1Q 2020/21 HIGHLIGHTS

- **Total operating revenue of THB 9,725mn, an increase of 15.5% or THB 1,303mn YoY**
  - Services revenue from the provision of E&M works and the train procurement service for the Northern Green Line extensions and the construction of the Pink and Yellow Lines of THB 7.6bn was recorded in 1Q 2019/20
  - Mass Transit Operating & Maintenance (O&M) revenue of THB 1,153mn – grew by 38.9% or THB 323mn YoY
- Amid the COVID-19 pandemic, BTS Group was able to generate **recurring EBITDA of THB 1,520mn** in this quarter
- **Recurring net profit (after MI) of THB 461mn**, a decrease of 54.2% or THB 545mn YoY
- **Reported net profit (after MI) of THB 443mn**, a decrease of 50.4% or THB 450mn YoY

SIGNIFICANT EVENTS

SUSTAINABILITY AT BTS GROUP

29 July 2020: BTS Group Holdings Public Company Limited (BTS Group or the Company) continued to be recognised as a member of FTSE4Good Index Series for the 4th consecutive year. The index is designed to measure the performance of companies demonstrating strong ESG practices.

BTS GROUP

1 April 2020: BTS Group and its subsidiaries (the Group) adopted **the new financial reporting standards**; TFRS9: Financial Instruments and TFRS16: Leases. The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 April 2020, and the comparative information was not restated. For more details, please see *notes 1.5 and 2 to interim consolidated financial statements for 1Q 2020/21*.

8 April 2020: The Board of Directors of the Company passed a resolution to **approve the special dividend payment of THB 0.15 per share** as a way to extend their support and care to all shareholders during the COVID-19 pandemic. This special dividend is deemed to be more appropriate and beneficial to shareholders compared to a share repurchase program. A total of THB 1,973.2mn was paid to shareholders on 8 May 2020.

28 May 2020: TRIS reaffirmed the credit rating of BTSG at "A" but revised the outlook to "negative" from "stable". The negative outlook reflects the high probability of a significant rise in the Company's financial leverage as a result of the potential investment in a new mass transit concession by our subsidiary, Bangkok Mass Transit System PCL (BTSC), which is subject to the cabinet approval.

20 July 2020: The 2020 Annual General Meeting of Shareholders approved **the final dividend payment for FY 2019/20 of approximately THB 1,974.1mn or THB 0.15 per share which will be paid on 14 August 2020**, bringing the total annual dividend paid up to THB 6,513.2mn (or THB 0.48 per share), or equivalent to an annual dividend yield of 4.1%.

TRANSPORTATION PROJECT

5 June 2020: BTSC and Bangkok Metropolitan Administration (BMA) **began trial operation of four more stations (from Kasetsart University to Wat Phra Sri Mahathat) of the Northern Green Line extension**. Currently, nine out of 16 stations have begun operation. We target to open the full operation by the end of 2020.

18 June 2020: The first of three Automatic People Mover (APM) trains (2-carriage train) from Bombardier to be used for accommodating patrons on the Gold Line Phase 1 (Krung Thonburi BTS station – Khlong San, 1.8km, 3 stations) was successfully delivered. The remaining two trains are expected to be gradually delivered before its targeted commencement in October 2020.

19 June 2020: BBS Joint Venture, a Joint Venture between Bangkok Airways PCL (BA), the Company and Sino-Thai Engineering & Construction PCL (STEC) with share proportion of 45%, 35% and 20%, respectively, **entered into the Public-Private Partnetship Agreement for the U-Tapao International Airport and Eastern Aviation City Development Project** with the Eastern Economic Corridor Office of Thailand (EECO).

17 July 2020: The Company and BTSC bought **Request for Proposal (RFP) of the Orange line** (Taling Chan - Min Buri, 35.9km; 28 stations), which were made available for purchase by Mass Transit Rapid Authority of Thailand (MRTA). The bid submission is on 23 September 2020 and the best bid winner is expected to be announced by December 2020.

21 July 2020: The Cabinet approved the selection for the BGSR Joint Venture (BTS Group shareholding of 40%) to work on Operation and Maintenance (O&M) for **two Intercity Motorways**, namely M6 Bang Pa-in - Nakhon Ratchasima and M81 Bang Yai-Kanchanaburi. Contract signing is expected in August 2020.

THE IMPACT FROM THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC

The COVID-19 pandemic continues substantially disrupt to both the global and Thai economies. While there is an increase in the number of new cases reported in several countries, Thailand had gone more than two months without new COVID-19 cases from local transmission. According to the Global COVID-19 Index (GCI), Thailand scored top marks for its effective handling of and recovery from the coronavirus crisis. The emergency decree which a key preventive tool imposed by the government, was extended to the end of August 2020 and Thailand remains in Phase 5 of restrictions which allows some businesses, including schools, universities, department stores and restaurants to reopen. Since the outbreak is still at severe levels in many parts of the globe, the Group, therefore, continues to be agile and alert. The Group is monitoring thoroughly the consequences of this pandemic, drawing up mitigation plans for dealing with the situation and reducing expenses in order to achieve cost efficiency.

Our **Mass Transit** business remained significantly affected from the COVID-19 pandemic in this quarter. Ridership in the Core Network during 1Q 2020/21 (April to June 2020) reached 18.5mn trips, dropping by 69.0% YoY and 63.4% QoQ. However, during the same period, O&M revenue continued to grow to THB 1,153mn, increasing by 38.9% YoY thanks to the opening of new Green line stations. Construction of the Pink and the Yellow line continued as plan, translating into construction revenue of THB 4.9bn in this quarter.

On the **Media** side, the overall performance was significantly affected by the aforesaid pandemic, which started since early 2020. The temporary halt in daily mobility and economic uncertainties led several companies to react rapidly and reduce their advertising spending in an unprecedented scale, which significantly affected the OOH Advertising business. Digital Services business was also affected by the lockdown measures particularly in offline payment where a physical transaction is required. The impact was partially offset by online payment which benefited from more online transactions. The Logistics business witnessed rapid growth thanks to a huge surge in online shopping resulting from the stay-at-home and lockdown orders. VGI operating revenue declined by 50.6% YoY to THB 445mn in 1Q 2020/21, with its OOH Advertising revenue contributing 60%, and Digital Services revenue contributing 40% of its total revenue.

Our **Property** Business also faced considerable impact from the pandemic, especially the hospitality sector which is the main business of U City. Almost all U City's hotels were temporary closed since 2H of March 2020. At the end of June 2020, around 80% of its hotels reopened, while the remaining 20% were planning to reopen in the second half of 2020. The office segment is slightly affected by the pandemic as some tenants were struggled to pay their rent. The residential segment slowed down before the COVID-19 pandemic due to the Loan-to-Value (LTV) measures and reduction in purchasing power of foreign investors, to which U City has continually adjusted its marketing and selling plans. For projects under U City's development, the progress is still on track and has felt limited impact from the pandemic.

1Q 2020/21 PERFORMANCE

(THB mn)	1Q 2020/21	1Q 2019/20	% YoY
Operating revenues[2]	9,725	8,422	16%
Total Revenue	10,770	8,761	23%
Recurring EBITDA[3]	**1,520**	**2,181**	(30)%
Recurring net income (loss) to equity holders of the parent	**461**	**1,006**	(54)%
Net income (loss) to equity holders of the parent	**443**	**894**	(50)%

[2] Operating revenue from the operational performance of 4 BUs excludes interest income, dividend income and non-recurring items.

Note that 1Q 2019/20 operating revenue from Media business remained included performances of MACO and its subsidiaries for the period from April 2019 to June 2020, whereas, per the Financial Statement, these performances were separately presented under "profit from discontinued operation".

[3] Recurring EBITDA calculated from the operational performance of 4 BUs, interest income, dividend income, other income, net share of profit /(loss) from associates/ JV, yet, excludes other non-recurring items

The Group reported **total consolidated revenues** from continued operation of THB 10,770mn in 1Q 2020/21. This represented an increase of 22.9% or THB 2,009mn YoY from THB 8,761mn in 1Q 2019/20. The increase in total revenue was predominantly due to (i) higher revenue from installation and construction services and train procurement services of THB 1,912mn, mainly due to higher recognition of services revenue from the provision of E&M works and the train procurement service for the Northern Green Line extensions, as well as construction revenue for the Pink and Yellow Lines, and (ii) an increase in dividend income of THB 121mn. Nonetheless, the increase in revenue was partly offset by lower service and sales income of THB 90mn, mostly from reduced performance in Media business despite the increase in revenue from providing train operation services in this quarter.

Total operating revenue in 1Q 2020/21 reached THB 9,725mn, an increase of 15.5% or THB 1,303mn YoY. Revenues from the Mass Transit, Media, Property and Services businesses accounted for 92%, 4%, 1% and 3% of total operating revenue, respectively. The increase in operating revenue was as a result of higher Mass Transit revenue, which rose by 36.4% or THB 2,384mn YoY. The increase in Mass Transit revenue was largely due to (i) higher services revenue for the provision of E&M works and the train procurement service for the Northern Green Line extensions, (ii) an increased recognition of construction revenue for the Pink and Yellow Lines, and (iii) higher O&M revenue during this quarter. Nonetheless, operating revenues from Media, Property and Services were significantly affected by the COVID-19 pandemic, resulting in a decline by 67.6%, 55.4% and 26.6% YoY, respectively.

Total consolidated expenses from continued operation amounted to THB 8,978mn in 1Q 2020/21, an increase of THB 1,615mn or 21.9% YoY largely from higher costs related to the provision of E&M works and the train procurement service for aforementioned Northern Green Line extensions, and costs related to the construction of the Pink and Yellow lines, as well as higher cost of service and sales of THB 105mn.

Total operating costs also increased in line with the increase in total operating revenue, rising by 20.4% or THB 1,414mn YoY to THB 8,341mn. The increase was primarily from higher costs of the provision of E&M works and the train procurement service for abovesaid Northern Green Line extensions as well as higher construction costs for the Pink and Yellow Lines. Operating gross profit dropped by 7.4% or THB 111mn YoY to THB 1,384mn.

Share of loss from investments in associates/JVs was THB 479mn (compared to share of profit of THB 405mn in 1Q 2019/20). The higher share of loss was was largely from the weakened performances of U City and BTSGIF during this quarter as a result of the COVID crisis. Share of loss from U City was THB 399mn (compared to share of profit from U City of THB 193mn in 1Q 2019/20) and share of loss from BTSGIF amounted to THB 24mn (versus share of profit from BTSGIF of THB 225mn in 1Q 2019/20).

Recurring EBITDA was THB 1,520mn, a decrease of THB 661mn or 30.3% YoY largely due to the reduced performance of Media business and higher recognition of the aforesaid share of loss from associates/JVs which were affected by the COVID-19 crisis.

Finance costs rose slightly by 2.5% or THB 14mn YoY to THB 573mn.

Recurring net profit (after minority interests of THB 26mn) stood at THB 461mn, a decline of 54.2% or THB 545mn YoY and **profit attributable to the equity holders of the Company was THB 443mn**, decreasing by 50.4% or THB 450mn YoY.

The net profit margin attributable to the equity holders of the Company in 1Q 2020/21 was 4.1% (versus 10.2% in 1Q 2019/20). The decrease in net profit margin was predominantly due to reduced performances within our Media, Property and Services businesses which were as a result of the COVID-19 crisis.

1Q 2020/21 OPERATIONAL PERFORMANCE

Operating Revenue (THB mn)	1Q 2020/21	% of Total	1Q 2019/20	% of Total	% Change (YoY)	1Q 2020/21 GP Margin[8]	1Q 2019/20 GP Margin[8]
Mass Transit [4]	8,929	92%	6,544	78%	36%	14.1%	9.8%
Media [5]	441	4%	1,363	16%	(68)%	32.9%	61.8%
Property [6]	35	1%	79	1%	(55)%	N.A.	6.5%
Services [7]	320	3%	436	5%	(27)%	6.9%	1.4%
Total	**9,725**	**100%**	**8,422**	**100%**	**15%**	**14.2%**	**17.8%**

[4] Mass Transit revenue includes:

i) Construction revenue for the Pink and Yellow Lines
ii) Services Income from the provision of E&M works and the train procurement service for the Southern and Northern Green Line extensions, and the Gold Line Phase 1
iii) Operating and Maintenance revenue and farebox revenue from BRT

[5] Media revenue includes

i) Performances of VGI Group and Rabbit Group. Rabbit group (classified to be under Digital Services Business) comprises of BSS & BSSH and subsidiaries but excludes two companies which are Bangkok Payment Solutions Co., Ltd. (BPS) and Rabbit Rewards Co., Ltd. (RR).
ii) Media revenue in 1Q 2019/20 remained included performances of MACO and its subsidiaries for the period from April 2019 to June 2019

[6] Property includes Sales from Real Estate, Rental and Service Income, Revenue from Thana City Golf & Sports Club

[7] Services revenue includes revenue from Rabbit Rewards, BPS, HHT construction and Turtle 23.

[8] Operating gross profit calculated based on the operational performance of 4 BUs

SEGMENTAL PERFORMANCE

MASS TRANSIT BUSINESS

Total Mass Transit revenue in 1Q 2020/21 was THB 8,929mn, an increase of 36.4% or THB 2,384mn YoY, principally from (i) higher **services revenue for the provision of E&M works and the train procurement service for the Northern Green Line extensions** of THB 1.4bn YoY to THB 2.7bn, (ii) higher **construction revenue for the Pink and Yellow Lines** of THB 0.5bn YoY to THB 4.9bn and (iii) a considerable increase in **O&M revenue** of 38.9% or THB 323mn YoY to THB 1,153mn. This increase in O&M revenue was predominately attributable to (a) the opening of the first nine stations of the Northern Green Line extension (from Ha Yaek Lat Prao station to Wat Phra Sri Mahathat station) and (b) the contractually agreed increase in the operating fee of the existing Green Line extensions and the Southern Green Line extension.

The increased in total mass transit revenue was also reflected in costs, which increased by THB 1,770mn to THB 7,672mn, mainly from higher recognition of (i) services cost for the provision of E&M works and the train procurement service, as well as (ii) construction costs for the Pink and Yellow Lines.

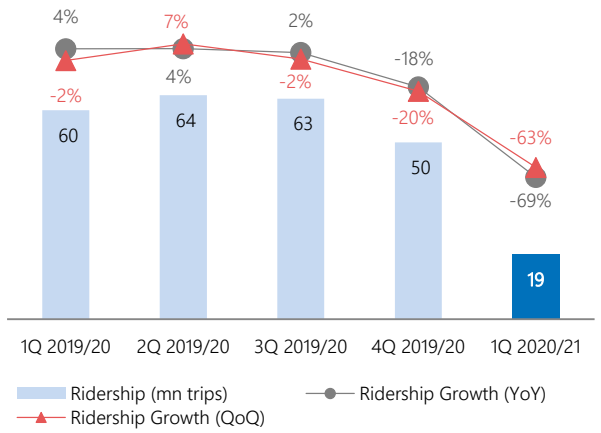
Mass Transit related interest income increased by 36.3% or THB 159mn YoY to THB 598mn, largely as a result of interest income from receivables related to the provision of services for Northern Green Line extensions and the aforesaid Pink and Yellow Lines.

Recurring EBITDA margin increased to 20.3% from 19.2% in the previous year, due to the improved performances in the overall Mass Transit segment, as well as higher Mass Transit related interest income.

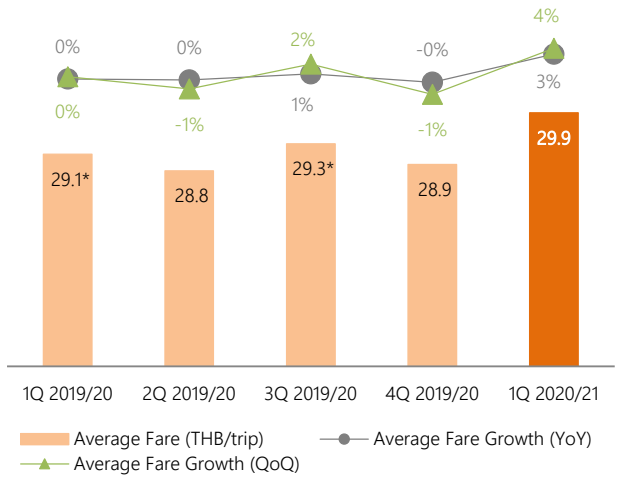
In 1Q 2020/21, the Company recognised **share of loss from investment in BTSGIF** of THB 24mn (compared to a share of profit of THB 225mn in the previous year), following a decline in quarterly farebox revenue in 1Q 2020/21 of 67.5% or THB 1,148mn YoY to THB 553mn. The decline was from lower quarterly Core Network ridership (down 69.0% YoY to 18.5mn trips) owing to the COVID-19 situation and the curfew announcement in April to mid June 2020. However, the average fare in 1Q 2020/21 rose by 3.0% YoY to THB 29.9 per trip.

More commentary on the Core Network performance can be found in *1Q 2020/21 BTSGIF management discussion and analysis.*

Historical Ridership and % Growth



Historical Average Fare* and % Growth



* Average fares above were calculated before extraordinary events for comparison purpose.

MEDIA BUSINESS

In 1Q 2019/20 operating performances from Media business included contribution of MACO and its subsidiaries for the period from April 2019 to June 2019. Whereas, in the Financial Statements, these performances were separately presented under "loss from discontinued operation".

Our Media revenue in 1Q 2020/21 was THB 441mn, a decline of 67.6% YoY, mainly owing to a significant impact from the COVID-19 pandemic.

Media Revenue (THB mn)	1Q 2020/21	% of Total	1Q 2019/20	% of Total	% Change (YoY)
OOH Media	**265**	**60%**	**928**	**68%**	**(71)%**
Transit	236	53%	572	42%	(59)%
Outdoor	16	4%	266	20%	(94)%
Office & Other	13	3%	89	7%	(85)%
Digital Services*	**176**	**40%**	**435**	**32%**	**(60)%**
Total	**441**	**100%**	**1,363**	**100%**	**(68)%**

*Digital services revenue is comprised of the revenue generating from (i) Rabbit Group, (ii) Trans.Ad Group under MACO and (iii) VGI Digital Lab

OOH Media contributed 60% of total Media revenue or THB 265mn, a significant decrease of 71.4% or THB 663mn YoY. The decline was mainly due to the aforementioned COVID-19 crisis, which led to a postponement of advertising spending.

Digital Services Business contributed 40% of total Media revenue, dropping by 59.5% YoY or THB 259mn to THB 176mn.

Cost of sales decreased by 43.1% YoY or THB 225mn to THB 296mn.

Note that the successful deconsolidation of MACO from VGI's financial statement, effective 30 January 2020, MACO's status has been changed from VGI's subsidiary to associate company. Hence, part of Outdoor Media revenue, which is directly managed by MACO and revenue from Trans.Ad Group under Digital Services segment in FY 2018/19 and FY 2019/20 has been restated from VGI's profit and loss statements. VGI will only recognise a share of profit (loss) from investment in MACO.

More commentary on the Media business can be found in *1Q 2020/21 VGI Global Media's management discussion and analysis:*

http://vgi.listedcompany.com/misc/MDNA/20200813-vgi-mdna-1q20202021-en-01.pdf

PROPERTY BUSINESS

Total property operating revenue in 1Q 2020/21 was THB 35mn, a decrease of 55.4% or THB 44mn YoY, chiefly from lower commercial revenue. Costs rose slightly by 1.6% YoY or THB 1.2mn to THB 75mn.

In 1Q 2020/21, the Company recognised a share of loss from investment in U City (our associate) of THB 399mn (compared to a share of profit of THB 193mn in the previous year) largely due to the decrease in revenue from hotel operations, resulting from the impact of COVID-19 pandemic as well as a lower gain from foreign exchange.

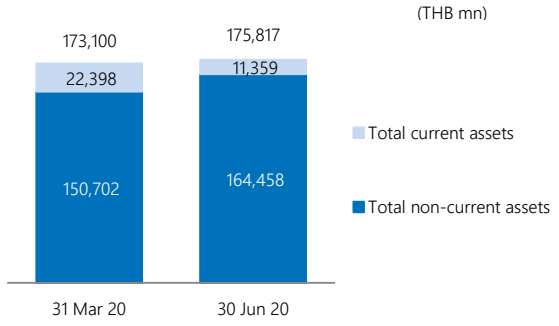
More commentary on the Property business can be found in *2Q 2020 U City's management discussion and analysis:*

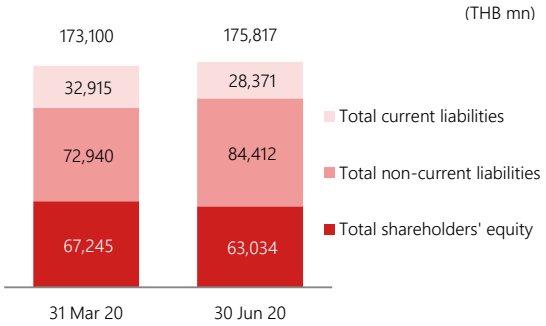
http://u.listedcompany.com/misc/mdna/20200813-u-mdna-2q2020-en.pdf

SERVICES BUSINESS

Services business revenue decreased by THB 116mn or 26.6% YoY to THB 320mn in 1Q 2020/21. The reduction was mainly from lower construction revenue of HHT construction Company Limited of THB 136mn to THB 267mn. Costs also decreased in tandem with the decline in revenue, dropping by 30.7% or THB 132mn YoY to THB 298mn.

FINANCIAL POSITION





Total assets as of 30 June 2020 stood at THB 175,817mn, an increase of THB 2,716mn or 1.6% from 31 March 2020. The increase was primarily attributed to an increase in

(i) Other financial assets and right-of-use assets of THB 21,012mn from the adoption of TFRS 9 and 16
(ii) Receivables under agreements/ due in the future with government authorities of THB 3,582mn from (a) civil construction of the Pink and Yellow Lines and interest income related to such unbilled receivables and (b) train procurement services and interest income related to the services for the Northern Green Line extensions
(iii) Elevated train project costs of THB 2,819mn from the construction of the Pink & Yellow Lines
(iv) Receivables under purchase and installation of operating system agreement of THB 2,217mn from the provision of E&M works for the Northern Green Line extensions
(v) Investment in joint ventures of THB 1,164mn, chiefly from an investment in U-Tapao International Aviation Company Limited
(vi) Cash and cash equivalents of THB 612mn (see cash movement in *Cash Flow* section)

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

(i) Current investments, investments in derivative instruments, and other long-term investments of THB 20,702mn from the adoption of TFRS 9
(ii) Trade and other receivables of THB 5,621mn mainly from receiving the remaining proceeds of the sale of Bayswater land
(iii) Investment in associates of THB 980mn, mainly from U City's reduced performance
(iv) Deferred tax assets of THB 850mn

Total liabilities increased from 31 March 2020 by 6.5% or THB 6,928mn to stand at THB 112,782mn mainly from an increase in

(i) Other financial liabilities and lease liabilities of THB 8,041mn from the adoption of TFRS 9 and 16
(ii) Long-term loans from financial institutions of THB 4,953mn mainly from the drawdown of syndicated loans in relation to the Pink & Yellow Lines

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

(i) Short-term loans from financial institutions and bills of exchange payables of THB 6,475mn

Total equity decreased from 31 March 2020 by THB 4,211mn or 6.3.% YoY to THB 63,034mn, mainly from a decrease in

(i) Retained earnings of THB 2,275mn mainly due to the special dividend payment in May 2020
(ii) Other components of shareholders' equity of THB 1,870mn
(iii) Non-controlling interests in subsidiaries of THB 569mn

As of 30 June 2020, issued and fully paid-up shares of BTS Group stood at 13,154.6mn shares (13,154.3mn shares as of 31 March 2020). Return on equity for 1Q 2020/21 was 12.8% which decreased from 7.2% in 1Q 2019/20.

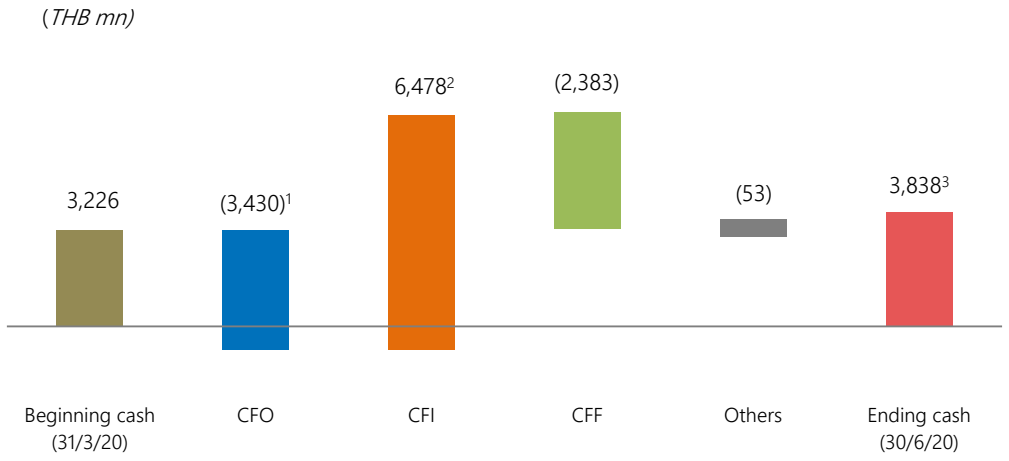
CASH FLOW

As of 30 June 2020, **cash and cash equivalents** stood at THB 3,838mn, an increase of 19.0% or THB 612mn from 31 March 2020. Cash used in operating activities was THB 2,472mn (versus cash used in operating activities of THB 2,576mn in 3M 2019/20). This was derived from profit before tax of THB 741mn, being partially offset by (i) non-cash reconciling items of THB 310mn and (ii) changes in net working capital of THB 3,522mn, chiefly from (a) investment for construction of the Pink and Yellow Lines of THB 2.3bn and (b) investment in E&M works and trains procurement for the Northern Green Line extensions of THB 0.8bn. After deducting net cash paid for corporate income tax of THB 22mn (3M 2019/20: THB 72mn) and net cash paid for interest expenses of THB 936mn (3M 2019/20: THB 520mn), **net cash used in operating activities** was THB 3,430mn.

Net cash from investing activities was THB 6,478mn. The key components were (i) cash received from settlement received from sale of investments in joint ventures of THB 5.4bn mostly from receiving the remaining proceeds of the sale of Bayswater land, (ii) net cash received from sales of current and other long-term financial assets of THB 4.6bn partially, offset with (iii) net investment for construction of the Pink and Yellow Lines of THB 2.6bn and (iv) cash paid for purchases of investments in joint ventures of THB 1.2bn largely from an investment in U-Tapao International Aviation Company Limited.

Net cash used in financing activities was THB 2,383mn. The key components were (i) net cash paid for short-term loans from financial institutions and bills of exchange payables of THB 6.5bn, (ii) dividend payment of THB 2.0bn in May 2020, partly offset with (iii) net increase in long-term loans from financial institutions of THB 5.0bn mainly for the drawdown of syndicated loans related to the Pink & Yellow lines.

3 months Cash Flow Snapshot



[1] CFO after
- Corporate income tax of THB 22mn
- Net interest expenses of THB 936mn
- Net investment for construction of the Pink and Yellow Lines of THB 2.3bn
- Net investment for E&M works and trains procurement for the Northern Green Line extensions of THB 0.8bn

[2] CFI included net investment for construction of the Pink and Yellow Lines of THB 2.6bn

[3] Excluding liquid investments of THB 11.1bn

KEY FINANCIAL RATIOS

Profitability ratios	1Q 2020/21	1Q 2019/20	4Q 2019/20
Gross operating profit margin (%)	14.2%	17.8%	19.5%
Recurring EBITDA margin (%)[A]	15.6%	25.9%	16.5%
Recurring pre-tax profit margin (%)[B]	7.4%	14.3%	6.7%
Net profit margin (%)[C]	4.1%	9.6%	29.6%
ROA (%)[D]	4.7%	2.9%	2.8%
ROE (%)[E]	12.8%	7.2%	7.4%
Liquidity ratio			
Current ratio (times)	0.40x	1.05x	0.68x
Leverage ratios			
Interest bearing debt to equity (times)	1.39x	1.32x	1.32x
Adjusted net debt[F] to equity (times)	1.15x	0.82x	1.05x
Adjusted net debt[F] to recurring EBITDA (times)	8.06x	6.52x	7.35x
Interest coverage (times)[G]	2.65x	3.90x	2.30x
Per share ratios[H]			
Basic earnings per share (THB)	0.03	0.08	0.28
Book value per share (THB)	4.79	5.49	5.32

Note:

[A] Excludes non-operating items

[B] Calculated based on pre-tax recurring profit / total recurring revenue

[C] Calculated based on accounting net profit (after MI) / total accounting revenue

[D] Calculated based on accounting net profit / total average assets

[E] Calculated based on accounting net profit / total average shareholders' equity

[F] Calculated based on interest bearing debt - cash and cash equivalent and liquid investment - cash to be received from clearing house-share subscription of subsidiary

[G] Calculated based on operating EBITDA / finance cost

[H] Calculated based on weighted average number of shares at par value of THB 4.0 per share

MANAGEMENT OUTLOOK

Rail Mass Transit is a necessity for many people in Bangkok and its vicinities. Once the government gradually relaxed the country lockdown policies since May 2020, Core Network ridership rebounded faster than expected and currently reached approximately 60% of its precedent level. The development of our new secured lines remains underway with impressive construction progress. We retain our expectation that partial operation of the Pink and Yellow Lines will commence in October 2021 as well as the commercial operation of the Gold Line Phase 1 in October 2020. Regarding the Northern Green Line extension, we continue to target the commencement of operation of the remaining 7 stations (Phahon Yothin 59 – Khu Khot) within December 2020. In addition, we are currently deploying our resources on studying the feasibility of the Orange Line for which bidding submission will be in September 2020.

For **other Transportation Projects**, following the Cabinet's approval on the two-intercity motorways project (through BGSR Joint Venture, BTS Group shareholding of 40%); (i) M6: Bang Pa-in - Nakhon Ratchasima and (ii) M81: Bang Yai-Kanchanaburi, on 21 Jul 2020, contract signing is expected in August 2020. While U-Tapao International Airport (through BBS Joint Venture, BTS Group shareholding of 35%) is now awaiting the Notice-to-Proceed for construction kickoff, which is expected by early 2022.

With the impact from the coronavirus pandemic, our **Media** business particularly the advertising platform remained volatile with low visibility. Nevertheless, thanks to its diversified portfolio, solid financial position and most importantly the dedicated employees across VGI Group's companies, we strongly believe VGI is well-positioned to benefit from the rebound once the crisis is over.

For our **Property** business, the COVID-19 crisis significantly affects U City's business activities and is significantly impacting U City's financial performances at present, and is expected to do so in the near future. However, the full impact cannot be clearly predicted at this stage. U City's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions, and contingent liabilities, and will update an impact when it is possible to do so.

Lastly, the Group is strongly proactive in monitoring the situation as well as ensuring the best care to all stakeholders and protecting our shareholder's long-term benefit amidst this challenging time. Once the recovery rate, we would provide the financial guidance promptly.

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Rangsin Kritalug
(Executive Director and Chief Operating Officer)