

3Q 2021/22 HIGHLIGHTS

<p>TOTAL REVENUE</p> <p>THB 9,193mn</p> <p>▲34% QoQ</p>	<p>RECURRING EBITDA</p> <p>THB 1,973mn</p> <p>flat QoQ</p>	<p>NET PROFIT</p> <p>THB 1,054mn</p> <p>▲83% QoQ</p>	<p>O&M REVENUE</p> <p>THB 1,529mn</p> <p>▲15% YoY</p>
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3Q 2021/22 SIGNIFICANT EVENTS

SUSTAINABILITY AT BTS GROUP



October 2021

- BTS Group Holding PCL (BTS Group or the Company) 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 create long-term stakeholders' value.
- 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.
- 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 the Stock Exchange of Thailand (SET).

November 2021

- Bangkok Mass Transit System PCL (BTSC) issued Green Bonds valued at THB10,200mn** (rated A, negative outlook by TRIS) to institutional and high net worth investors. The Green Bonds 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 refinance of the Northern and Southern Green Line extensions.
- 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**.

December 2021

- BTS Group was awarded the **Sustainability Disclosure Recognition 2021** by Thaipat Institute for transparency in public disclosure of the Company's performances through its Sustainability Report. This highlights the importance that BTS Group has placed on the development of sustainable business practices with a focus on ESG responsibility within the BTS Group Sustainability Report.

- BTS Group received the **“Platinum” award by The Asset ESG Corporate Awards 2021**. This is the third consecutive year that BTS Group has received this award, placing the Company among the top Thai companies that received this prestigious recognition.

February 2022

- BTS Group was classified as **Gold Class in S&P Global Sustainability Ratings** Sustainability Yearbook 2022, under the Transportation and Transportation Infrastructure Industry. BTS Group is the only rail transportation Company amongst the top 1% of the companies evaluated or 75 companies that received the Gold Class designation.

BTS GROUP

7 December 2021: The Company **acquired 100% shares of Rocket Holdings HK Limited (Rocket)**. Rocket is a company incorporated in Hong Kong that holds 25% shares in TBN Software Company Limited (TBN), a Thai company engaging in digital transformation consulting and software development – especially in the low-code development platform.

MOVE business

1 November 2021: Following the termination of the 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.

1 December 2021: Mr. Keeree Kanjanapas, Chairman of the BTS Group, together with the members of the board of directors and executives attended **the trial runs of the Yellow Line Monorail Project** at the depot on Srinakarin Road (YL13). The first phase of the Yellow Line is targeted to be launched from Phawana station (YL02) to Samrong station (YL23), while the first phase of the Pink Line that will open is from the Government Complex (PK12) to Min Buri (PK30) except Nopparat (PK26) within 2022.

20 December 2021: **BGSR Joint Venture (BTS Group shareholding of 40%) has received the Notice to Proceed (NTP)** for the construction of toll gates as well as installation of a toll collection system, and traffic management and control system for two Intercity Motorways projects; M6 (Bang Pa-In – Nakhon Ratchasima) and M81 (Bang Yai – Kanchanaburi).

MIX 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.

December 2021: VGI PCL (VGI) continued to make progress for its Distribution business, currently comprising of Fanslink Communication Company Limited (Fanslink). During 3Q 2021/22, **VGI soft-launched a ‘Rabbit Selection’ mobile application** under the concept ‘Good life is not expensive’.

December 2021: **VGI successfully invested 15.0% in Jaymart Public Company Limited (Jaymart)** with a total investment of THB 6,257mn following Jaymart’s shareholder approval in November 2021. Therefore, Jaymart has become VGI’s associate company and VGI will record Jaymart’s performances under the equity method, starting from December 2021 onwards.

25 January 2022: VGI’s Board of Directors approved the issuance and offering of 2,583mn newly issued ordinary shares through the Rights Offering (RO) at an offering price of THB 5.00 per share to the existing shareholders, whose name

appeared on the shareholder list record date as of 9 February 2022. In addition, VGI will also issue and allocate warrants (VGI-W3) to RO subscribers at a ratio of 1 newly issued ordinary share per 1 unit of warrant. The transaction is subject to the approval of the Extraordinary General Meeting (EGM), which will be held on 4 March 2022.

MATCH business

October – December 2021:

Following U City PLC (U City)'s business restructuring, U City revisited its strategy and is refocusing its capital and resources into "the financial services" industry. U City has initially invested

- In 75.0% of Advance Life Assurance Public Company Limited (A LIFE) - life insurance business for retail customers. A LIFE has become U City's subsidiary and U City began to recognise revenue from A LIFE from October 2021 onwards.
- THB 7.2bn or equivalent to 24.9% in Singer Thailand PCL (Singer) and THB 4.1bn or equivalent to 9.9% in Jaymart in December 2021.

Moreover, U City is in the process of divesting its real estate portfolio. In December 2021, U City, Vienna House Capital GmbH and Lombard Estate Holding Limited have entered into a Sale and Purchase Agreement with HR Neunte Hotel Estate Holdings GmbH, HRG Hotels Sechste Management GmbH, HR Zehnte Hotel Estate Holdings GmbH and ALL Beteiligungsgesellschaft mbH, to dispose of ordinary shares in Vienna House Group hotel business as well as the liabilities under shareholder loan for a total purchase price of approximately EUR 137,577,436.24 (or equivalent to THB 5,229,524,717.64). The completion of the sale of the Vienna House Hotel Group business is expected in 1Q 2022.

15 November 2021: Master Ad PCL or MACO (VGI's Associate Company), signed a joint venture with BTS Group's 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.

9M 2021/22 P&L SNAPSHOT

Total consolidated revenue of 9M 2021/22 stood at THB 25,303mn, decreasing by 22.7% or THB 7,435mn YoY. The decline in revenue was predominantly from (1) a decrease in contracting works revenues of THB 8,174mn, largely from a reduction in services income for the provision of E&M works and the train procurement service for the Green Line extensions and construction revenue for the Pink and Yellow Lines, and (2) a reduced gain on sale of land of THB 1,497mn or 75.7% from 1,979mn in 9M 2020/21. However, the decrease was partially offset by (3) an increase in service income and sales of THB 2,101mn and (4) higher interest income of THB 474mn. Despite the decrease in total revenue, **group recurring EBITDA in 9M 2021/22 increased slightly by 0.9% or THB 55mn to stand at THB 6,259mn.** Although operating performances in our businesses weakened YoY owing to the impact from the COVID-19 pandemic, the Group recorded **net profit (after MI) of THB 3,013mn, increasing by 4.1% YoY or THB 119mn.** The increase was primarily from the turnaround from share of loss to share of profit from investment in U City, which was resulted from lower recognition of U City's impairment of assets and the record of an unrealised gain from the recognition of the investment in Jaymart by U City in December 2021.

3Q 2021/22 PERFORMANCE

(THB mn)	3Q 2021/22	3Q 2020/21	% YoY	2Q 2021/22	% QoQ
Reported Revenue	9,193	11,951	(23)%	6,863	34%
Operating Revenue	7,829	8,733	(10)%	5,544	41%
Recurring EBITDA¹	1,973	2,672	(26)%	1,975	(0)%
Recurring Net Profit	604	1,356	(56)%	571	6%
Reported Net Profit	1,054	1,686	(38)%	576	83%

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 9,193mn in 3Q 2021/22. This represented a decrease of 23.1% or THB 2,758mn YoY from THB 11,951mn in 3Q 2020/21. The reduction in total reported revenue was chiefly attributed to lower revenues from (1) gain on sale of land of THB 1,979mn (as there is no repeat recognition of gain on sale of 2 land plots of Thana City Land in this quarter), (2) contracting works of THB 1,852mn, owing to a reduction in 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 as well as a decrease in construction revenue for the Pink and Yellow Lines. Nonetheless, the decrease in the reported revenue was partly offset by (3) increased service and sales income of THB 1,015mn and (4) higher interest income of THB 153mn.

Total consolidated expenses amounted to THB 7,312mn in 3Q 2021/22, a decrease of THB 466mn or 6.0% YoY largely from lower recognition of cost related to the provision of E&M works and the train procurement service for the abovementioned Green Line Extensions as well as the construction revenue for the Pink and Yellow Lines. This was partially offset with higher costs of services and sales, following the full-quarter consolidation of Fanslink by VGI which started since August 2021.

Share of profit from investments in associates/JVs was THB 311mn (compared to reported share of loss of THB 639mn in 3Q 2020/21). The positive change of THB 950mn was largely driven by (i) turnaround from share of loss to share of profit from investment in U City, which was resulted from lower recognition of U City's impairment of assets and the record of an unrealised gain from the recognition of the investment in Jaymart by U City in December 2021. However, this was partially offset by (ii) the recognition of share of loss from investment in Kerry in this quarter - as a result from Kerry's aggressive pricing strategy to maintain its market leadership and (iii) the lower share of profit from investment in BTSGIF compared to the same period in the prior year – due to the impact of the Delta variant.

Recurring EBITDA was THB 1,973mn, reducing by THB 699mn or 26.2% YoY. **Recurring net profit (after minority interests) stood at THB 604mn**, a decrease of 55.5% or THB 753mn YoY mainly from the softened operating performances across all businesses due to the pandemic's impact and higher finance costs of THB 210mn or 32.0% YoY to THB 865mn.

The Company **reported net profit attributable to the equity holders of the Company of THB 1,054mn**, a decline of 37.5% or THB 632mn YoY from the aforesaid softened performances and higher finance costs, being partially offset by the positive change in share of profit from investment in associates/ JVs compared to 3Q 2020/21.

The net profit margin attributable to the equity holders of the Company in 3Q 2021/22 was 11.5% (compared to 14.1% in 3Q 2020/21).

3Q 2021/22 OPERATIONAL PERFORMANCE

Operating Revenue (THB mn)	3Q 2021/22	% of Total	3Q 2020/21	% of Total	% Change (YoY)	3Q 2021/22 GP margin (%)	3Q 2020/21 GP margin (%)
MOVE	6,184	79%	7,788	89%	(21)%	18.0%	15.9%
MIX	1,493	19%	749	9%	99%	22.2%	51.6%
MATCH	152	2%	196	2%	(22)%	N.A.	N.A.
Total	7,829	100%	8,733	100%	(10)%	18.0%	18.3%

Total operating revenue in 3Q 2021/22 was THB 7,829mn, a decrease of 10.3% or THB 903mn YoY. Revenues from the MOVE, MIX and MATCH businesses accounted for 79%, 19% and 2% of total operating revenue, respectively. The decline in operating revenue was predominantly due to lower MOVE revenue of THB 1,604mn or 20.6% YoY, chiefly from 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 entered the tail-end of development as well as a lower construction revenue for the Pink and Yellow Lines. Nonetheless, the decline in operating revenue was partly offset by higher MIX revenue and increased O&M revenue.

Total operating costs dropped in line with the decrease in total operating revenue, dropping by 10.0% or THB 713mn YoY to THB 6,417mn. The decrease was primarily from lower recognition of the services cost for the provision of E&M works and the train procurement service for the aforesaid Green Line extensions, and construction costs of the Pink and Yellow Lines.

Operating Gross Profit was THB 1,412mn, decreasing by 11.9% or THB 190mn YoY. Operating Gross Profit margin in 3Q 2021/22 was 18.0%, slightly decreased from 18.3% in 3Q 2020/21.

SEGMENTAL PERFORMANCE
MOVE BUSINESS

MOVE Revenue (THB bn)	3Q 2021/22	% of Total	3Q 2020/21	% of Total	% Change (YoY)
Development of new lines	4.7	75%	6.3	81%	(27)%
New Green Line extensions ²	0.0	0%	1.2	16%	(100)%
Pink and Yellow Lines ³	4.7	75%	5.1	65%	(8)%
O&M⁴	1.5	25%	1.3	17%	15%
Others⁵	0.0	0%	0.1	2%	(96)%
Total	6.2	100%	7.8	100%	(21)%

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 3Q 2021/22, total MOVE revenue was THB 6,184mn, a decrease of 20.6% or THB 1,604mn YoY, principally from a reduction in (1) **services income for the provision of E&M works and the train procurement service for Green Line extensions** of THB 1,273mn YoY, as we entered the tail-end of development and (2) **construction revenue for the Pink and Yellow Lines** of THB 0.4bn YoY to 4.7bn, largely due to the impact from COVID-19 pandemic. However, the decrease was partly offset by higher **O&M revenue** of 14.6% or THB 195mn YoY to THB 1,529mn. The increase in O&M revenue was predominately attributable to (a) full-quarter recognition of the full operation of the Northern Green Line extension (16 stations, 19.0km) 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 1,482mn to THB 5,069mn, mainly from lower recognition of lower services cost for the provision of E&M works and the train procurement service for the aforesaid Green Line extension as well as construction costs for the Pink and Yellow Lines.

Mass transit related interest income increased by 21.6% or THB 155mn YoY to THB 874mn, largely because of interest income from receivables related to the Pink, Yellow and Green Line extensions.

MOVE EBITDA margin improved to 33.2% from 25.7% in the previous year, 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 as well as higher mass transit related interest income.

In 3Q 2021/22, the Company recognised a **share of profit from investment in BTSGIF** of THB 30mn (compared to a share of profit of THB 130mn in the previous year), owing to a decline in quarterly farebox revenue on the Core Network (down 34.3% or THB 400mn YoY to THB 767mn). The decrease was from lower quarterly Core Network ridership (down 40.7% YoY to 23.4mn trips), resulting from the impact of the Delta variant. Nonetheless, the decrease in quarterly farebox revenue was partially offset by an increase in average fare of 10.8% YoY to THB 32.8 per trip.

More commentary on the Core Network performance can be found in *3Q 2021/22 BTSGIF management discussion and analysis*.

<https://btsgif.listedcompany.com/misc/MDNA/20220214-btsgif-mdna-3q2022-en.pdf>

MIX BUSINESS

MIX revenue (THB mn)	3Q 2021/22	% of Total	3Q 2020/21	% of Total	% Change (YoY)
OOH Advertising	429	29%	457	61%	(6)%
Transit ⁶	406	27%	381	51%	6%
Office & Other	23	2%	76	10%	(70)%
Digital Services⁷	383	26%	292	39	31%
Distribution	681	45%	N.A.	N.A.	N.A.
Total	1,493	100%	749	100%	99%

⁶ Transit revenue includes transit media and transit related media.

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

Total MIX revenue in 3Q 2021/22 was THB 1,493mn, an increase of 99.3% or THB 744mn YoY. The significant increase was mainly from the full-quarter consolidation of Fanslink and the growth of Rabbit Group, which are recorded under the Distribution business and Digital Services segments, respectively.

OOH Advertising revenue contributed 29% of total MIX revenue or equivalent to THB 429mn, a decrease of 6.3% or THB 29mn YoY, primarily from a decrease in revenue from Office & Other media segment.

Digital Services revenue was THB 383mn, rising by 31.4% or THB 92mn YoY, chiefly thanks to higher insurance commission fees and lead generation under Rabbit Group.

Distribution revenue was THB 681mn, contributing 45% of total MIX revenue. In this quarter, VGI recorded a full-quarter performance of Fanslink, which was consolidated since August 2021.

The consolidation of Fanslink was also reflected in **cost of sales**, which came to THB 1,161mn, an increase of THB 799mn or 220.4% YoY.

More commentary on VGI can be found in *3Q 2021/22 VGI's management discussion and analysis*:

<https://investor.vgi.co.th/en/document/viewer/43553/md-and-a-3q-2021-22>

MATCH BUSINESS

Total MATCH revenue in 3Q 2021/22 was THB 152mn, a decrease of 22.3% or THB 44mn YoY, chiefly owing to lower construction revenue from HHT Construction Company Limited of THB 50mn. Costs also decreased in tandem with the decline in revenue, dropping by 14.0% or THB 30mn YoY to THB 187mn.

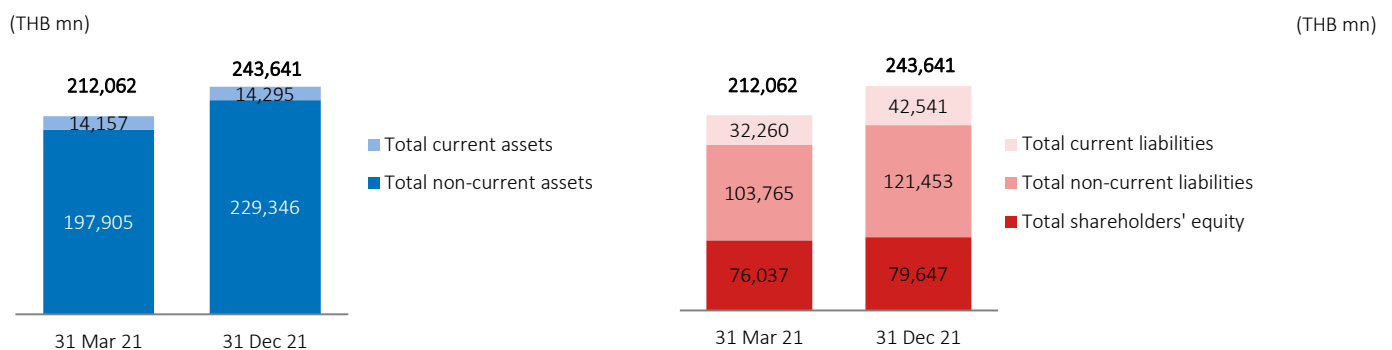
In this quarter, the Company recognised share of profit from investment in U City (our associate) of THB 475mn (compared to a share of loss of THB 1,289mn in the previous year), primarily as a result of a lower recognition of U City’s impairment of assets and the record of an unrealised gain from the recognition of the investment in Jaymart by U City in December 2021.

More commentary on U City can be found in *FY 2021 U City’s management discussion and analysis*.

<https://www.ucity.co.th/en/document/viewer/43554/management-discussion-and-analysis-fy-2021>

MATCH is the BTS Group’s platform to establish strategic alliances and leverage our unique and proprietary MOVE and MIX platforms in order to provide our partners with more REACH and insight. Our investment in Jaymart, Singer, A LIFE and TBN in this quarter is a part of 3M strategy to increase the value of our group and partners, eventually strengthening business possibilities and creating additional business synergies in the near future.

FINANCIAL POSITION



Total assets as of 31 December 2021 stood at THB 243,641mn, an increase of THB 31,578mn or 14.9% from 31 March 2021. The increase was primarily attributed to an increase in

- (i) Investments in associates of THB 15,297mn largely from increased investment in U City following the subscription to its Rights Offering in May 2021 and an investment in Jaymart by VGI in December 2021
- (ii) Receivables under agreements/ due in the future with government authorities of THB 11,380mn, 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
- (iii) Elevated train project costs of THB 8,340mn from the construction of the Pink & Yellow Lines
- (iv) Investment properties of THB 2,538mn from the acquisition of land at Srinakarin road by Capricorn Hill Company Limited (our subsidiary)
- (v) Receivables under purchase and installation of operating system agreement of THB 1,068mn from the provision of E&M works for the Green Line extensions and the Gold line

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

- (vi) Net long-term loans to related parties of THB 4,924mn, 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
- (viii) Other non-current financial assets of THB 1,409mn

Total liabilities increased from 31 March 2021 by 20.6% or THB 27,969mn to stand at THB 163,994mn mainly from an increase in

- (i) Short-term loans from financial institutions and Bills of exchange payable of THB 12,531mn
- (ii) Net long-term debentures of THB 9,787mn, 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 and the repayment of the second tranche (in November 2021) of THB 2.2bn of the THB 22bn BTSC Debenture issued in November 2016.
- (iii) Net long-term loans from financial institutions of THB 7,543mn, mainly from the drawdown of syndicated loans in relation to the Pink & Yellow Lines

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

- (iv) Income tax payable of THB 1,302mn

Total equity was THB 79,647mn, an increase of THB 3,609mn or 4.8% from 31 March 2021. The increase was primarily attributed to an increase in

- (i) Non-controlling interest of the subsidiaries of THB 1,742mn, 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
- (ii) Retained earnings of THB 1,438mn

As of 31 December 2021, issued and fully paid-up shares of BTS Group stood at 13,164.2mn shares (13,161.1mn shares as of 31 March 2021). Return on equity for 3Q 2021/22 was 6.6% against 9.7% in 3Q 2020/21.

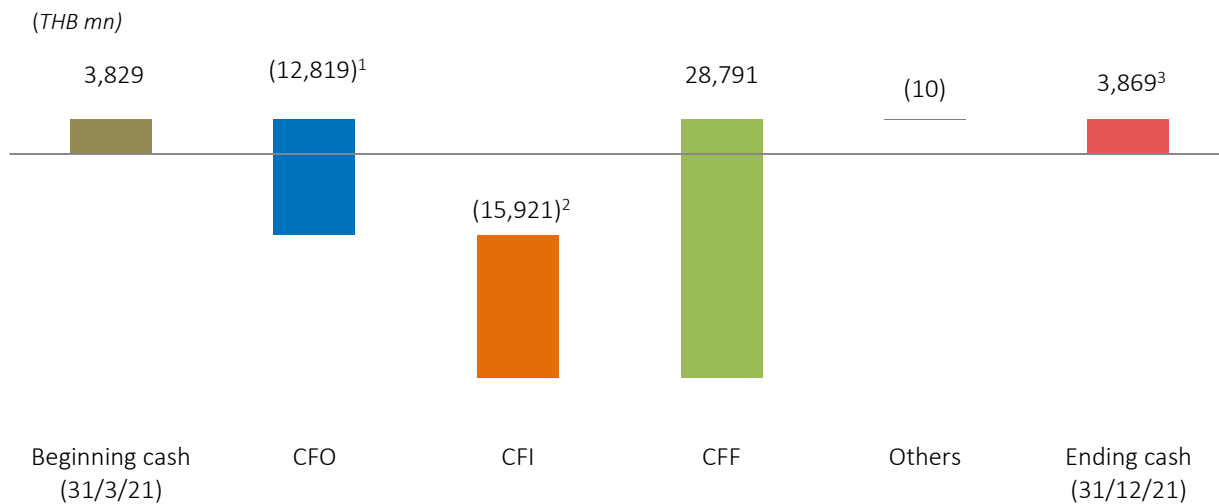
CASH FLOW

As of 31 December 2021, **cash and cash equivalents** stood at THB 3,869mn, an increase of 1.1% or THB 41mn from 31 March 2021. Cash used in operating activities was THB 7,391mn (versus cash used in operating activities of THB 10,900mn in 9M 2020/21). This was derived from profit before tax of THB 4,025mn, being partially offset by (i) non-cash reconciling items of THB 579mn and (ii) changes in net working capital of THB 10,837mn, chiefly from (a) an increase in a receivable under agreements with government authority of THB 5.4bn mainly from the provision of the O&M services for the Green Line extensions and (ii) the investment for construction of the Pink and Yellow Lines of THB 4.7bn. After deducting net cash paid for interest expense of THB 3,211mn (9M 2020/21: THB 2,500mn) and net cash paid for corporate income tax of THB 2,217mn (9M 2020/21: THB 2,340mn), **net cash used in operating activities** was THB 12,819mn.

Net cash used in investing activities was THB 15,921mn. The key components were (i) net cash paid for purchase of investment in associates of THB 15.6bn mainly from an increased investment in U City following the subscription to its Right Offering in May 2021 and an investment in Jaymart by VGI, (ii) net investment in construction of the Pink and Yellow Lines of THB 6.8bn, (iii) net cash paid for purchase of investment properties of THB 2.4bn from the acquisition of land at Srinakarinn road by Capricorn Hill Company Limited (our subsidiary), partially offset with (iv) Cash received from repayment of long-term loans to related parties of THB 5.0bn largely from U City's debt repayment, (v) 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. and (vi) net cash received from sales of financial assets of THB 1.3bn.

Net cash from financing activities was THB 28,791mn. The key components were (i) net cash received from short-term loans from financial institutions and bills of exchange payables of THB 12.4bn, (ii) net cash received from long-term debentures of THB 9.8bn 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 and the repayment of the second tranche (in November 2021) of THB 2.2bn of the THB 22bn BTSC Debenture issued in November 2016 and (iii) increase in long-term loans from financial institutions of THB 7.5bn 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.

9 months Cash Flow Snapshot



¹CFO after

- Net corporate income tax of THB 2,217mn
- Net interest expenses of THB 3,211mn
- An increase in a receivable under agreements with government authority of THB 5.4bn mainly from the provision of the O&M services for the Green Line extensions
- Investment for construction of the Pink and Yellow Lines of THB 4.7bn

²CFI included net investment for construction of the Pink and Yellow Lines of THB 6.8bn

³Excluding liquid investments of THB 10.4bn

KEY FINANCIAL RATIOS

	3Q 2021/22	3Q 2020/21	2Q 2021/22
<u>Profitability ratios</u>			
Gross operating profit margin (%)	18.0%	18.3%	24.4%
Recurring net profit margin (%) ^A	6.8%	13.3%	8.7%
Net profit margin (%) ^B	11.5%	14.1%	8.4%
ROA (%) ^C	2.2%	3.7%	2.9%
ROE (%) ^D	6.6%	9.7%	8.7%
<u>Liquidity ratio</u>			
Current ratio (times)	0.34x	0.51x	0.42x
<u>Leverage ratios</u>			
Interest bearing debt to equity (times)	1.80x	1.48x	1.69x
Adjusted net debt ^E to equity (times)	1.62x	1.21x	1.44x
Adjusted net debt ^E to recurring EBITDA (times)	14.58x	11.77x	11.59x
Interest coverage (times) ^F	2.28x	4.08x	2.36x
<u>Per share ratios^G</u>			
Basic earnings per share (THB)	0.08	0.13	0.04
Book value per share (THB)	6.05	5.55	5.84

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

Since the beginning of 2022, the impact of the COVID-19 pandemic persists as the first case of the Omicron variant was reported in November 2021. In just a few weeks since its detection, the Omicron variant has spread around the world and turned out to be highly transmissible compared to previous strains. As such, the Thai government once again re-issued the COVID-19 alert. Several tightened control measures have been implemented, including the act of encouraging companies to extend work-from-home (WFH) or remote work policies. Authorities additionally encouraged people to delay cross-provincial and cross-border travel. Despite the persistence of COVID-19 under the more easily transmissible Omicron strain, due to the variants' lower severity, governments across the world have begun reducing social restrictions, including the Thai government which reintroduced the 'Test and Go' and 'Sandbox Extension programme' since 1 February 2022. Moreover, the Bank of Thailand expects that the Thai economy will expand by 3.4% in 2022 against 0.8% in 2021.

Looking at the Company's financial performance, the YTD core performance was relatively scathed by the consequences of COVID-19 as some of our businesses are susceptible to the pandemic's unfavourable consequences. As a growing conglomerate that actively engages in diversified businesses, the Company has inevitably met with numerous short-term challenges which will continue to have an impact on the Company's ability to meet its full financial potential. In spite of those challenges, we remain confident that our diversified business portfolio and revenue profile, along with our innovative 3M strategy (MOVE, MIX and MATCH), will successively uplift the value of our group and partners in the near future.

Regarding the progression of projects under our **MOVE business**, the construction of the Pink and Yellow lines within our **Rail segment** has reached 85% completion after resuming their construction process in early August 2021. Consequently, the partial operations of both lines are expected to commence within this year. As for our **Non-rail segment**, receiving the Notice to Proceed (NTP) for the Intercity Motorways (M6 and M81) in December 2021 kicked off the construction of toll gates, installation of a toll collection system, and traffic management and control system. Completion of this project is expected to take approximately three years before its official commercial operations in 2025.

Our **MIX Business** has yet reached its pre-pandemic level given the sluggish pace of recovery of the Thai economy. This, together with VGI's strategic investment in Jaymart has resulted in an increase in VGI's loans to over THB 8,200mn. In response, the Board of Directors of VGI has approved the issuance of rights offering (RO) to existing shareholders with the aim to use the proceeds to pay off loans and for future investment in new businesses. With a solid financial status and improved liquidity, VGI firmly believes it will be able to achieve vigorous and sustainable growth and deliver benefits to all stakeholders once the situation returns to normal.

Under our **MATCH business**, U City is in the process of divesting its real estate portfolio with the completion of the sale of the Vienna House Hotel Group business expected in the first quarter of 2022 and its remaining real estate assets targeted before the end of 2025. The total expected proceeds of THB 26bn will be re-invested in higher growth, higher return "financial services" business which have also proven to be more resilient and counter cyclical. Within this financial services business, U City is now exploring "unconventional and innovative" products and services which are more relevant to people's lifestyle and the rise of disruptive technology.

In spite of the impact of the aforementioned Covid-19 outbreak, we continually strive for long-term shareholder returns. On 25 January 2022, BTS Group Board of Directors' meeting approved the interim dividend payment for FY 2021/22 up to THB 1,974.7mn or THB 0.15 per share. The interim dividend will be paid on 24 February 2022.

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Rangsin Kritalug
(Executive Director and Chief Operating Officer)