operating revenue, respectively. The decline in operating revenue was predominantly due to lower MOVE revenue of THB 3,454mn or 43.5% YoY, chiefly from lower construction revenue for the Pink and Yellow Lines, following the temporary closure of the construction worker camps in July 2021 as well as reduced recognition of services revenue for the provision of E&M works and the train procurement service for the Northern Green Line extension, as we enter the tail-end of development. Nonetheless, the decline in operating revenue was partly offset by increased O&M revenue and higher MIX revenue.

Total operating costs dropped in line with the decrease in total operating revenue, dropping by 43.4% or THB 3,208mn YoY to THB 4,192mn. The decrease was primarily from lower recognition of construction costs of the Pink and Yellow Lines and the services cost for the provision of E&M works and the train procurement service for the aforesaid Green Line extensions. **Operating Gross Profit** was THB 1,352mn, decreasing by 10.5% or THB 158mn YoY. Nonetheless, Operating Gross Profit margin in 2Q 2021/22 was 24.4%, improving from 17.0% in 2Q 2020/21.

SEGMENTAL PERFORMANCE
MOVE BUSINESS

MOVE Revenue (THB bn)	2Q 2021/22	% of Total	2Q 2020/21	% of Total	% Change (YoY)
Development of new lines	2.9	65%	6.4	81%	(54)%
New Green Line extensions ²	0.0	1%	0.8	10%	(95)%
Pink and Yellow Lines ³	2.9	64%	5.6	71%	(48)%
O&M⁴	1.6	35%	1.3	16%	20%
Others⁵	0.0	0%	0.2	3%	(99)%
Total	4.5	100%	7.9	100%	(44)%

² Services Income from the provision of E&M works and the train procurement service for the Southern and Northern Green Line extensions

³ Construction revenue for the Pink and Yellow Lines

⁴ Operating and Maintenance revenue for Green Line extensions and Gold Line Phase 1

⁵ Consists of Services Income from the provision of E&M works and the train procurement service for the Gold Line Phase 1 and farebox revenue from BRT

In 2Q 2021/22, total MOVE revenue was THB 4,493mn, a considerable decrease of 43.5% or THB 3,454mn YoY, principally from a reduction in (1) **construction revenue for the Pink and Yellow Lines** of THB 2.7bn YoY to 2.9bn, largely due to the temporary closure of the construction worker camps in July 2021, following the severe COVID-19 pandemic and (2) **services income for the provision of E&M works and the train procurement service for Green Line extensions** of THB 789mn YoY to THB 44mn, as we enter the tail-end of development. However, the decrease was partly offset by higher **O&M revenue** of 19.8% or THB 257mn YoY to THB 1,557mn. The increase in O&M revenue was predominately attributable to (a) the full operation of the Northern Green Line extension (16 stations, 19.0km) in December 2020 and (b) the contractually agreed increase in the operating fee of the existing Green Line extensions and the Southern Green Line extension.

The decrease in total MOVE revenue was also reflected in costs, which dropped by THB 3,462mn to THB 3,276mn, mainly from lower recognition of construction costs for the Pink and Yellow Lines as well as lower services cost for the provision of E&M works and the train procurement service for the aforesaid Green Line extension.

Mass transit related interest income increased by 24.6% or THB 163mn YoY to THB 823mn, largely because of interest income from receivables related to the Pink, Yellow and Green Line extensions.

MOVE EBITDA margin improved to 43.7% from 25.0% in the previous year, due to higher O&M recognition, as well as higher mass transit related interest income.

In 2Q 2021/22, the Company recognised a **share of loss from investment in BTSGIF** of THB 48mn (compared to a share of profit of THB 108mn in the previous year), owing to a decline in quarterly farebox revenue on the Core Network (down 70.8% or THB 809mn YoY to THB 334mn). The decrease was from lower quarterly Core Network ridership (down 72.5% YoY to 10.6mn trips), resulting from the impact of the Delta variant since June 2021. Nonetheless, the decrease in quarterly farebox revenue was partially offset by an increase in average fare of 6.2% YoY to THB 31.4 per trip.

More commentary on the Core Network performance can be found in *2Q 2021/22 BTSGIF management discussion and analysis*.

MIX BUSINESS

MIX revenue (THB mn)	2Q 2021/22	% of Total	2Q 2020/21	% of Total	% Change (YoY)
OOH Advertising	294	31%	479	65%	(39)%
Transit ⁶	271	28%	416	56%	(35)%
Office & Other	23	3%	63	9%	(63)%
Digital	665	69%	259	35%	157%
Services ⁷	308	32%	259	35%	19%
Retail	357	37%	-	-	N.A.
Total	959	100%	738	100%	30%

⁶ Transit revenue includes transit media and transit related media.

⁷ Services revenue includes revenue generating from (i) Rabbit Group, (ii) VGI Digital Lab, (iii) Rabbit Rewards, (iv) Bangkok Payment System

In this quarter, VGI made a strategic acquisition in Fanslink and become its major shareholder resulting in a consolidation of financial statements starting from August 2021. Fanslink performance is generated from the sale of products via digital and online channels, therefore, Fanslink will be recorded under the Digital segment and named its business as Retail business.

Total MIX revenue in 2Q 2021/22 was THB 959mn, an increase of 30.0% or THB 221mn YoY. The increase was mainly driven by the growth in Rabbit Group as well as the consolidation of Fanslink.

OOH Advertising revenue contributed 31% of total MIX revenue or equivalent to THB 294mn, a decrease of 38.7% or THB 185mn YoY, primarily from the severe impact of the COVID-19 pandemic. Hence, all media products recorded a year-on-year decrease.

Digital revenue contributed 69% of total MIX revenue, rising significantly by 157.1% or THB 406mn YoY to THB 665mn, chiefly thanks to higher insurance commission fees and the lead generation under Rabbit Group as well as the 2-month consolidation of Fanslink, which started in August 2021.

The consolidation of Fanslink was also reflected in **cost of sales**, which came to THB 767mn, an increase of THB 352mn or 84.6% YoY.

More commentary on VGI can be found in *2Q 2021/22 VGI's management discussion and analysis*:

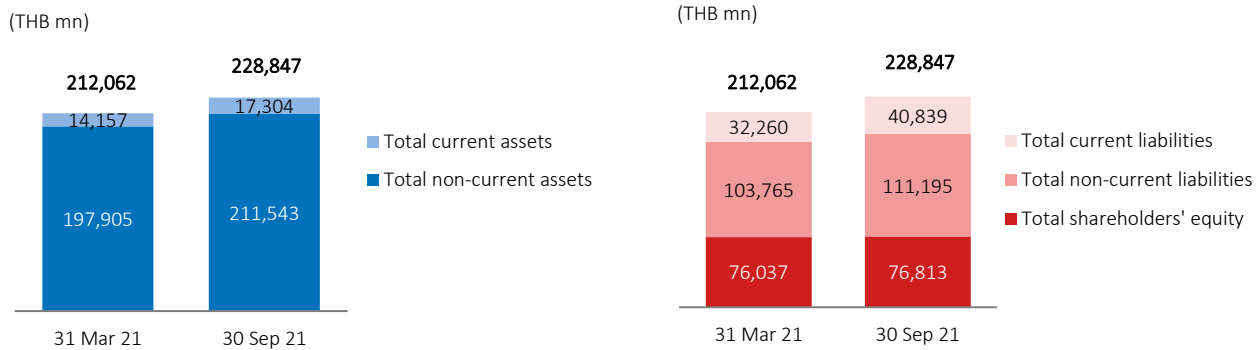
<https://investor.vgi.co.th/en/document/viewer/40579/md-and-a-2q-2021-22>

MATCH BUSINESS

Total MATCH revenue in 2Q 2021/22 was THB 92mn, a substantial decrease of 59.2% or THB 134mn YoY, chiefly owing to lower construction revenue from HHT Construction Company Limited of THB 108mn. Costs also decreased in tandem with the decline in revenue, dropping by 39.6% or THB 97mn YoY to THB 148mn.

In this quarter, the Company recognised share of loss from investment in U City (our associate) of THB 161mn (compared to a share of loss of THB 268mn in the previous year), primarily as a result of gains from partial disposal of the European hotel portfolio and gains from the exchange rate.

More commentary on U City can be found in *3Q 2021 U City's management discussion and analysis*.

FINANCIAL POSITION


Total assets as of 30 September 2021 stood at THB 228,847mn, an increase of THB 16,785mn or 7.9% from 31 March 2021. The increase was primarily attributed to an increase in

- (i) Receivables under agreements/ due in the future with government authorities of THB 6,959mn, chiefly from (a) civil construction of the Pink and Yellow Lines and interest income related to such unbilled receivables and (b) receivable under the operation and maintenance agreements
- (ii) Elevated train project costs of THB 5,557mn from the construction of the Pink & Yellow Lines
- (iii) Investments in associates of THB 5,281mn largely from increased investment in U City following the subscription to its Rights Offering in May 2021
- (iv) Investment properties of THB 2,397mn from the acquisition of land at Srinakarin road by Capricorn Hill Company Limited (our subsidiary)
- (v) Cash and cash equivalents of THB 2,144mn (see cash movement in *Cash Flow* section)

The increase, however, was partially offset by a reduction in

- (vi) Net long-term loans to related parties of THB 4,954mn, largely from U City's debt repayment
- (vii) Assets classified as held for sale of THB 2,169mn from the completion of land plots sales at Pradit Manutham

Total liabilities increased from 31 March 2021 by 11.8% or THB 16,009mn to stand at THB 152,035mn mainly from an increase in

- (i) Net long-term debentures of THB 11,989mn, from the issuance of THB 13bn BTSG debentures on 6 July 2021, being partially offset by the repayment of the first tranche (in May 2021) of THB 1bn of the THB 13bn Green Bond issued in May 2019
- (ii) Net long-term loans from financial institutions of THB 5,590mn, mainly from the drawdown of syndicated loans in relation to the Pink & Yellow Lines

The increase, however, was partially offset by a decrease in

- (iii) Short-term loans from financial institutions of THB 1,530mn
- (iv) Income tax payable of THB 961mn

Total equity was THB 76,813mn, an increase of THB 776mn or 1.0% from 31 March 2021. The increase was primarily attributed to an increase in non-controlling interest of the subsidiaries of THB 1,268mn, chiefly from an increase in non-controlling interests of STEC and RATCH of THB 1.3bn (totalling 25%) for payments of additional share capital in Northern Bangkok Monorail Co., Ltd. and Eastern Bangkok Monorail Co., Ltd. under the consolidation of the Pink and Yellow Lines. However, the increase in total equity was partly offset by a decrease in other components of shareholders' equity of THB 554mn.

As of 30 September 2021, issued and fully paid-up shares of BTS Group stood at 13,163.2mn shares (13,161.1mn shares as of 31 March 2021). Return on equity for 2Q 2021/22 was 8.7% which decreased from 11.8% in 2Q 2020/21.

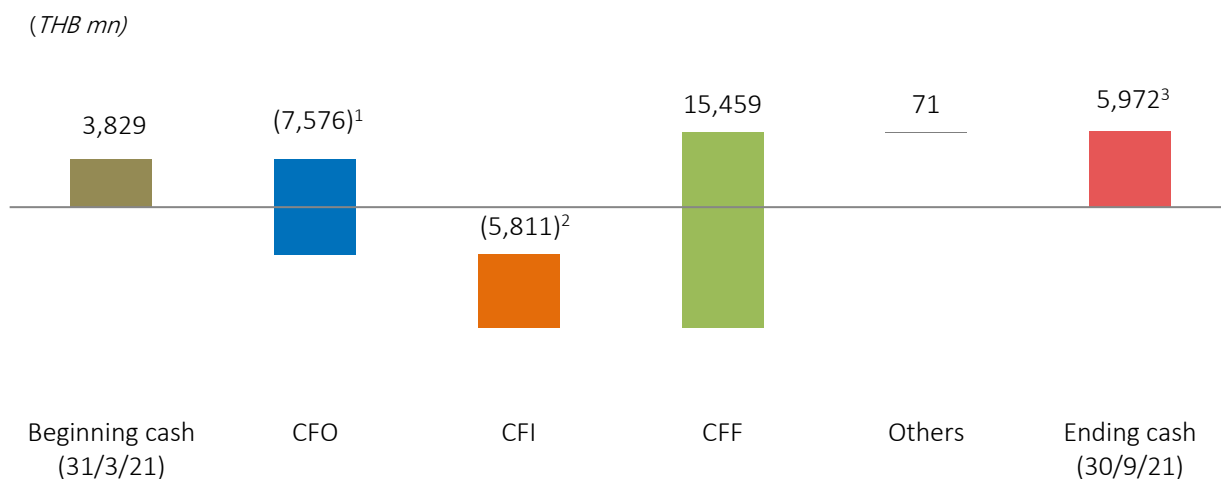
CASH FLOW

As of 30 September 2021, **cash and cash equivalents** stood at THB 5,972mn, an increase of 56.0% or THB 2,144mn from 31 March 2021. Cash used in operating activities was THB 4,050mn (versus cash used in operating activities of THB 6,185mn in 6M 2020/21). This was derived from profit before tax of THB 2,697mn, being partially offset by (i) non-cash reconciling items of THB 358mn and (ii) changes in net working capital of THB 6,390mn, chiefly from (a) investment for construction of the Pink and Yellow Lines of THB 2.6bn and (b) investment in E&M works and trains procurement for the Northern Green Line extensions of THB 0.4bn. After deducting net cash paid for corporate income tax of THB 1,621mn (6M 2020/21: THB 1,126mn) and net cash paid for interest expenses of THB 1,905mn (6M 2020/21: THB 1,474mn), **net cash used in operating activities** was THB 7,576mn.

Net cash used in investing activities was THB 5,811mn. The key components were (i) net cash paid for purchases of investment in associates of THB 6.1bn mainly from increased investment in U City following the subscription to its Right Offering in May 2021, (ii) net investment in construction of the Pink and Yellow Lines of THB 4.0bn, (iii) net cash paid for purchases of investment properties of THB 2.3bn from the acquisition of land at Srinakarin road by Capricorn Hill Company Limited (our subsidiary), (iv) net cash paid for acquisitions of financial assets of THB 1.2bn, partially offset with (v) cash received from repayment of long-term loans to related parties of THB 5.0bn largely from U City's debt repayment and (vi) net cash received from sales of investments in subsidiaries of THB 2.1bn from chiefly from the disposal of all investment in Future Domain Co., Ltd.

Net cash from financing activities was THB 15,459mn. The key components were (i) net cash received from long-term debentures of THB 12.0bn from the issuance of THB 13bn BTSG debentures on 6 July 2021, being partially offset by the repayment of the first tranche (in May 2021) of THB 1bn of the THB 13bn Green Bond issued in May 2019, (ii) increase in long-term loans from financial institutions of THB 5.5bn mainly for the drawdown of syndicated loans related to the Pink and Yellow Lines, partly offset with (iii) dividend payment of THB 2.1bn in August 2021 and (iv) net decrease in short-term loans from financial institutions and bills of exchange payables of THB 1.2bn.

6 months Cash Flow Snapshot



¹CFO after

- Corporate income tax of THB 1,621mn
- Interest expenses of THB 1,905mn
- Investment for construction of the Pink and Yellow Lines of THB 2.6bn
- Investment for E&M works and trains procurement for Green Line extension of THB 0.4bn

²CFI included net investment for construction of the Pink and Yellow Lines of THB 4.0bn

³Excluding liquid investments of THB 13.3bn

KEY FINANCIAL RATIOS

	2Q 2021/22	2Q 2020/21	1Q 2021/22
<u>Profitability ratios</u>			
Gross operating profit margin (%)	24.4%	17.0%	20.0%
Recurring net profit margin (%) ^A	8.7%	7.7%	11.4%
Net profit margin (%) ^B	8.4%	7.7%	14.5%
ROA (%) ^C	2.9%	4.3%	3.2%
ROE (%) ^D	8.7%	11.8%	9.1%
<u>Liquidity ratio</u>			
Current ratio (times)	0.42x	0.37x	0.50x
<u>Leverage ratios</u>			
Interest bearing debt to equity (times)	1.69x	1.57x	1.64x
Adjusted net debt ^E to equity (times)	1.44x	1.31x	1.39x
Adjusted net debt ^E to recurring EBITDA (times)	11.59x	9.64x	11.00x
Interest coverage (times) ^F	2.36x	3.31x	3.20x
<u>Per share ratios^G</u>			
Basic earnings per share (THB)	0.04	0.06	0.11
Book value per share (THB)	5.84	4.78	5.78

Note:

^A Calculated based on recurring net profit (after MI) / total recurring revenue

^B Calculated based on accounting net profit (after MI) / total accounting revenue

^C Calculated based on accounting net profit / total average assets

^D Calculated based on accounting net profit / total average shareholders' equity

^E Calculated based on interest bearing debt - cash and cash equivalent and liquid investment

^F Calculated based on recurring EBITDA / finance cost

^G Calculated based on weighted average number of shares at par value of THB 4.0 per share

MANAGEMENT OUTLOOK

Local COVID-19 transmission has gradually pared with daily infection rates reduced below 10,000 cases and the number of daily fatalities lower than 100 in recent days. The decline in these figures reflects the rise in vaccination rate with more than 55%¹ of the total population and more than 90%¹ of the Greater Bangkok population having received two vaccines. Subsequently, since 1 November onwards, the government announced the reopening of Thailand for fully vaccinated foreign tourists from low-risk countries without quarantine requirements. This is anticipated to benefit the tourism sector following the anticipation of international arrival's rebound over the next three months, including the forthcoming year-end holidays. In particular, Bangkok has been designated as one of the 'blue zones'- a new tourist-oriented area with few COVID-19 restrictions and the lift of nightly curfew. Under the blue zone, people are allowed to travel freely, while businesses and activities are allowed to operate as normal under health and safety precautions.

Our **MOVE business - under the Rail segment** is expected to benefit from the reopening of Thailand and resumed economic activities after the easing of local pandemic restriction measures. As a result, more patrons are expected to return to travel on our BTS SkyTrain system. In this regard, BTSC has launched its new promotion "Ride – Earn Points – Get Free Trips" for passengers travelling on the BTS SkyTrain Core Network. This aims to cater to customers' individual preferences and lifestyles with greater flexibility through points collection and redemption via the Rabbit Rewards loyalty programme.

Within the **Non-rail segment**, our BGSJ Joint Venture (BTS Group shareholding 40%) has successfully signed the PPP Agreement for the Intercity Motorways (M6 and M81). The Notice to Proceed is expected to be issued in December 2021 and the official commercial operations are targeted in early 2024. This achievement will be another crucial milestone for our MOVE to enhance more REACH to 3 million daily passengers across rail and non-rail by 2025.

For our **MIX business**, the prospect on VGI's business outlook is promising, thanks to the aforementioned positive developments. With improvement in core operations, coupled with gains from new investments, VGI firmly believes its performance will continue to gradually return to the pre-COVID level.

Under **MATCH business**, due to the COVID-19 situation, U City has revisited its long-term business direction, whereby it has refocused its capital and resources to the financial services industry, which has higher return and a higher resilience characteristics compared to the hospitality and real estate business. Additionally, it is driven by the continued deep losses and the lack of clarity of the hospitality recovery profile from the COVID-19 pandemic. As a result, U City will allocate real estate divestment and capital increase proceeds to expand the financial business that has more potential and will benefit more from new alliances under BTS Group's 3M (MOVE, MIX, and MATCH) strategy. The initial financial services investments which include (1) Life insurance business for retail customers (micro-insurances) and (2) Investments in Singer and Jaymart are expected to be completed by the end of 2021, but U City expects to find further opportunities within this sector in the near future. Following the reposition, U City shall become the financial services and investment arm for BTS Group.

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Rangsin Kritalug
(Executive Director and Chief Operating Officer)

¹ Ministry of Higher Education, Science, Research and Innovation, as of 14 November 2021