

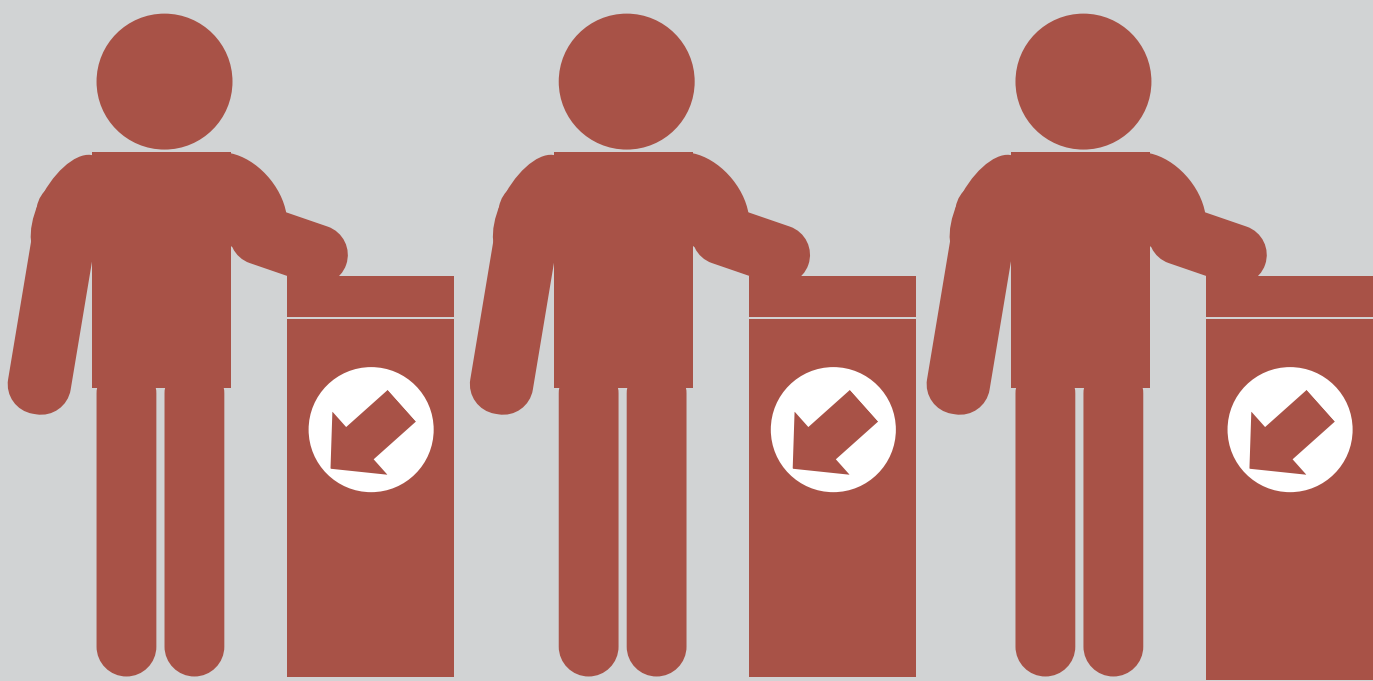


# Annual Report

**For Period from 1 April 2014 to 31 March 2015**

**BTS Rail Mass Transit Growth Infrastructure Fund**





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since 5 December 1999 to May 2015

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# Part 1

## The Fund's Operation

1. Fund Information
2. Policy, Overall Business and Seeking of Benefits
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## 1. Fund Information





### 1.1. Name, Type, Fund Capital and Term of Fund

Fund Name	BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”)
Fund Type	Closed-end Infrastructure Fund
Fund Capital	
• Registration Date	THB 62,510,400,000 (Sixty-two billion, five hundred and ten million, four hundred thousand Baht)
• After the 1 <sup>st</sup> Reduction of Capital	THB 62,064,724,000 (Sixty-two billion, sixty-four million, seven hundred and twenty-four thousand Baht)
• After the 2 <sup>nd</sup> Reduction of Capital	THB 61,786,900,000 (Sixty-one billion, seven hundred and eighty-six million, nine hundred thousand Baht)
Term of Fund	No specific term

### 1.2. Name of Management Company and Fund Supervisor

Management Company	BBL Asset Management Company Limited
Fund Supervisor	Standard Chartered Bank (Thai) Public Company Limited

## 2. Policy, Overall Business and Seeking of Benefits



### 2.1. Vision, Objective, Goal and Operating Strategies

- Vision, Objective and Goal

The Fund has been established with the key objective of investing in Rail Mass Transit Infrastructure Business which has capability to generate sustainable income for the Fund so that the Fund could make distributions to the Unitholders and achieve long-term growth in distributions per unit in order to provide Unitholders with a competitive rate of return for their investment.

The Initial Assets to be invested by the Fund are the net revenues to be generated from the operation of the Core BTS SkyTrain System (being the original lines of the BTS SkyTrain System covering 23.5 kilometres with 23 stations, consisting of the 17 kilometre Sukhumvit line from Mo-Chit to On-Nut, and the 6.5 kilometre Silom line from National Stadium to Taksin Bridge) pursuant to the Concession Agreement, from the Closing Date until the Concession Expiry Date, which is 4 December 2029, the term of the Concession Agreement of which is 30 years.



- Operating Strategies

1. Growth in Initial Asset

Initial Asset growth opportunities lie in the increase in ridership and farebox adjustment. With on-going development and expansion of Bangkok metropolitan, it is expected that demands for mass transit system continue to grow particularly those routes to downtown Bangkok where only a few rail mass transit systems are available, one of which is the Initial Asset. Therefore, the Fund stands directly benefit from such growth.

In addition, the Fund has a policy to create growth of distribution payments made to all Unitholders through increase in net revenues to be received by the Fund in investing in the Initial Asset. The Fund has a policy to create such growth by the following strategy:

- (1) Fare adjustment

Under the Concession Agreement, BTSC can adjust the effective fare provided that such effective fare is not in excess of the authorised fare. As of 1 April 2013, the authorized fare was adjusted to Baht 20.1-60.3 and on 1 June 2013, the effective fare was adjusted to Baht 15-42.

The effective fare can be adjusted not more frequently than once every 18 months and the last increase was made by BTSC in 2013.

Moreover the authorized fare can be increased according to terms and conditions set out in the Concession Agreement, including if the monthly consumer price index for Bangkok area is equal to or exceeds 5% of the reference index of any of the preceding 12 months where adjustment of up to 7% can be made. Adjustment can also be made upon other special events, such as significant change in electricity charges. Each fare adjustment must comply with the procedures set out in the Concession Agreement which may include obtaining an approval from the BMA or the advisory committee, and is subject to the government policy at the relevant time. In the past, fare increase resulted in an increase in revenue despite the drop in ridership.

- (2) Additional investment to service expected ridership growth

To accommodate the potential growth in ridership, the Fund and BTSC plan for additional investment in new rolling stocks for the Initial Asset. The investment costs for the purchase of additional rolling stocks to be used for the Core BTS SkyTrain System each year will form part of the O&M Costs which will be deducted from the Net Revenues to be delivered by BTSC to the Fund.

The Fund and BTSC plan to invest in 12 additional carriages (as allocated as costs of the Fund) which expects to require around Baht 801 million, the payment of which may be made at Baht 231.4 million, Baht 158.9 million, Baht 368.2 million and Baht 42.1 million respectively during the account period for the year 2018 to 2021. However, the schedule and actual purchase costs may be changed from the plan, considering mainly from the number of passengers per square meter of carriage, whether exceeding 85 per cent of the maximum passenger per square meter of carriage or not, together with the condition and years of service of train, maintenance schedule and overhaul maintenance, etc.

(3) Close and careful monitoring the business and operations of Infrastructure Assets

The Fund is entitled to monitor operations of BTSC or any other relevant persons in relation to the operation or management of the Infrastructure Business. The monitoring can be made in a number of ways, for the Initial Assets, the Fund's monitoring system includes the Fund's right to nominate directors of BTSC, the right to control significant matters of BTSC (i.e. Reserved Matters and the matters restricted as negative undertaking), the right to review documents and records related to BTS SkyTrain System operations and BTSC's obligation to report results of operations to the Fund on regular basis, etc.

Moreover, under the Net Revenue Purchase and Transfer Agreement and the Sponsor Support and Guarantee Agreement, undertaking of or entering into any Reserved Matter (e.g. incurring any new indebtedness in the amount or type not permitted and undertaking of any new lines of business) requires an approval from a board of directors' meeting of BTSC having at least two affirmative votes from directors of BTSC nominated by the Fund. In addition, to the extent permissible by laws, the Reserved Matters shall be incorporated in BTSC's Articles of Association to the effect that the entering into any Reserved Matter by BTSC shall be approved by the board of directors of BTSC having affirmative vote from at least one BTSC's director who is nominated by the Fund; however, if BTSC's Articles of Association cannot be registered in such manner, BTSC and BTSG are still obligated to comply with the Reserved Matters approval requirement of at least two affirmative votes from BTSC's directors who are nominated by the Fund, as agreed under the Net Revenue Purchase and Transfer Agreement or the Sponsor Support and Guarantee Agreement, as the case may be. In respect of the matters prohibited under the negative undertakings as set out under the Net Revenue Purchase and Transfer Agreement, BTSC must obtain consent of the Fund prior to the undertaking thereof pursuant to the Net Revenue Purchase and Transfer Agreement. Under the Net Revenue Purchase and Transfer Agreement, if at least two members of BTSC board of directors representing the Fund approve the Reserved Matters which are the same matters prohibited under the negative undertakings of BTSC, such approval shall deem to be the Fund's consent for BTSC to carry out such same matters prohibited under the relevant negative undertakings of BTSC.



The Fund has nominated persons whom the Fund deems appropriate as directors in BTSC board of directors which will allow the Fund to closely monitor the operations and performance of obligations under relevant agreements to ensure that the business plans and annual budgets approved by the Fund are met. So that any issues or events which may affect the Value of the Investment Units or proceeds receivable by Unitholders can be immediately identified and resolved.

## 2. Growth strategy for investment in other Infrastructure Assets

<sup>1</sup>Mass Rapid Transit Expansion Plan in Bangkok Metropolitan Region provides a number of expansion projects comprising more than 12 routes for a total of approximately 430 kilometres within 2019. Such expansion requires huge amount of investment to develop the system and procurement of the trains to provide the service. It offers good opportunities for the Fund to invest in these projects to generate the growth of the Fund and the payment of return to the Unitholders.

The Management Company intends to identify, evaluate and selectively pursue value-enhancing investment and acquisition opportunities with attractive cashflow generation characteristics and long-term distribution growth potential. The Management Company seeks to adhere to its investment mandate by only undertaking investments or acquisitions on a selective basis where it believes the investments or acquisitions will be value-enhancing to the Fund's portfolio. Where the Fund pursues investment and acquisition opportunities, the Management Company will consider the efficient financing structure to optimize risk-adjusted returns to Unitholders.

To achieve the growth strategy through investment in other projects, the Management Company will cooperate with BTSG and BTSC which agree to provide assistance to the Fund as follows:

### (1) Right of First Refusal and Right to Purchase Revenues from BTSC and/or BTSG group

The BTS SkyTrain System in Bangkok is the core business of BTSC and/or BTSG. BTSC and BTSG plan to continue to expand and make additional investment in the business. BTSC agrees to grant the Fund the right to purchase in respect of BTSC's revenue, rights, benefits, title, interest and/or investment in relation to the Identified Assets and, where BTSC or any of its subsidiaries, as the case may be, receives a third party offer, the right of first refusal to purchase revenue, rights, benefits, title, interest and/or any investment in relation to the Identified Assets and any other greenfield projects and brownfield projects for any Bangkok and Vicinity Mass Transit Systems of BTSC or any of its subsidiaries, as the case may be, under the

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<sup>1</sup>Source : [www.mrta.co.th](http://www.mrta.co.th), [www.railway.co.th](http://www.railway.co.th), [www.otp.go.th](http://www.otp.go.th), [www.mot.go.th](http://www.mot.go.th), [www.bangkok.go.th](http://www.bangkok.go.th) and from data gathering of Bangkok Mass Transit System Public Company Limited ("BTSC")

terms and conditions of the Net Revenue Purchase and Transfer Agreement. In addition, under the Sponsor Support and Guarantee Agreement, BTSG agrees to grant the Fund the right to purchase in respect of revenue, rights, benefits, title, interest and/or investment in relation to the Identified Assets and, where BTSG or any of its affiliates, as the case may be receives a third party offer, the right of first refusal to purchase revenue, rights, benefits, title, interest and/or any investment in relation to the Identified Assets and any other greenfield projects and brownfield projects for any Bangkok and Vicinity Mass Transit Systems of BTSG or BTSG's affiliates, as the case may be. The Fund's right to purchase and right of first refusal shall lapse upon expiration of the period of time specified under the Net Revenue Purchase and Transfer Agreement or Sponsor Support and Guarantee Agreement, as the case may be.

Therefore if the Fund determines that any future project to be developed by BTSC, BTSG, and/or any of BTSG's affiliates has potential, the Fund will have the right to invest in such project. This offers growth opportunities for the Fund as well as for any future revenue stream payable to the Unitholders.

(2) Expertise of BTSC and/or BTSG in the development of rail mass transit system

BTSC and/or BTSG have long-term significant experience in operating the rapid mass transit system and is the operator of the BTS SkyTrain System under the Concession Agreement. This provides BTSC and/or BTSG competitive advantage in the future development of any extension to the BTS SkyTrain System or Green Line, such as the Mo Chit-Saphan Mai-Khu Khot extension and Bearing-Samut Prakan extension. This will provide convenience to passengers in using BTS SkyTrain System operating by BTSC, more than using the services provided by other operator.

The Management Company believes that the expertise of BTSC and BTSG in the mass transit industry will offer advantages for BTSC and BTSG in their bidding for future projects for extensions of the Core BTS SkyTrain System. If BTSC and/or BTSG and/or BTSG's affiliates are selected to operate, manage or invest in future projects whether in form of concession, public private participation gross cost or management engagement, the Fund will be entitled to invest in such projects if it is determined to benefit the Fund as the Fund has the right to purchase and the right of first refusal under the Net Revenue Purchase and Transfer Agreement and the Sponsor Support and Guarantee Agreement, as the case may be.

The Fund is entitled to consider the efficient management of the financing structure for any future projects by taking into account the suitable financing options, including borrowing or issuance of debt to finance investment in new assets or projects to generate more return to the Unitholders.



## 2.2. Significant Changes and Developments

### 2.2.1. Significant Developments

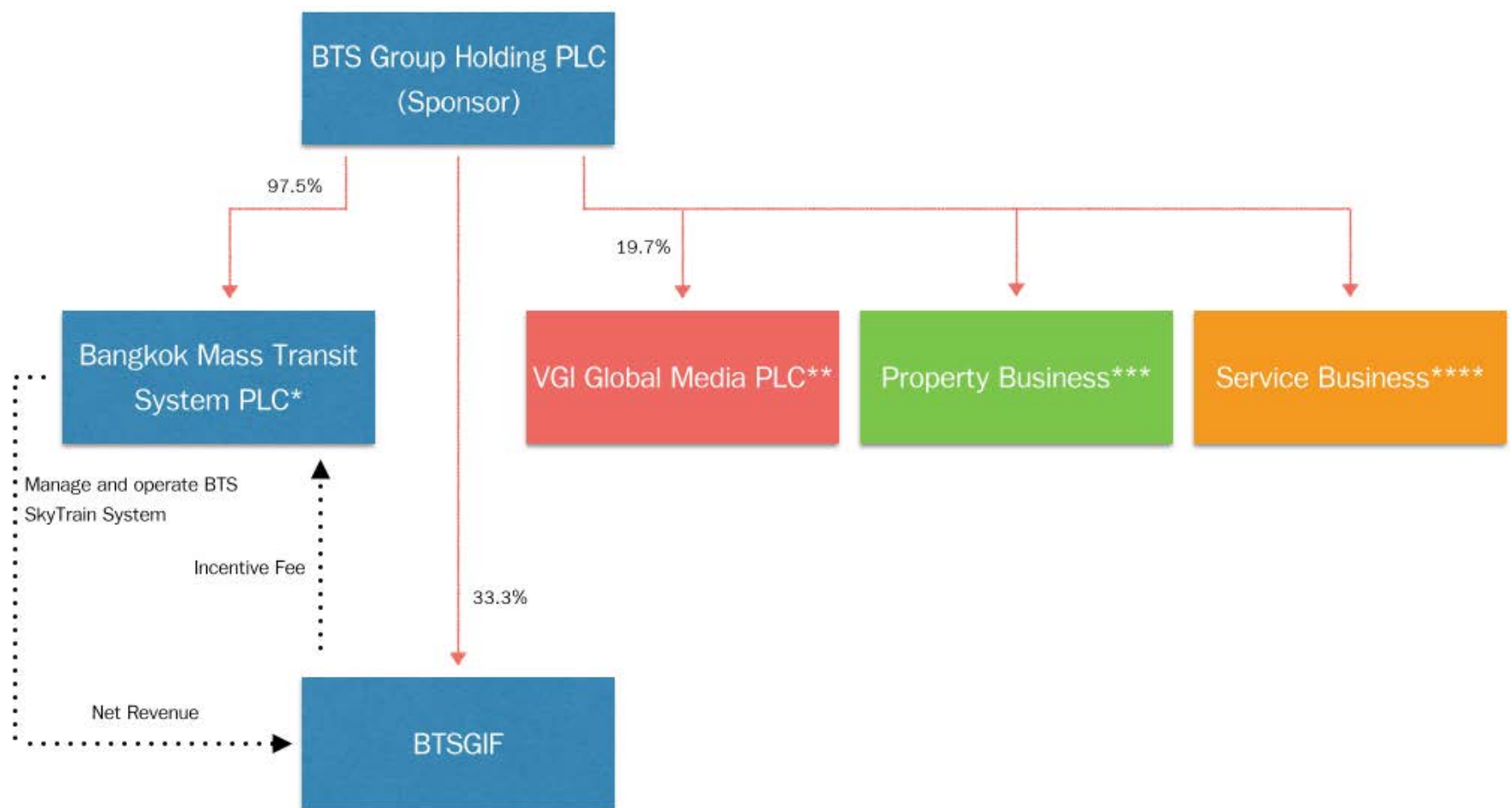
Date	Details
2 April 2014	BTSC has been granted ISO 14001:2004 Certification for Environmental Management Systems from Bureau Veritas Certification (Thailand) Company Limited.
15 September 2014	<p>BTSC signed a maintenance agreement for a mass transit project with Siemens for a period of 15 years, from 1 January 2015 to 4 December 2029 (end of concession period).</p> <p>The scope of the maintenance service under such agreement includes:</p> <ul style="list-style-type: none"> <li>• Maintenance of the skytrain and mechanical systems (except TETRA, signalling system, automatic fare collection system, elevators and escalators)</li> <li>• Maintenance of 35 trains, each train with 4 carriages, which had been purchased from Siemens</li> <li>• Overhaul and replacement for spare parts that need to be replaced according to their conditions</li> </ul> <p>The scope of service under the maintenance agreement shall not include the 17 trains purchased from CRC in which the BTSC employees will be responsible for the repairs and maintenance of such trains.</p>
From 1 April 2014 to 31 March 2015	<p>The Fund paid dividends 4 times and paid returned capital twice to the Unitholders.</p> <p>(Please see Section 7.3.2- “History of Dividend Payment and Reduction of Capital”)</p>

2.2.2. Amendment of the Fund Scheme

Subject	Details	Effective date
Amendment of the Fund Scheme to be compliance with FATCA	Under FATCA, mutual funds and asset management companies will be required to report investment information and financial transactions of US citizens and persons possessing characteristics as specified by FATCA’s rules, to perform the due diligence on clients’ information to identify their US linkage, as well as to ask certain clients to produce/present additional documentation as required by FATCA’s rules, etc.	1 July 2014 onwards
Amendment of the Fund Scheme to be compliance with the Notification of the SEC (KorNor 6/2557) and the Notification of the Capital Market Supervisory Board (TorNor 22/2557) regarding the Borrowing Criteria and the Reduction of Capital	<ul style="list-style-type: none"><li>• Borrowing Criteria: amended to be; The Fund will maintain its aggregate leverage within the borrowing limits allowable under the Securities Law. Currently, it is required that the debt to equity ratio of the Fund shall not be higher than three to one (3:1), except for a breach of such ratio which is not as a result of an additional borrowing.</li><li>• Reduction of Capital: amended to be; The Fund may reduce its capital for the case that there is excess liquidity after sales of Infrastructure Assets or from non-cash expenses without resolution from the Unitholders.</li></ul>	17 July 2014 onwards



### 2.3. Relationship with the Business Group of Infrastructure Asset Manager or Major Unitholders



\* Bangkok Mass Transit System Plc holds 90% shares in Bangkok Smartcard System Co., Ltd. and 51% shares in VGI Global Media Plc.

\*\* VGI Global Media Plc. holds 100% shares in VGI Advertising Media Co., Ltd.; 100% shares in 999 Media Co., Ltd.; 100% shares in 888 Media Co., Ltd.; 100% shares in Point of View (POV) Media Group Co., Ltd.; 100% shares in VGI Advertising China Co., Ltd.; 30% shares in Midas Global Media Co., Ltd.; 24.94% shares in Master Ad Plc.; and 20% shares in LED Advance Co., Ltd.

\*\*\* BTS Group Holdings Plc. holds 100% shares in PrannaKiri Assets Co., Ltd.; 100% shares in Siam Paging and Communication Co., Ltd.; 100% shares in DNAL Co., Ltd.; 100% in Muangthong Assets Co., Ltd.; 100% shares in BTS Land Co., Ltd.; 100% shares in Tanayong Food & Beverage Co., Ltd.; 100% shares in Tanayong Property Management Co., Ltd.; 100% shares in Yongsu Co., Ltd.; 100% shares in Thana City Golf & Sports Club Co., Ltd.; 100% shares in Nuvo Line Agency Co., Ltd.; 100% shares in Mak8 Co., Ltd.; 50% shares in Bayswater Co., Ltd.; 50% shares in BTS Sansiri Holding One Limited; 50% shares in BTS Sansiri Holding Two Limited; and 35.64% shares in U City Plc.

\*\*\*\* BTS Group Holdings Plc. holds 100% shares in Tanayong Internatinal Limited; 100% shares in Tanayong Hong Kong Limited; 100% shares in Carrot Rewards Co., Ltd.; 100% shares in Primary Kitchen Co., Ltd.; 100% shares in BSS Holdings Co., Ltd.; 70% shares in Man Kitchen Co., Ltd.; 51% shares in HHT Construction Co., Ltd.; and 50% shares in Absolute Hotel Services Co., Ltd.

BSS Holdings Co., Ltd. Holds 60% shares in Bangkok Payment Solutions Co., Ltd. and 51% shares in ATS Rabbit Special Purpose Vehicle Co., Ltd.; Man Kitchen Co., Ltd. holds 75% shares in Little Corner Co., Ltd.; Tanayong Hong Kong Limited and Absolute Hotel Services Co., Ltd. hold 12.26% shares and 75.47% shares in Absolute Hotel Services Hong Kong Limited respectively.

The major Unitholders of the Fund are BTS Group Holdings Plc. (holding 33.33% of the total number of Units as of 8 June 2015) which BTS Group Holdings Plc holds 97.5% shares in Bangkok Mass Transit System Plc. Moreover, BTS Group Holdings Plc. has investments in advertising, property and service businesses.

Bangkok Mass Transit System Plc. is the operator of the Core BTS SkyTrain System for the Fund. In addition, it is also the operator of the Extension BTS SkyTrain System which both businesses are not competitors.

The Management Company does not manage any other infrastructure fund that invests in other rail mass transit system which may be in competition with the Fund.

## 2.4. Asset of the Fund

### 2.4.1. Details of Asset of the Fund

As at 31 March 2015 and 31 March 2014

Asset	2015		2014	
	Fair Value / Market Value (THB)	% of Net Asset Value	Fair Value / Market Value (THB)	% of Net Asset Value
1. Cash at banks	438,077,447	0.67	77,557,850	0.12
2. Investment in securities				
Promissary Note	528,340,331	0.81	–	–
Bond	368,829,447	0.56	1,245,437,613	1.91
Total	1,335,247,225	2.04	1,322,995,463	2.03
3. Investment in infrastructure business				
Investment in net revenue purchase and transfer agreement	64,010,000,000	97.74	63,100,000,000	96.92
Total	64,010,000,000	97.37	63,100,000,000	96.92
4. Other assets				
Account receivable from interest	838,740	0.00	61,553	0.00
Deferred units issuance costs	387,261,042	0.59	757,287,953	1.16
Other assets	5,752,438	0.01	4,057,497	0.01
Total	393,852,220	0.60	761,407,003	1.17
Total assets	65,739,099,445	100.38	65,184,402,466	100.12
5. Liabilities				
Accounts payable from net revenue purchase and transfer agreement	146,706,137	0.22	47,127,254	0.07
Other payables and accrued expenses	98,256,386	0.15	27,825,862	0.04
Special business tax payable	5,349,083	0.01	4,622,963	0.01
Other liabilities	419,024	0.00	320,693	0.00
Total liabilities	250,730,630	0.38	79,896,772	0.12
Net assets	65,488,368,815	100.00	65,104,505,694	100.00
Net assets value per unit	11.3145		11.2481	
No. of units	5,788,000,000 units			



#### 2.4.2. Details of Infrastructure Asset Invested by the Fund

As at 31 March 2015

Details of Asset	<p>Net farebox revenues to be generated from the operation of the Core BTS SkyTrain System covering 23.5 kilometres, consisting of the 17 kilometre Sukhumvit line from Mo Chit to On Nut, and the 6.5 kilometre Silom line from National Stadium to Taksin Bridge pursuant to the Concession Agreement. (The concession will expire on 4 December 2029)</p> <p>Net farebox revenues mean all farebox revenues less the O&amp;M Costs from the operation and maintainance of the Core BTS SkyTrain System.</p> <p>The Core BTS SkyTrain System commenced commercial operations in December 1999 (for a period of approximately 15 years) with the passengers in BKK as the target customers.</p>
Type of Asset	Right to receive benefit from future revenue from Rail Mass Transit Infrastructure Project
Operator	Bangkok Mass Transit System Public Company Limited 1000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok
Date of Investment	17 April 2013
Term	From 17 April 2013 to 4 December 2029
Investment Cost	THB 61,399,000,000
Latest Appraisal Value	<p>THB 64,010,000,000</p> <p>(as at 31 March 2015; the appraisal date of 30 June 2014)</p> <p>By C.I.T. Appraisal Company Limited using the income approach</p> <p>Key valuer is Miss Wanida Sukswan</p>
Income per Year	Net farebox revenue from 1 April 2014 to 31 March 2015 was THB 3,957.213 million
Legal Obligation	None

### 2.4.3. Details of Investment in Infrastructure Asset

For Period from 1 April 2014 to 31 March 2015

- None -

### 2.4.4. Details of Sale of Infrastructure Asset

For Period from 1 April 2014 to 31 March 2015

- None -

## 2.5. Seeking of Benefits from the Infrastructure Assets

The Fund invests in the Net Revenue to be generated from the operation of the Core BTS SkyTrain System which BTSC has the right to receive. The Fund's income, thus, comes from the farebox revenue to be received from the customers deducted by the related costs and expenses (the Fund does not lease its assets to any particular tenant and there is no concentration of tenants). BTSC remains the operator of the Core BTS SkyTrain System as per the Concession Agreement.

The Fund will pay BTSC the Incentive Fee for its operation of the Core BTS SkyTrain System on annual basis at the following rates:

- (a) If the Net Farebox Revenues for any year is more than 100 per cent but not exceeding 125 per cent of the Annual Net Farebox Revenues Target for that year, BTSC shall be entitled to the Incentive Fee at the rate of 10 per cent of the Net Farebox Revenues in respect of the amount exceeding 100 per cent but not exceeding 125 per cent of the Annual Net Farebox Revenues Target.
- (b) If the Net Farebox Revenues for any year is more than 125 per cent of the Annual Net Farebox Revenues Target for that year, BTSC shall be entitled to the Incentive Fee at the rate of 15 per cent of the Net Farebox Revenues in respect of the amount exceeding 125 per cent of the Annual Net Farebox Revenues Target.

### Infrastructure Asset Manager

Bangkok Mass Transit System Public Company Limited ("BTSC")

BTS Building, 1000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900

Telephone 0-2617-7300

BTS Group Holdings Public Company Limited (“BTSG”), a major shareholder in BTSC holding 97.46% of the total issued shares in BTSC, is the Sponsor of the Fund holding 33.33% of total Investment Units sold.

#### Management Experience on the Infrastructure Project

BTSC was founded in 1992 and was granted concession from the Bangkok Metropolitan Administration (BMA) on the same year which was a sole concession to BTSC for operating the Core BTS SkyTrain System for a period of 30 years from the first day of operation. BTSC completed the civil works for the Core BTS SkyTrain System and transferred the rights to the civil works to the BMA as specified in the Concession Agreement. BTSC commenced commercial operation of the Core BTS SkyTrain System on 2 December 1999 and in May 2009 Krungthep Thanakom Co., Ltd. contracted BTSC to operate the Silom Line Extension Phase 1 which commenced its service on 15 May 2009. In November 2011, Krungthep Thanakom contracted BTSC to operate the Sukhumvit Line Extension which commenced its service on 15 August 2011. Moreover, on 3 May 2012, BTSC also signed a Long-Term O&M Agreement to operate the train and be responsible for the train repair and maintenance for the Green Line - Extension which is under supervision of BMA for a period of 30 years from 2012 to 2042. This agreement also covers the Core BTS SkyTrain System after the Concession Expiry Date (4 December 2029) until 2 May 2042.

The expertise of BTSC and/or BTSG in developing the mass transit; BTSC and/or BTSG have long-term experience in operating rail mass transit with the rights to operate the Core BTS SkyTrain System under the concession granted by the BMA. Thus, BTSC and/or BTSG have advantage in developing various projects continuously from the Core BTS SkyTrain System such as the Mo Chit-Saphan Mai-Khu Khot and the Baring-Samut Prakarn extension lines since it provides more convenient services than other operators which required the passengers to change trains when entering the Core BTS SkyTrain System.

#### 2.6. Borrowing

- None -



### 3. Business and Industry

#### Overview: Mass Transit



#### Key Developments in 2014/15

- Core Network ridership increased 1.9% YoY to 218.7mn trips.
- Average fare increased 1.6% YoY to THB 26.9 per trip.

2014/15 proved to be a challenging year for Thai businesses as the sluggish recovery of the Thai economy and political uncertainties continued to hamper the nation. Bangkok Mass Transit System Company Limited (BTSC) was also affected, with Core Net Farebox Revenue growing 3.5% YoY to THB 5.88bn. Total annual ridership reached 218.7mn trips, a growth of 1.9% YoY compared to 2013/14. The decelerated growth was primarily attributable to the shortened operating hours during the military-imposed curfew and the change in school and university terms to align with that of AEC. Average weekday ridership for 2014/15 was 673,162 trips, representing an increase of 2.5% from last year. Key growth factors include the expanding network (the full year effect of the operation of the Silom Line extension which opened in December 2013), full year effect of the new rolling stock (in service since May 2013) and continued organic growth (population growth, urbanisation and property development along the mass transit routes).

On 17 April 2013, BTSC sold the future Net Farebox Revenues from the Core BTS SkyTrain Network to the Fund. The transaction enabled BTS Group to secure funding for the upcoming expansion of the mass transit network, which is forecasted to increase from 84.8km currently to 471.3 km<sup>1</sup> by 2029. BTS Group expects to be a lead participant in this expansion and is now strongly positioned to do so both from an operational expertise and financial perspective. Following the sale, BTSC remains the operator of the BTS SkyTrain and BTS Group maintains a significant investment in the Core BTS SkyTrain Network via a 33.3% holding of investment units of the Fund.

#### Operations Performance in 2014/15

Performance Indicators		Target	2014/15	2013/14
Service Reliability (trips)	More than 1,000 trips per delay of 5 minutes or greater		757	1,890
Train Reliability (car-kms.)	Not less than 35,000 car-km. per fault		72,895	97,570
Ticket Reliability (transactions)	Not less than 15,000 times before a failure		20,910	22,914

BTSC continues to maintain high standards of safety and services throughout its operation. The key indicators for operations performance include service reliability, train reliability and ticket reliability. Service reliability measures the punctuality of the trains, with the target set at more than 1,000 trips per delay of 5 minutes or greater. The results achieved for 2014/15 were an average of 757 trips, a decrease from 2013/14 and also missing the target. The low result was on account of the installation of new Platform Screen Doors (PSD). During the initial stage of operations, the signaling system had to be calibrated to synchronise with the PSD, which caused interruptions and delays to public service. Train reliability measures the distance travelled before a fault occurs. The target is set for not less than 35,000 car-kilometres per fault and BTSC recorded 72,895 car-kilometres per fault in 2014/15, exceeding the target although the reliability dropped from 2013/14. Again, the decline was attributable to the abovementioned new PSD system implementation. Ticket reliability refers to the number of transactions before a fault occurs, which includes equipment failure as well as mishandling of tickets by passengers. The target was set at not less than 15,000 transactions before a failure, and ticket reliability in 2014/15 was recorded at 20,910 transactions per fault, staying above the target. BTSC performs regular upgrades on equipment in order to ensure continuous improvement in performance and reliability.

<sup>1</sup>Mass Rapid Transit Authority of Thailand

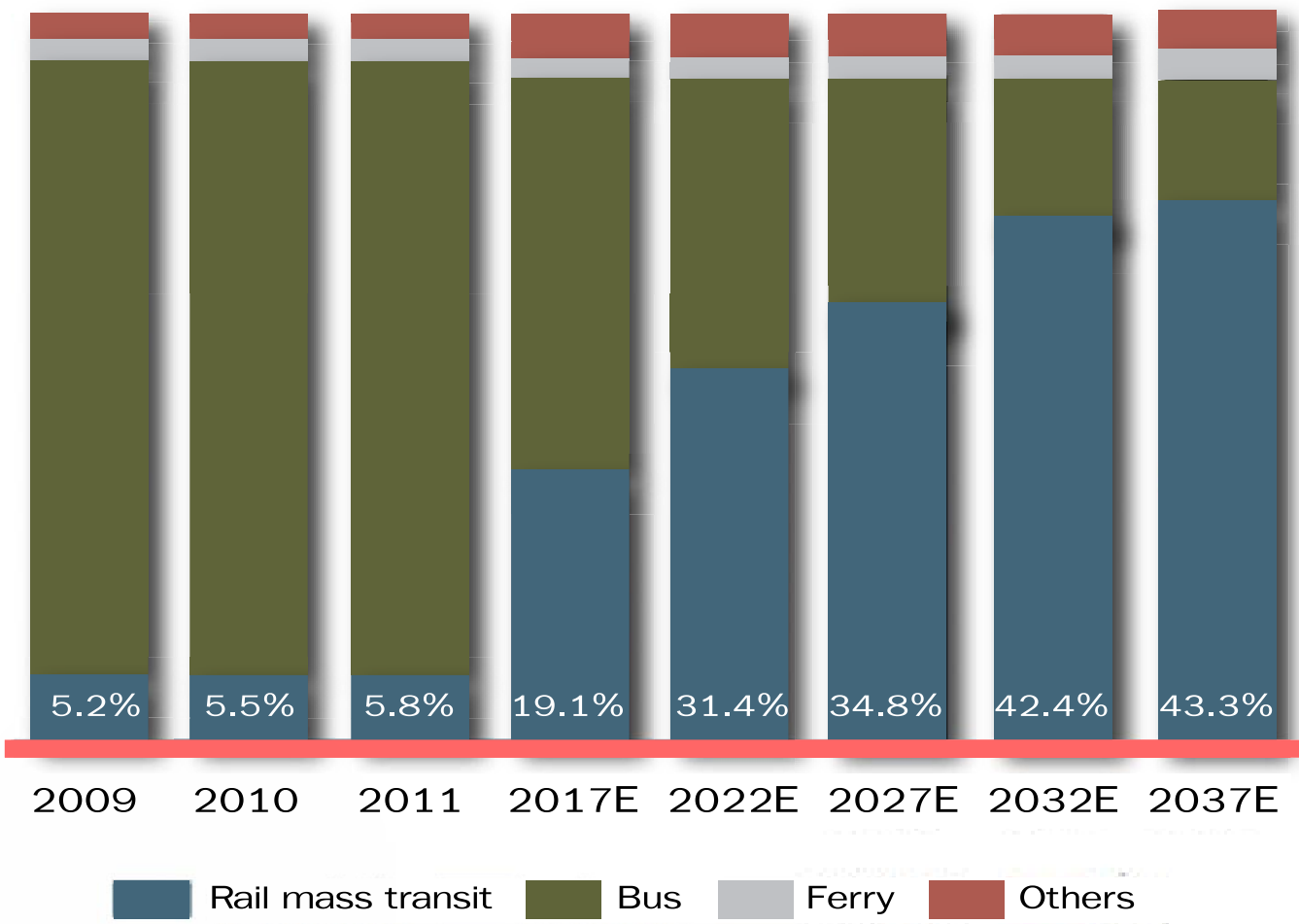


Thailand Mass Transit Market Overview

Immature Rail Mass Transit Network

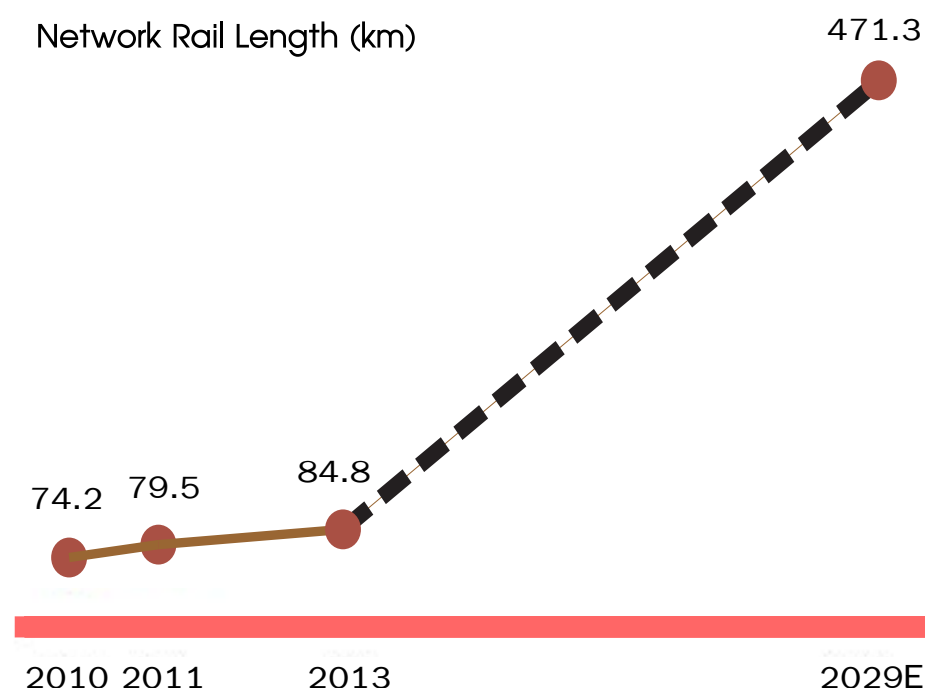
Since the inception of the BTS SkyTrain (the first rail mass transit system in Bangkok) in December 1999, rail mass transit usage in Bangkok has seen a gradual rise and in 2011, accounted for 5.8% (0.68mn trips) of the total mass transit usage in Bangkok (11.8mn trips per day). This is a relatively slow growth in the overall mass transit market share. According to the Office of Transport and Traffic Policy and Planning (OTP), modes of transport categorised under mass transit in Bangkok includes rail-based (including the BTS SkyTrain and MRT Subway), road-based (buses), water-based (ferry) and others (mini-vans, limited standard gauge over-ground rail). Bangkok’s mass transit market share (measured in number of trips per day) in 2011 was composed of bus mass transit at 89.0%, rail mass transit at 5.8%, ferry at 2.5% and others at 2.7%. The OTP forecasts that rail mass transit market share will progressively take the market share of bus mass transit as the demand for rail mass transit in Bangkok increases and the network becomes more extensive in the next few years.

Bangkok’s Mass Transit Market Share (Forecast 2017-2037)



Source : Transport data and model integrated with multimodal transport and logistics (TDML II) of the Office of Transport and Traffic Policy and Planning (OTP)

### Existing and Future Rail Mass Transit Network Rail Length (km)



Source: Mass Rapid Transit Authority of Thailand

With no new openings of rail mass transit lines in 2014, the total route length of the current rail mass transit network (consisting of BTS SkyTrain, MRT Subway and Airport Rail Link) remains unchanged at 84.8km. As such, pervasion (defined as rail mass transit length per million population) in Bangkok also remained constant at 8.0km per million people in 2014, far behind those of regional peers (*for more details, please refer to Comparable Markets Overview*).

### Government Policy On Rail Mass Transit Network Expansion

Expansion of public transportation infrastructure has always been a top priority on the national agenda. The original version of the Mass Rapid Transit Master Plan in Bangkok Metropolitan Region (M-MAP), on which the current master plan is based, was approved by the Cabinet on 9 March 2010. The M-MAP was drafted to develop mass rapid transit systems in Bangkok Metropolitan Region (Bangkok and 5 adjacent provinces consisting of Nakhon Pathom, Pathumthani, Nonthaburi, Samut Prakarn and Samut Sakhon) within a 20-year timespan (from 2010-2029). Subsequently, there have been modifications to the M-MAP under different governments. As of July 2014, the M-MAP sets forth 10 mass transit lines covering a total route length of 471.3km to be completed by 2029<sup>1</sup>. Of those, 122.2km are currently under construction, including the Dark Green Line extensions (Bearing - Samut Prakarn, 12.8km and Mo Chit - Saphan Mai - Khu Khot, 18.4km), which are direct extensions to our Core Network and lines that BTS group is targeting to operate.

The political turbulence in Thailand, which started in 2013 and persisted into 2014, followed by the coup d'état in May 2014 and a period of political reform under the military junta, have inevitably caused delays in the bidding and award of the new mass transit projects. Nevertheless, once peace and order had been restored to the nation, the incumbent government resumed its focus on expediting mass rapid transit network development. On 30 September 2014, the civil works tender for the Dark Green Line - North extension (Mo Chit - Saphan Mai - Khu Khot) was carried out and construction for this line has started since June 2015. Further, the Cabinet Meeting held on 21 October 2014 resolved to acknowledge the Investment Project for Transportation Development 2015 as proposed by the Ministry of Transport. The plan outlines the processes involved and the indicative timeframe for the respective measures.

<sup>1</sup>Source: Mass Rapid Transit Authority of Thailand

The government targets the tendering of 142.1km new mass rapid transit lines and extensions to be rolled out over the next few years. Out of these, BTS group has targeted the Pink Line (Khae Rai - Min Buri, 34.5km) as the potential line for winning the bid to be the operator.

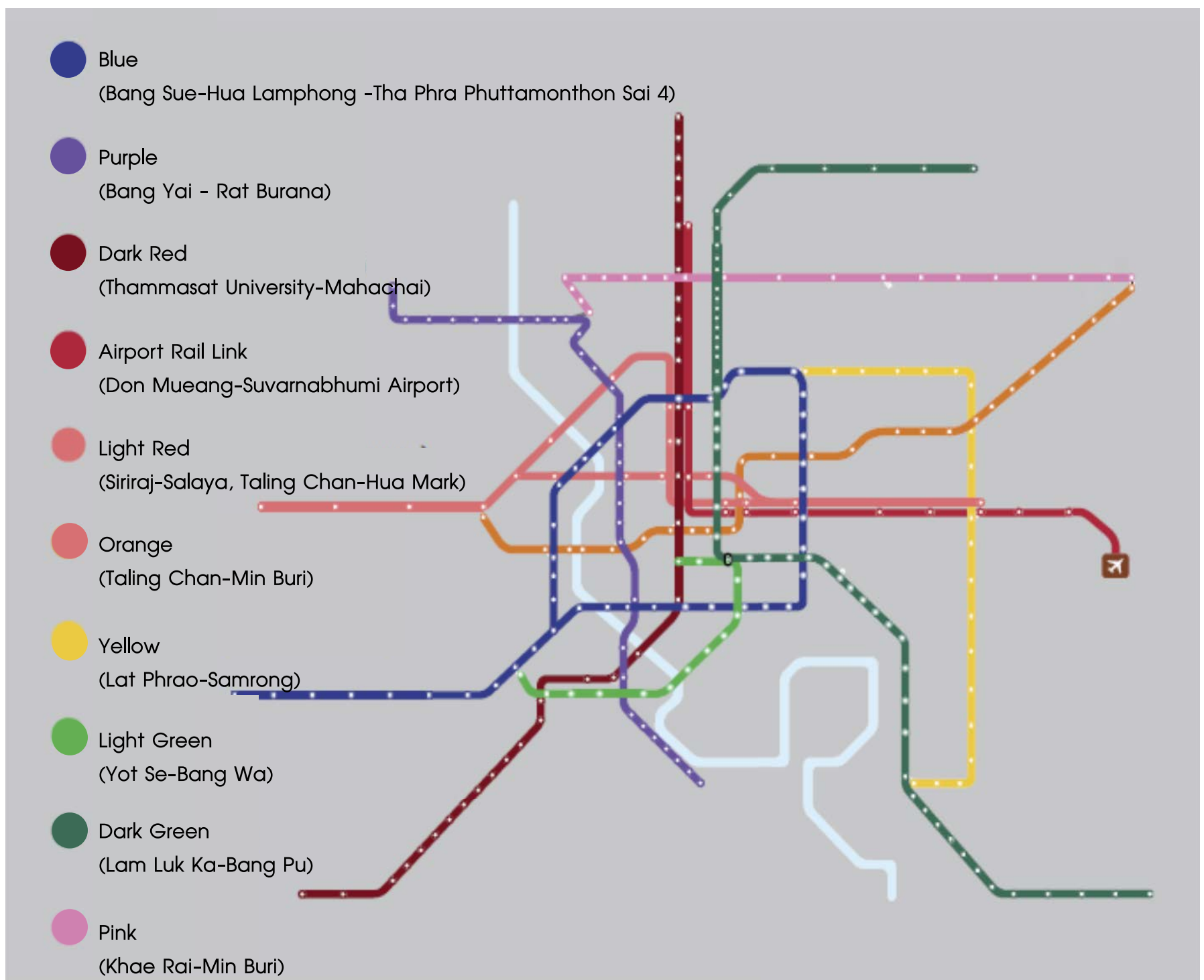
10 Mass Rapid Transit Projects under the Government’s Policy

Project	Route	Distance (km)
Dark Red	Thammasat University Rangsit Campus - Mahachai	80.5
Light Red	Salaya - Hua Mark	54.0
Airport Rail Link	Don Mueang - Suvarnabhumi Airport	50.3
Dark Green	Lam Luk Ka - Bang Pu	67.0
Light Green	Yot Se - Bang Wa	15.5
Blue	Bang Sue - Hua Lamphong - Tha Phra - Phutthamonthon Sai 4	55.0
Purple	Bang Yai - Rat Burana	46.6
Orange	Charansanitwong - Min Buri	37.5
Pink	Khae Rai - Min Buri	34.5
Yellow	Lat Phrao - Samrong	30.4
Total		471.3

Source: Mass Rapid Transit Authority of Thailand



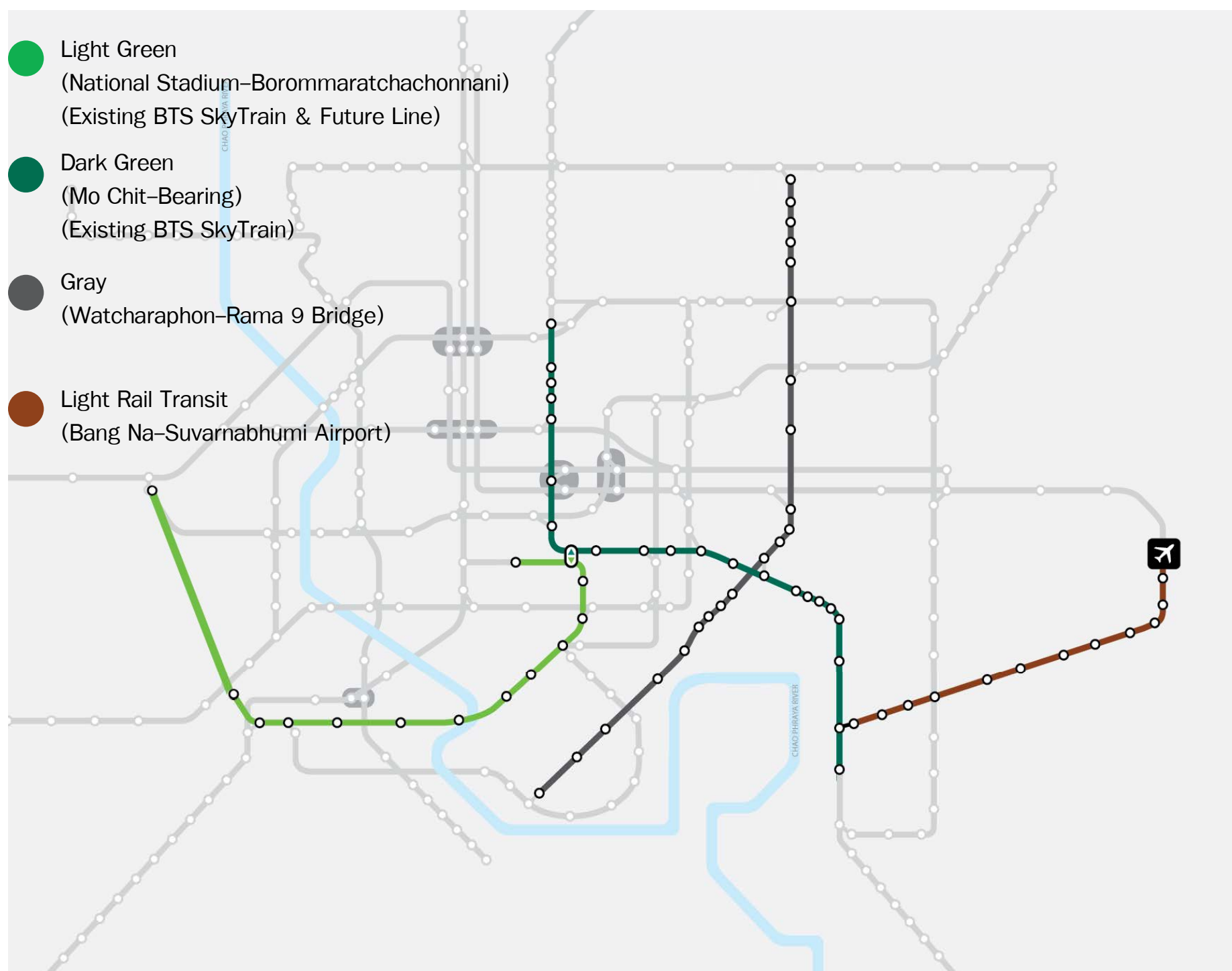
## 10 Mass Rapid Transit Projects under the Government's Policy



Sources: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand and Ministry of Transport

In addition, the Bangkok Metropolitan Administration (BMA) has a few projects under its purview which is expected to come to fruition within the next 5 years. The most imminent projects are the Light Rail Transit (LRT), stretching 18.3km from Bang Na to Suvarnabhumi Airport, the direct extension of the Light Green Line from Bang Wa to Borommaratchachonnani (7.0km) and the Grey Line (26.0km) monorail, which runs from Watcharaphon to Rama 9 Bridge. The BMA has already procured a consultant for the environmental impact assessment (EIA) and feasibility study for Phase I of the Grey Line and bidding for this line is expected to be within 2015. BTS group retains an optimistic stance on both of these lines as the stations interchange with the existing Green Lines currently operated by BTSC.

## Mass Rapid Transit Projects under BMA and Existing BTS SkyTrain



Source: Traffic and Transportation Department, Bangkok Metropolitan Administration

## Comparable Markets Overview

In 2014, the Bangkok Metropolitan Region had an official population of more than 10.6mn compared to 13.3mn in Tokyo (data as of 2013), 7.3mn in Hong Kong and 5.5mn in Singapore. The urban mass transit pervasion for Bangkok remained the same as last year at 8.0km as there were no new extensions. Compared to regional peers, however, Bangkok is lagging behind Tokyo, Hong Kong and Singapore, with pervasion of 24.1km, 35.1km and 32.4km, respectively. Moreover, in 2011, the rail market share was 6% for Bangkok, 36% for Tokyo, 46% for Hong Kong and 40% for Singapore. This demonstrates the development of Bangkok's mass transit system is much needed to cope with the rapid increase in population density and severe road-based traffic congestion.

Rail Mass Transit Development in the Region in 2014

	Population (mn)	Rail Mass Transit Length (km)	Urban Mass Transit Pervasion*
Bangkok Metropolitan Region	10.6	84.8	8.0
Tokyo**	13.3	320.0	24.1
Hong Kong	7.3	256.3	35.1
Singapore	5.5	178.0	32.4

Sources: Ministry of Interior, OTP, Tokyo Metropolitan Government, Tokyo Metro, Hong Kong’s Census and Statistics Department, Hong Kong MTR Corporation, Singapore Land Transport Authority and SMRT Corporation Limited

\*Pervasion is defined as rail mass transit length per mn population

\*\*Data as of 2013

Overview Of Bangkok’s Existing Mass Transit System

BTS Skytrain

The BTS SkyTrain is Thailand’s first elevated electric railway system and is constructed above some of central Bangkok’s major public roadways. It is operated by BTSC and opened for service on 5 December 1999. As of 31 March 2015, there were a total of 52 trains, with all trains in service comprising of 4 carriages. The network, which includes the Core Network and its subsequent extensions, comprises 34 stations across 2 separate lines with a combined track length of 36.3km. The Sukhumvit Line, or the Dark Green Line, currently consists of 22 stations and runs northwards and eastwards from central Bangkok, connecting Mo Chit and Bearing. The Silom Line, or the Light Green Line, currently consists of 13 stations and runs through one of Bangkok’s central business districts, connecting National Stadium and Bang Wa. Both lines intersect at Siam station, which is the system’s single shared interchange station. In 2014/15, BTS SkyTrain carried a total of 218.7mn passengers on the system. Ridership has grown at 9.8% CAGR since inception.

MRT Subway

The MRT Subway is Bangkok’s first underground mass transit railway system in Thailand and commenced operation on 3 July 2004. The network currently consists of only one line, the Metropolitan Rapid Transit System Chaloem Rat-chamongkhon Line (Blue Line), which runs 20.0km through 18 stations from Hua Lamphong to Bang Sue; however, construction of a second line, which runs 22.0km and covers 16 stations from Khlong Bang Phai to Tao Poon (Purple



Line), is already underway and expected to commence operation in 2016. The current system is connected to the BTS SkyTrain at three stations: Sala Daeng, Asok and Mo Chit stations. In 2014, the MRT Subway trains carried a total of 92.4 mn passengers on the system<sup>1</sup>.

The MRT Subway is solely operated by Bangkok Metro Public Company Limited (BMCL) under a concession agreement with the Mass Rapid Transit Authority of Thailand (MRTA) to exclusively operate the existing network of the Blue Line. The concession includes the exclusive right to operate the current MRT Subway system, as well as the right to manage commercial and advertising space in the system for 25 years until 2029. The MRTA was responsible for the civil works investment whilst BMCL was responsible for the electrical and mechanical works (E&M) and rolling stock investment. Under the concession agreement, BMCL is required to pay a certain percentage of fare and commercial revenue along with an annual remuneration to the MRTA.

In September 2013, BMCL was awarded the concession to operate the Purple Line for 30 years until 2043. Under the agreement, BMCL is responsible for implementing the E&M works as well as the procurement of rolling stock, which is funded by MRTA.

#### Suvarnabhumi Airport Rail Link

The Suvarnabhumi Airport Rail Link (SARL) is a rapid transit line that connects Suvarnabhumi Airport to Phaya Thai station in central Bangkok. The line is 28.5km long and is elevated, running above the existing eastern railway, with an underground terminal at the airport. It is owned and operated by State Railway of Thailand (SRT). The SARL commenced its operations on 23 August 2010. There are a total of three lines: a 15-minute non-stop SA Express Line that runs from Makkasan station to the airport, an 18-minute non-stop SA Express Line that runs between Phaya Thai station and the airport, and the City Line, an approximate 30-minute commuter rail service with stops at eight stations from the airport to Phaya Thai station. The SARL connects directly with the existing BTS SkyTrain at concourse level at Phaya Thai station. From 14 April 2014 onwards, the SA Express Line to Phaya Thai station has been temporarily suspended until further notice.

#### SRT Line

The SRT Line is part of the Light Red Line under the authority of SRT that runs between Bang Sue to Taling Chan and covers a total route length of 15.3km with 4 stations. This line commenced trial operations from 8 September to 30 November 2012 by diesel railcars and began providing temporary service on 5 December 2012.

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<sup>1</sup>Source: Bangkok Metro Public Company Limited

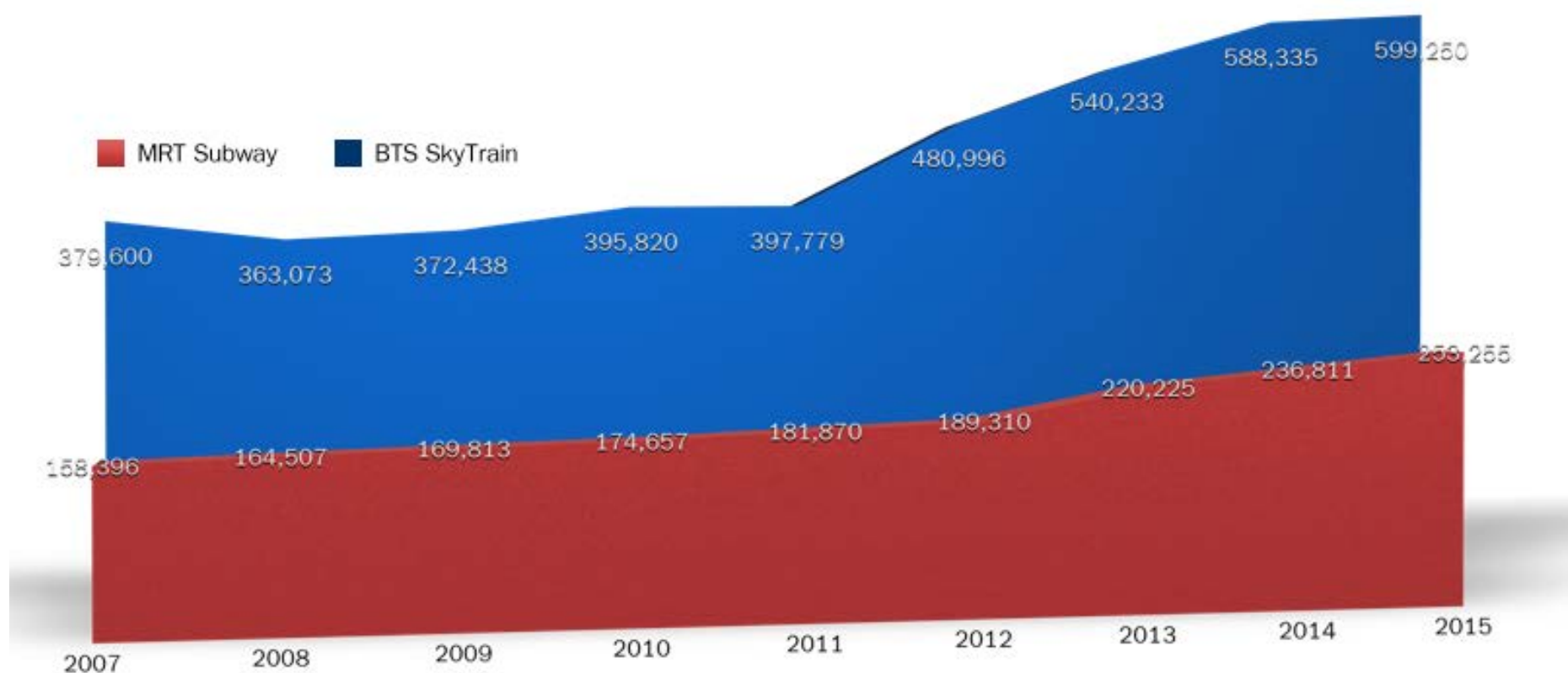
### Bangkok Rapid Transit (BRT)

The BRT is a project pioneered by the BMA to link the various Bangkok mass transit systems and provide an integrated public service for the city and its suburbs. It operates a bus service that is faster than the general bus service using a special lane reserved for the BRT on existing roads. The BRT has 12 stations, covering 15.0km, running from Chong Nonsi on Narathiwat Ratchanakarin Road, crossing Rama III Bridge to Ratchaphruek Road. The BRT Sathorn station is connected to the BTS Chong Nonsi station.

The BMA outsourced the management to BTSC via a Bus Operation Agreement as well as a Station Management Agreement. Under the Agreements, the BMA receives all the revenue from fares, and BTSC receives pre-agreed annual fees. In return, BTSC bears the operating expenses, maintenance expenses and investment in the buses.

Whilst the expansion of the network will be of primary benefit to the public, ridership of the BTS SkyTrain, MRT Subway, Airport Rail Link and BRT can all expect to receive mutual benefit as each line acts as feeders to each other. However, as the Core Network of the BTS SkyTrain sits at the centre of the network expansion and covers the key commercial and residential routes, these should remain the ultimate destination for the majority of mass transit passengers.

### Average Daily Ridership (passengers/day) of BTS SkyTrain (Core Network) and MRT Subway\*



Source: BTS and Bangkok Metro Public Company Limited

\*Data from January - December

Ridership of Key Mass Transit System in Bangkok (mn trips)

System	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
BTS SkyTrain (Core Network)	79.3	96.5	105.1	118.5	131.9	138.6	132.9	135.9	144.5	145.2	176.0	197.2	214.7	218.7
Growth	N.A.	21.8%	8.9%	12.7%	11.3%	5.1%	-4.1%	2.3%	6.3%	0.5%	21.3%	12.0%	8.9%	1.9%
MRT Subway*	-	-	-	26.8	57.2	57.8	60.0	62.2	63.7	64.9	69.1	80.6	86.4	92.4
Growth				N.A.	113.1%	1.0%	3.9%	3.5%	2.6%	1.8%	6.4%	16.6%	7.2%	6.9%

Source: BTS and Bangkok Metro Public Company Limited

\*Data from January - December



## 4. Risk Factors

Important risks are as follows;

1. Risks from investment in net revenues to be generated from the operation of the Core BTS SkyTrain System pursuant to the Concession Agreement

The Fund invests in net revenues to be generated from the operation of the Core BTS SkyTrain System pursuant to the Concession Agreement, including all cash arising out of or related to such revenue, from the Closing Date until the Concession Expiry Date, which is 4 December 2029. Therefore, the value of the investment in infrastructure assets may decrease according to the remaining period of rights to receive the revenues. The value may not decrease equally in each year but is subject to the valuation of such investment. In this regard, the unitholders will receive the return in terms of dividend and capital reduction. At the end of the terms to receive the net revenues from the assets the Fund has invested, NAV per unit may reduce to zero.

2. Operating risks inherent in the mass transit industry and increases in cost of farebox, capital expenditures and other expenses relating to the BTS SkyTrain would have an adverse effect on business, financial condition, results of operations and prospects of the Fund

The Net Revenue that the Fund expects to receive and its ability to make distribution payments to Unitholders could be affected if the cost of farebox, capital expenditures and other expenses of the BTS SkyTrain Business increase without a corresponding increase in farebox revenues.

BTSC's cost of farebox may increase due to factors beyond its control, including the following:

- any increase in the cost of electricity, which is determined by the Government, and which may fluctuate due to various factors, including Thai natural gas prices and overall demand for electricity;
- any increase in mandatory employee benefits; or
- any change in Government fiscal or other policies that affect transportation operations or demand.

The Fund cannot assure that BTSC will be able to charge higher levels of fares to offset any such increased costs. BTSC's future expenses could therefore increase at a higher rate than its revenues from future fare increases, which would result in a decrease in Net Revenue and, consequently, adversely affect business, financial condition, results of operations and prospects of the Fund.

Additionally, capital expenditures and other expenses may be irregular since continuing repairs and maintenance could involve significant and potentially unpredictable expenditures. Both the amount and timing of expenditures will have an impact on the cash flow of the Fund. If the BTS SkyTrain Business does not generate farebox revenue sufficient to meet cost of farebox, capital expenditures and other expenses related to the BTS SkyTrain Business, Net Revenue and ability to make distribution payments will be materially and adversely affected.

### 3. BTSC's ability to raise fares is limited

BTSC's ability to raise fares to adjust to changes in market conditions, trends and other events to compensate for increases in operating and other costs is limited by the terms of the Concession Agreement and the competitive dynamics in the mass transit industry and commuter preferences. The adjustment of passenger fares is subject to the terms and conditions set out in the Concession Agreement. Pursuant to the Concession Agreement, BTSC may increase the actual fare charged (the "Effective Fare") only once every 18 months, provided that such charged fares are not in excess of a maximum chargeable fare (the "Authorised Fare").

BTSC may request for an adjustment of the Authorised Fare of up to 7% from the existing fare if the Bangkok consumer price index published by the Ministry of Commerce of Thailand (the "MOC") in any month increases by 5% or more compared to a period of at least 12 months prior. The ceiling applicable to the Authorised Fares may also be adjusted higher at BTSC's request, or lower at the BMA's request, in certain situations, including variations in the Baht/U.S. Dollar exchange rate, variations in local or overseas interest rates, fluctuations in BTSC's electricity costs, or if certain exceptional risks transpire.

Even though BTSC is allowed to increase the Effective Fare under the Concession Agreement and it intends to implement fare increases in the future, it may not be able or may choose not to do so due to political, social and other reasons relating to competitive dynamics in the mass transit industry, commuter preferences or otherwise. Such other reasons may include factors such as ridership trends. An increase in fares may lead to a decrease in ridership, which may materially and adversely affect Net Revenues. The last increase in Effective Fare was made by BTSC in June 2013 and accordingly, it cannot predict or estimate the impact any proposed fare increase might have in the future.

4. The Management Company and BTS Group may not be able to successfully implement the growth strategy in the public transportation business, which is dependent upon various factors, including government approval

The Management Company and BTS Group' ability to successfully implement the investment strategies will depend on, among other factors, the ability to identify suitable investment opportunities that meet investment criteria and to obtain financing on favorable terms. There can be no assurance that the Fund will be able to successfully implement the investment strategies or that it will be able to do so in a timely and cost-effective manner.

BTS Group' s growth strategies in the public transportation business include, among others, bidding for operations with respect to BTS SkyTrain extensions, participating in new mass transit system projects, or linking with new mass transit projects. The success in implementing these strategies will depend on, among other things, the government's decision and execution with regard to such expansion plans, BTS Group's ability to identify and assess potential partners and investments, obtain finance support and finalize such investments, obtain the necessary approvals and concession rights, and maintain sufficient operational and financial controls. These growth strategies will place demands on BTS Group's management and require other significant resources of BTS Group, and other factors beyond BTS Group's control, including political factors. There is no guarantee that the government will implement the expansion plan of the mass transit system in Bangkok and its vicinities. Or if the government decides to implement so, there is no guarantee that BTS Group will be awarded with a concession. BTS Group's future growth may be adversely affected if BTS Group is unable to make investment or operate these projects; or if these investments or operations prove unsuccessful or do not prove successful as expected.



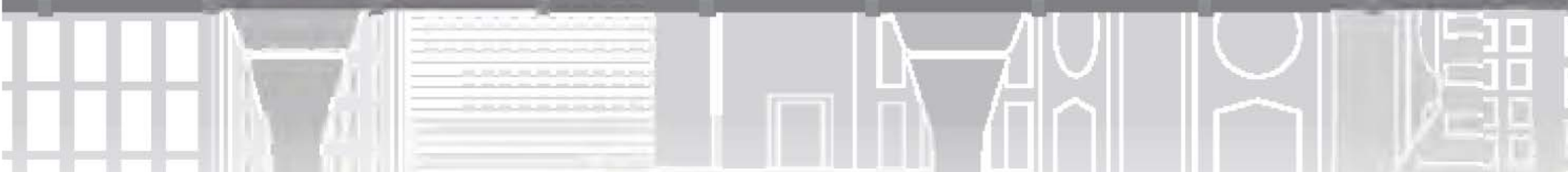
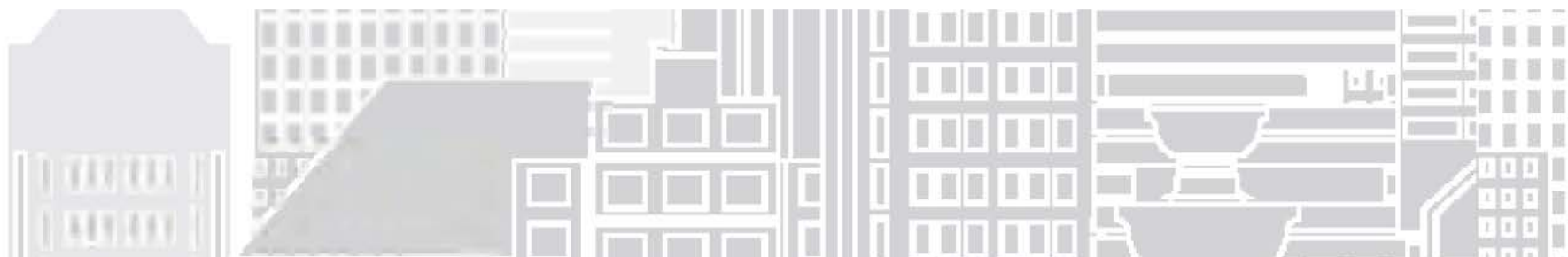
## 5. Legal Dispute

- The Fund does not have any legal dispute. -

However, BTSC has legal disputes as of 31 March 2015 which are ongoing cases or disputes that could significantly affect the operations of BTSC or are cases that did not arise from the normal business conducts of BTSC as follows:

1. BTSC, as the employer, was sued as joint defendant with Italian Thai Development Plc., as the contractor, and Thai Maruken Co., Ltd., as the sub-contractor, by the Fuel Pipeline Transportation Limited (FPT) and 2 insurance companies. This was since the pipelines installed by FPT were damaged from the fact that Thai Maruken drove the sheet piles into the ground to build a BTS station. The Civil Court ordered Thai Maruken to pay a damage payment of THB 59 million in which Thai Maruken appealed and the Appeal Court dismissed the case. The Plaintiff then took the case to the Supreme Court in which the Supreme Court accepted the case and ordered the Civil Court to proceed with the case. At the moment, the case is being tried at Court of First Instance of the Civil Court.

Moreover, the Plaintiff has requested the debt payment of this case from the BTSC rehabilitation case in which the Receiver Official dismissed the case since BTSC was not considered the party that infringed on the Plaintiff. The Plaintiff appealed the decision of the Receiver Official and the Central Bankruptcy Court also dismissed the request. The Plaintiff appealed again at the Supreme Court on 28 May 2015, the Supreme Court affirmed the decision of the Central Bankruptcy Court to dismiss the request to obtain the debt payment of the 3 Plaintiffs.



2. BTSC was sued jointly with the BMA by 3 Plaintiffs, all handicapped/disabled persons, to install elevators and provide facilities for the disabled at the BTS stations to be in accordance with the related laws in which the Central Administrative Court dismissed the case since at the time of the Concession Agreement signing there was no ministerial decree or regulation specifying elevators and facilities to be installed for the disabled. The 3 Plaintiffs then took the case to the Supreme Administrative Court, on 21 January 2015 the Supreme Administrative Court overturned the decision of the Central Administrative Court and ordered the BMA to install elevators and facilities for the disabled at 23 BTS stations and to provide facilities to the handicapped by providing a place to store the wheelchair, railings going up and down the ramps and to post the handicapped/disabled signs in the interior and on the exterior of the carriages designated for the disabled. The facilities shall be completed within 1 year from the date of the court ruling and for BTSC to cooperate with the BMA to install such facilities and post the handicapped/disabled signs, this is since BTSC has the rights to use the properties built by the BMA and is the owner of the control equipments as per the Concession Agreement.
  
3. The BMA submitted a request for the debt payment of THB 306.5 million from the BTSC rehabilitation case in which the Receiver Official ruled that the BMA be paid a fee for the use of the land of the State Property in the amount of THB 8.3 million plus guarantee letter fee of approximately THB 12.3 million and to dismiss the request for debt payment from the building and property tax of approximately THB 72.4 million and the unpaid rent of buildings of approximately THB 201.4 million. The BMA submitted a dispute on the decision of the Receiver Official to the Central Bankruptcy Court in which the Central Bankruptcy Court dismissed the request of the BMA and the BMA appealed the case to the Central Bankruptcy Court. At the moment, the case is being considered by the Bankruptcy of Supreme Court.



# 6. Other Significant Information

- Please see Section 14.2 — “Factors or Occurrences which may Have Impact in the Future” -



## Part 2

### Management and Good Governance

7. Details of Investment Units

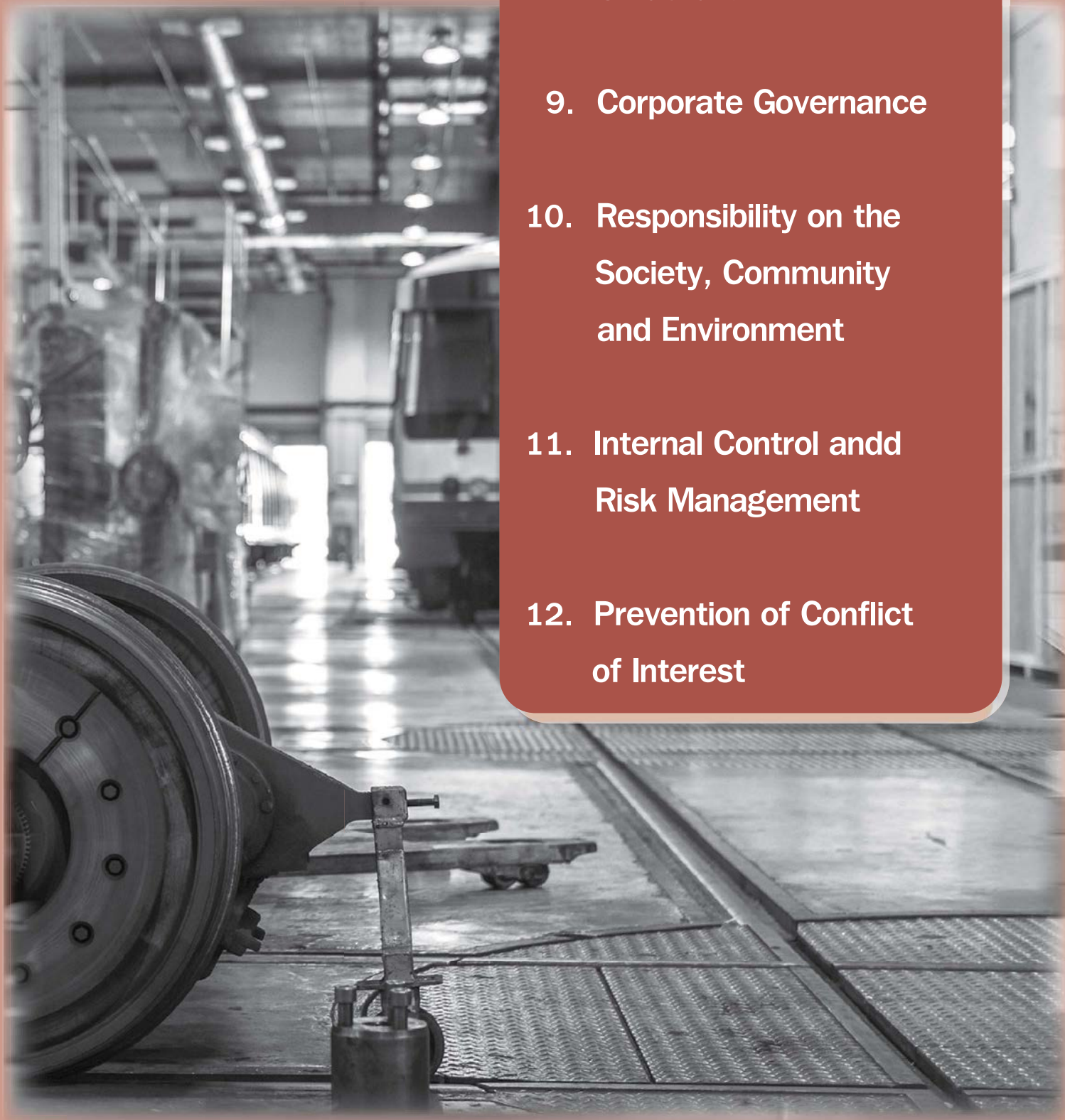
8. Management  
Structure

9. Corporate Governance

10. Responsibility on the  
Society, Community  
and Environment

11. Internal Control and  
Risk Management

12. Prevention of Conflict  
of Interest



# 7. Details of Investment Units



## 7.1. Details of Investment Units

### 7.1.1. Investment Units

Amount of Fund Capital	THB 61,786,900,000 (Sixty-one billion, seven hundred and eighty-six million, nine hundred thousand Baht)
• Amount of Fund Capital during IPO	THB 62,510,400,000 (Sixty-two billion, five hundred and ten million, four hundred thousand Baht)
• Amount of the 1st Reduction of Capital	THB 445,676,000 (Four hundred and forty-five million, six hundred and seventy-six thousand Baht)
• Amount of the 2nd Reduction of Capital	THB 277,824,000 (Two hundred and seventy-seven million, eight hundred and twenty-four thousand Baht)
Par Value	
• Registration Date	THB 10.8000 per unit
• After the 1 <sup>st</sup> Reduction of Capital	THB 10.7230 per unit
• After the 2 <sup>nd</sup> Reduction of Capital	THB 10.6750 per unit
Number of Investment Units	5,788,000,000 Units (Five billion, seven hundred and eighty-eight million Units)

Type of Investment Units	Name registered
Initial Offering Price	THB 10.8000 per unit
Net Asset Value (as at 31 March 2015)	THB 11.3145 per unit

#### 7.1.2. Security Price

FY2014/2015	Local Board	Foreign Board
Closing Price	THB 10.40	THB 10.30
Maximum Price	THB 10.70	THB 12.50
Minimum Price	THB 9.45	THB 9.20
Market Capitalization	THB 60,195.2 mn	THB 59,616.4 mn
Total Trading Value	THB 6,722.96 mn	THB 5.97 mn
Average Trading Value per Day	THB 27.55 mn	THB 0.20 mn
Net Asset Value per Unit		
- as at 31 March 2014	THB 11,2481	
- as at 31 March 2015	THB 11,3145	

#### 7.1.3. Details of the Reduction of Capital or Unit Value

No.	Book Closing Date	Payment Date	Capital before Reduction of Unit Value		Reduction of Capital		Capital after Reduction of Unit Value	
			Per unit (Baht)	Total (Million Baht)	Per unit (Baht)	Total (Million Baht)	Per unit (Baht)	Total (Million Baht)
1	29 Aug 14	12 Sep 14	10.800	62,510.400	0.077	445.676	10.723	62,064.724
2	8 Jun 15	19 Jun 15	10.723	62,064.724	0.048	277.824	10.675	61,786.900

Reason of the Reduction of Capital: The Fund had excess cash from amortization of issuance costs which was non-cash expense;

- The 1<sup>st</sup> Reduction of Capital for period from 17 April 2013 to 30 June 2014
- The 2<sup>nd</sup> Reduction of Capital for period from 1 July 2014 to 31 March 2015, including the remaining amount of the 1<sup>st</sup> Reduction of Capital



## 7.2. Details of the Unitholders

### 7.2.1. List of Top 10 Unitholders

As at 8 June 2015

No.	Name	No. of Units Held	% of Total Outstanding Units
1	BTS Group Holdings Public Company Limited	1,929,000,000	33.33
2	Littledown Nominees Limited	367,453,100	6.35
3	Chase Nominees Limited	277,712,824	4.80
4	Bangkok Life Assurance Public Company Limited	220,330,500	3.81
5	HSBC (Singapore) Nominees Pte Limited	204,582,118	3.53
6	State Street Bank Europe Limited	184,144,462	3.18
7	Krungthai-AXA Life Insurance Public Company Limited	150,111,200	2.59
8	The Hongkong and Shanghai Banking Corporation Limited, Fund Services Department	147,508,300	2.55
9	Kiatnakin Bank Public Company Limited	125,098,600	2.16
10	Social Security Office	109,761,100	1.90

### 7.2.2. List of Major Unitholder (including the Same Group holding 10% or more of Total Outstanding Units)

No.	Name	No. of Units Held	% of Total Outstanding Units
1	BTS Group Holdings Public Company Limited	1,929,000,000	33.33

### 7.2.3. Major Unitholder who, according to the circumstances, has a significant influence over the establishment of management policies, or operations of the Management Company

- None -

### 7.3. Distribution of the Fund

#### 7.3.1. Distribution Policy: Dividend Payment and Reduction of Capital

##### Dividend Payment Policy

The Fund has as its policy to pay dividends to Unitholders more than once a year if the Fund has sufficient retained earnings.

(1) Subject to the Securities Law, any proposed payment of dividend will be paid to all Unitholders, in aggregate for each financial year, at a rate of no less than 90% of the “Adjusted net profit” within 90 days from the end of each financial period/year for that relevant dividend payment.

“Adjusted net profit” shall mean the net profit of the Fund in the relevant period, adjusted by:

- (a) deduction of the unrealised gain from the Appraisal of Infrastructure Assets and other adjustment items in accordance with the guideline of the Office of the SEC, to be in line with the cash basis of the Fund;
- (b) deduction of provision of cash flow for repair, maintenance or improvement of the Infrastructure Business of the Fund according to the plan clearly prescribed in the Prospectus or as informed by the Management Company to the Unitholders in advance;
- (c) deduction of provision of cash flow for repayment of loans or obligations under the borrowing policy set out in the Prospectus, Section 7.1 - “Borrowing Policy” or as informed by the Management Company to the Unitholders in advance.

In the event that there are non-cash expenses (such as expenses that are gradually amortised or unrealised loss), the Management Company shall make provision for the items set out under (b) and (c) above in the amount not exceeding the result of the amount of the provision made under (b) and (c) above for each financial period less the non-cash expenses.

- (2) In case that the Fund has retained earnings, the Management Company may make a dividend payment to the Unitholders from such retained earnings.
- (3) In case that the Fund has accumulated loss, the Management Company shall not pay dividend neither out of the adjusted net profit under (1) nor the retained earning under (2) above.

Where there is any amendment, addition or modification of the Securities Law relating to the dividend distribution of the Fund, the Management Company shall proceed in accordance with such amendments, additions or modifications.

#### Dividend payment condition

In considering the dividend payment, the Management Company reserves its rights not to make a dividend payment if such dividend in the relevant dividend payment period is Baht 0.10 or less per Investment Unit. However, such dividend will be accumulated to the next dividend payment.

#### Reduction of Capital

The Fund may reduce its capital in the followings cases:

- (1) the reduction of capital according to plans which may be determined by the Fund;
- (2) there is excess liquidity after sales of Infrastructure Assets and payment of dividend to the Unitholders, provided that no retained earnings remain;
- (3) the Fund incurs non-cash expenses and such expenses need not be included for the calculation of the adjusted net profit of the Fund;
- (4) other cases as resolved by the Unitholders.

If the Fund fails to invest pursuant to its additional capital increase for potential investment in Infrastructure Assets, the Management Company must reduce such capital accordingly without delay.

Capital reduction may be made either by way of reducing unit value or unit number. After reduction of capital, the Management Company shall proportionately return the capital to the Unitholders whose names appear on the Unitholders register as at the book-closing date, without any deduction from the Fund's retained earnings.



### 7.3.2. History of Dividend Payment and Reduction of Capital

#### History of Dividend Payment

For Period from 17 April 2013 (Fund Registration Date) to 31 March 2015

No.	Performance Period	Dividend Rate (THB/Unit)	Book Closing Date	Payment Date
1	17 Apr 2013 — 30 Jun 2013	0.117	3 Sep 2013	17 Sep 2013
2	1 Jul 2013 — 30 Sep 2013	0.158	29 Nov 2013	13 Dec 2013
3	1 Oct 2013 — 31 Dec 2013	0.150	28 Feb 2014	14 Mar 2014
4	1 Jan 2014 — 31 Mar 2014	0.154	9 Jun 2014	20 Jun 2014
5	1 Apr 2014 - 30 Jun 2014	0.151	29 Aug 2014	12 Sep 2014
6	1 Jul 2014 - 30 Sep 2014	0.156	28 Nov 2014	12 Dec 2014
7	1 Oct 2014 - 31 Dec 2014	0.161	27 Feb 2015	13 Mar 2015
8	1 Jan 2015 - 31 Mar 2015	0.138	8 Jun 2015	19 Jun 2015
Total		1.185		

#### History of Reduction of Capital

No.	Book Closing Date	Payment Date	Capital before		Reduction of Capital		Capital after	
			Reduction of Unit Value		Reduction of Unit Value		Reduction of Unit Value	
			Per unit (Baht)	Total (Million Baht)	Per unit (Baht)	Total (Million Baht)	Per unit (Baht)	Total (Million Baht)
1	29 Aug 14	12 Sep 14	10.800	62,510.400	0.077	445.676	10.723	62,064.724
2	8 Jun 15	19 Jun 15	10.723	62,064.724	0.048	277.824	10.675	61,786.900

Reason of the Reduction of Capital: The Fund had excess cash from amortization of issuance costs which was non-cash expense;

- The 1<sup>st</sup> Reduction of Capital for period from 17 April 2013 to 30 June 2014
- The 2<sup>nd</sup> Reduction of Capital for period from 1 July 2014 to 31 March 2015, including the remaining amount of the 1<sup>st</sup> Reduction of Capital

## 8. Management Structure



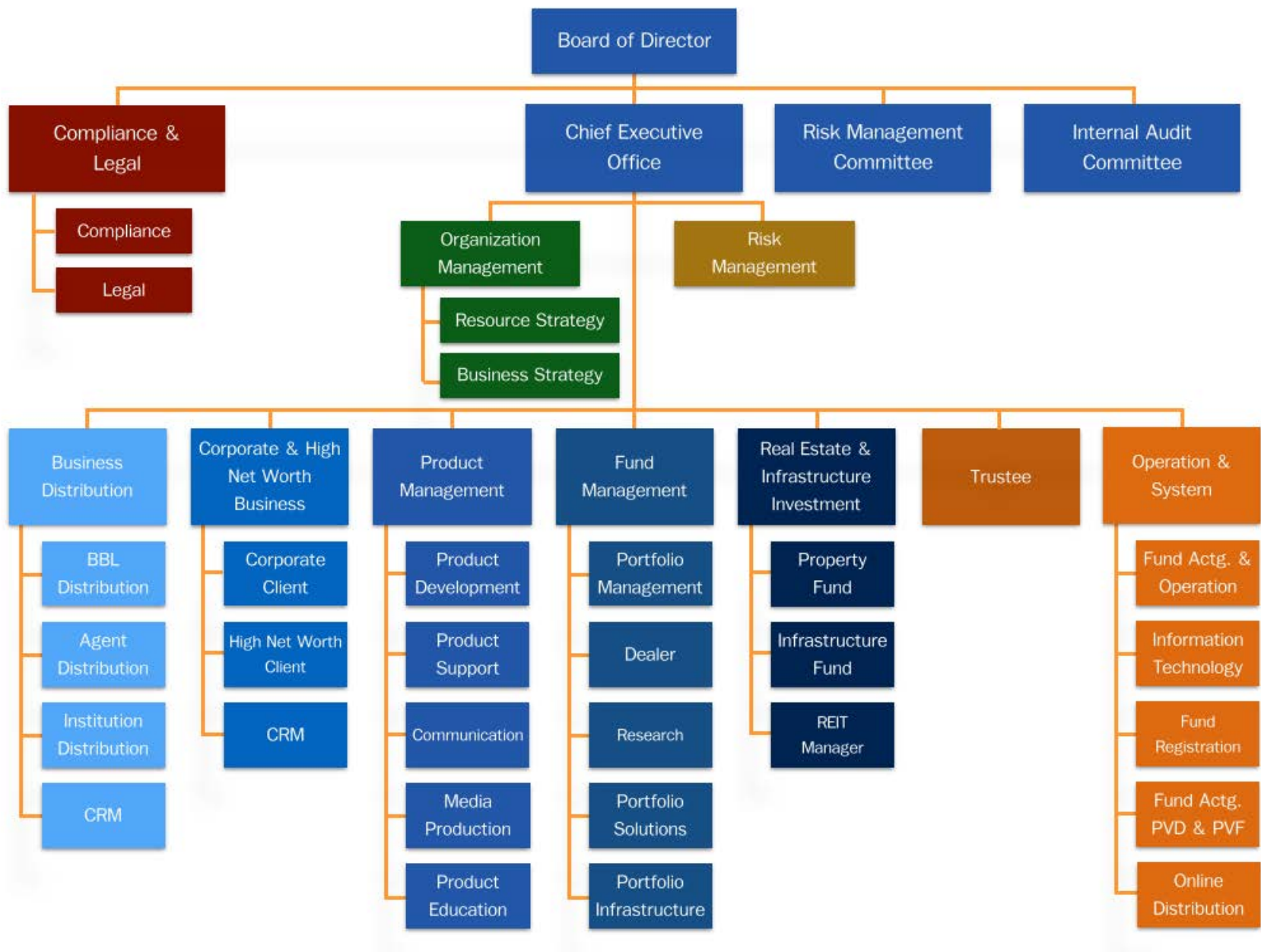
### 8.1. Management Company

#### 8.1.1. Name, Address, Corporate ID, Telephone and Fax Number, Website

Name	BBL Asset Management Company Limited
Address	175 Sathorn City Tower, 7th, 21st and 26th Floor, South Sathorn Road, Thung Mahamek Sub-district, Sathorn District, Bangkok 10120, Thailand
Corporate ID	0105535049700
Telephone	0-2674-6488
Fax	0-2679-5996
Website	<a href="http://www.bblam.co.th">www.bblam.co.th</a>

8.1.2. Organization Chart, Shareholders, Board of Director, Management and Fund Manager

Organization Chart



Shareholding Structure

Shareholder	% of holding
1. Bangkok Bank Public Company Limited	75.0
2. Bangkok Life Assurance Public Company Limited	10.0
3. Asia Financial Holdings Ltd.	10.0
4. Bangkok Insurance Public Company Limited	5.0



Board of Directors

Name	Position
1. Mr. Choedchu Sophonpanich	Chairman
2. Mrs. Voravan Tarapoom	Director and Chief Executive Officer
3. Mr. Stephen Tan	Director
4. Ms. Suyanee Puripanyawanich	Director
5. Mr. Paisarn Lertkowitz	Director
6. Mr. Wasin Wattanaworakijkul	Director and Managing Director Business Distribution
7. Mr. Chone Sophonpanich	Director
8. Mr. Krasin Bunchongchit	Director
9. Mr. Narin Opamurathawong	Director
10. Mr. Hansa Susayan	Director and Managing Director Corporate & High Net Worth Business

Management

Name	Position
1. Mrs. Voravan Tarapoom	Chief Executive Officer
2. Mr. Wasin Wattanaworakijkul	Managing Director Business Distribution
3. Mr. Hansa Susayan	Managing Director Corporate & High Net Worth Business
4. Mr. Peerapong Jirasevijinda	Managing Director Fund Management

Name	Position
5. Mr. Sudhipongse Phuaphanprasert	Deputy Managing Director Real Estate & Infrastructure Investment
6. Mr. Winai Hirunpinyopard	Deputy Managing Director Operation & System
7. Mr. Sutee Khantaruangsaku	Deputy Managing Director Compliance & Legal
8. Mrs. Saisamorn Phongbunjert	Deputy Managing Director Organization Management
9. Miss Wipharat Setkit	Deputy Managing Director Product Management
10. Dr. Adisorn Rotjanapan	Senior Vice President Risk Management

Fund Managers

Name	Education	Working Experience relating to Fund Management
1. Ms. Siriphen Wangdumrongves	<ul style="list-style-type: none"><li>• Master of Business Administration California State University, Los Angeles</li><li>• Bachelor of Accounting Thammasat University</li><li>• CFA Level 3</li></ul>	<ul style="list-style-type: none"><li>• 2012-Present Senior Vice President Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li><li>• 2003-2012 Senior Vice President Property Fund Department ING Funds (Thailand) Co., Ltd.</li><li>• 1998-2003 Vice President Fund Management Department BBL Asset Management Co., Ltd.</li></ul>

Name	Education	Working Experience relating to Fund Management
2. Ms. Warisara Techakulwirote	<ul style="list-style-type: none"> <li>• Master of Business Administration Thammasat University</li> <li>• Bachelor of Business Administration Chulalongkorn University</li> <li>• CISA Level 1</li> </ul>	<ul style="list-style-type: none"> <li>• 2008-Present Senior Vice President Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li> <li>• 2004-2008 Assistant Vice President Property Fund Department Krung Thai Asset Management Plc.</li> </ul>
3. Ms. Noppawan Swaengkij	<ul style="list-style-type: none"> <li>• Master of Arts in Economics University of the Philippines</li> <li>• Bachelor of Arts in Economics Thammasat University</li> <li>• CISA Level 2</li> </ul>	<ul style="list-style-type: none"> <li>• 2014-Present Assistant Vice President Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li> <li>• 2011-2014 Assistant Vice President Business Development Department Thanachart Asset Management Co., Ltd.</li> </ul>

### 8.1.3. Duties and Responsibilities of the Management Company and Fund Manager

The Management Company and Fund Manager's primary duty and responsibility is to administer and manage the Fund and its assets and liabilities with accountability, prudence and loyalty for the benefit of Unitholders and to administer and manage the Fund in accordance with the Fund Scheme, the Commitment between the Unitholders and the Management Company, the Unitholders' resolutions, the Prospectus, the Securities Law and other agreements to which the Fund or the Management Company (for the purpose of management of the Fund) or both is or will be a party.

The Management Company and Fund Manager shall perform the following duties and responsibilities:

#### (1) Fund Administration and Management

In connection with administering and managing the Fund, the Management Company and Fund Manager shall be required:

- (a) to strictly manage the Fund as stipulated in the Fund Scheme which has been approved by the Office of the SEC, the Commitment between the Unitholders and the Management Company,

Unitholders' resolutions, the Prospectus, Securities Law and other agreements into which the Fund will enter, as well as to comply with the duties as stipulated under Section 125 of the Securities and Exchange Act B.E. 2535 (1992) of Thailand ("the Securities and Exchange Act");

- (b) to procure that the Commitment between the Unitholders and the Management Company, the Fund Supervisor Appointment Agreement, and the Prospectus, which their contents of each shall not be different from the draft Commitment, draft agreement, and draft Prospectus submitted to the Office of the SEC;
- (c) to keep the features and characteristics of the Fund not different from the material essence last shown to the Office of the SEC at all times during the life of the Fund, and in case of any change in the features or characteristics of the Fund, to ensure that the Fund is still in compliance with the Fund's requirements under the Notification of the Capital Market Supervisory Board No. Thor Nor.1/2554 Re: Rules, Conditions and Procedures of Establishment and Management of Infrastructure Fund dated 10 January 2011, and the amendments thereto;
- (d) to alter or modify the Fund Scheme or the management procedures in accordance with the terms, conditions, and criteria as specified in the Fund Scheme and to ensure that any alteration or modification of the Fund Scheme or management procedures complies with Section 129 of the Securities and Exchange Act;
- (e) to deliver, distribute and make available the Prospectus and the Fund Scheme and the Commitment between the Unitholders and the Management Company (which form parts of the Prospectus) according to the following criteria and procedures:
  - (1) prior to the offering of the Investment Units, the Management Company shall make available to investors through an accessible channel, the draft Prospectus submitted to the Office of the SEC which contains information that is complete, accurate and sufficient and not misleading;
  - (2) prior to the offering of the Investment Units, the Management Company shall deliver the Prospectus, which its contents shall not be different from that draft, to the Office of the SEC not less than one Business Day prior to the delivery or distribution of the Prospectus to the investors and submit such Prospectus through the Mutual Fund Report and Prospectus System (MRAP);
  - (3) deliver or distribute the Prospectus to interested investors allowing a reasonable period of time for the investors to review and study the information contained in the Prospectus before making an investment decision, the period of which in aggregation with the period required for the disclosure of the draft Prospectus as stipulated in (1) above shall not be less than 14 days;
- (f) in case of distributing information in relation to the offering of the Investment Units by means of advertisement, to ensure that the information provided through the advertisement is accurate and not misleading and that the advertisement complies with requirements as prescribed by the Office of the SEC;



- (g) if the Management Company appoints an underwriter to underwrite the Investment Units, the underwriter shall not be a Person within the Same Group of any person who agrees to sell, dispose of, transfer, lease or grant the right in relation to the Infrastructure Assets in which the Fund will invest;
- (h) to undertake extensive public relations in relation to the offering of the Investment Units so that the information in relation thereto is dispersed to the public;
- (i) to manage Infrastructure Assets in accordance with and monitor the management thereof to be in compliance with the material terms of the Fund Scheme and to ensure that the agreements or documents entered or to be entered into in relation to the management of Infrastructure Assets contain the terms requiring that upon occurrence of any event or change which may affect the value of the Infrastructure Assets, the lessee, the grantee or the contractor who seeks benefit from the Infrastructure Assets shall report the fact and reasons thereof to the Management Company without delay;
- (j) to acquire and dispose of Infrastructure Assets in accordance with the Fund Scheme and the Securities Law;
- (k) in seeking benefits from Infrastructure Assets, to ensure that the Fund shall not operate the Infrastructure Business itself but shall seek benefits from such assets only by means of lease, conveyance of rights or third party operation, and to manage the Fund to obtain benefits from Infrastructure Assets in accordance with the Fund Scheme and the Securities Law;
- (l) to proceed according to the relevant notifications of the SEC or the Office of the SEC in the case of any person, and its Persons within the Same Group, holding Investment Units, at any moment, in aggregate of more than one-third of the total number of Investment Units sold;
- (m) to take necessary actions to monitor and ensure that the holding of Investment Units by Foreign Investors at any moment after the offering of Investment Units does not exceed the applicable limit;
- (n) to increase or decrease the capital of the Fund in accordance with the Fund Scheme and with the rules and procedures prescribed under Thor Nor. 1/2554 and other applicable rules prescribed by the Securities and Exchange Commission of Thailand ("the SEC"), the Office of the SEC or the Stock Exchange of Thailand ("the SET");
- (o) to pay the Fund's distributable income to Unitholders in accordance with the criteria and procedures prescribed in the Fund Scheme and the Commitment between the Unitholders and the Management Company and in compliance with the Securities Law;
- (p) to arrange for the Appraisal of Infrastructure Assets to be acquired by the Fund and subsequent appraisals of those assets in accordance with the Fund Scheme and as required by the Securities Law;
- (q) to proceed with the dissolution of the Fund as specified in the Fund Scheme and the Securities Law;
- (r) to set up and maintain appropriate work process for the administration and management of the Fund, at least with regard to the following matters:
  - (1) the election or appointment of relevant persons who have appropriate knowledge and competency for the administration and management of the Fund;

- (2) the conduct of an analysis and feasibility study for the Fund establishment and due diligence in respect of Infrastructure Assets to be invested in, as well as the disclosure of information relating to the Fund establishment and Infrastructure Assets which is accurate and sufficient for the investors' investment decision-making; and
- (3) the supervision, administration and management of risks relating Infrastructure Assets in order to be in accordance with the Fund Scheme and to protect the Unitholders' interests;
- (s) to administer and manage the Fund by itself and not to delegate its power to anyone except that the Management Company may delegate its power to other persons only in respect of the investment and seeking benefit out of the non-infrastructure assets and the back office tasks and such delegation (if any) must comply with the requirements under the Securities Law;
- (t) in managing the Infrastructure Asset which is the right to receive benefit from future revenues (including the Net Revenue) or right under revenue sharing agreement, to regularly monitor and review the accuracy and completeness of the revenues received or sharing. If the Management Company finds any error or discrepancy which may cause the Fund not to receive revenues accurately or completely according to the agreed arrangement, the Management Company shall proceed or appoint an expert to proceed to have the operator of the Infrastructure Asset to make good of such error or discrepancy.
- (u) in the event that the Management Company has entered into an obligation or agreement with a foreign state or the government of a foreign state or if it is required to comply with a law or a regulation of a foreign state regardless of the effective date of such obligation (e.g. the United States Foreign Account Tax Compliance Act (FATCA)), the Unitholders acknowledge and agree that the Management Company may act or perform its obligation according to the relevant law or regulation to which the Management Company is subject, including but not limited to disclosing information of the Unitholders or withholding any withholdable payment payable to the Unitholders, as well as may act or perform any other action necessary for complying with such relevant law or regulation to which the Management Company is subject.
- (v) to perform other acts to accomplish the objectives of the Fund and to maintain the benefits of Unitholders under the scope of duties and responsibilities of the Management Company, provided that such acts are not contrary to the Securities Law and/or any other relevant law;

## (2) Investment Making

- (a) to enter into an agreement to acquire Infrastructure Assets on behalf of the Fund within six months from the Fund Registration Date, the value of which shall not be less than Baht 1,500,000,000 and no less than 75% of the value of the Fund's total assets;
- (b) to maintain the Fund's total investment value in Infrastructure Assets as at the end of each financial year of no less than 75% of the value of the Fund's total assets (except for the last financial year of the Fund's term, or as approved by the SEC);

- (c) to maintain the Fund's total investment value in Infrastructure Assets of not less than Baht 1,500,000,000 and no less than 75% of the value of the Fund's total assets within one year after the disposition of Infrastructure Assets;
- (d) to ensure that the Fund has no investment in non-infrastructure assets other than assets permitted for the Fund's investment by the SEC and that the Fund's investment in such assets complies with the required investment limit;

### (3) Receipt and Payment of Money of the Fund

- (a) to arrange for the receipt and payment of fees and expenses and/or any other remuneration as stipulated in the Fund Scheme;

### (4) Appointment of Relevant Persons for the Management of the Fund

- (a) to establish the Investment Advisory Committee in accordance with Thor Nor. 1/2554 and replace members by appointing new members who meets the requirements under the Securities Law and in accordance with the conditions as specified in the Fund Scheme;
- (b) to appoint persons who have the qualifications as prescribed under the relevant notifications issued pursuant to the Securities and Exchange Act and are approved by the SEC or Office of the SEC to be the Fund Managers who shall perform and act in accordance with the law and regulations issued in relation to the establishment and management of an infrastructure fund to which the Management Company is subject and in accordance with the code of conduct and professional standards approved by the Office of the SEC. The Management Company shall report to the Office of the SEC on the appointment and termination of the Fund Manager in accordance with the relevant notification issued by the Office of the SEC and shall disclose the list of Fund Managers in a report or document to be submitted to the Unitholders at least once a year and on the website of the Management Company which must be updated within 14 days should there be any change in the list;
- (c) to appoint Fund Supervisor and, upon a Unitholders' resolution, replace the Fund Supervisor by appointing another fund supervisor whose qualifications comply with the Securities Law and is in accordance with the conditions as specified in the Fund Scheme;
- (d) to appoint a Registrar, and replace the Registrar by appointing another Registrar, whose qualifications comply with the Securities Law, and to notify the relevant authorities of such appointment and to monitor that the Registrar performs in accordance with the Unitholder register requirements under the notification of the Office of the SEC regarding the rules and procedures for preparing a unitholder register and the terms and conditions of the Registrar Appointment Agreement;
- (e) to appoint a juristic person having experience and expertise in Infrastructure Assets appraisal as an appraisal firm who shall appraise the value of the Fund's Infrastructure Assets in accordance with the Securities Law;

- (f) to appoint advisors (if any) to perform the duties of advisors of the Management Company and/or the Fund, or any other relevant and necessary persons to perform duties concerning the Fund, such as financial advisor and legal advisor;
- (g) to appoint an Auditor of the Fund, provided that the Auditor must be a person on the approved list of the Office of the SEC, and to replace the Auditor and appoint another Auditor meeting such requirements;
- (h) to appoint a liquidator of the Fund, with the approval of the Office of the SEC, in order to aggregate and distribute assets to the Unitholders and perform other duties as required under the Securities Law and as necessary for the completion of the liquidation, upon termination or dissolution of the Fund;
- (i) to appoint marketing personnel approved by the Office of the SEC to sell the Investment Units or provide advice to the retail investors;

#### (5) Other Responsibilities

- (a) to submit an application to register the pool of assets, which will be the proceeds from the sale of Investment Units, with the Office of the SEC within 15 Business Days from the last date of the Investment Unit offering period in accordance with Section 124 of Securities and Exchange Act and the notifications issued thereunder;
- (b) to submit an application to the SET to approve the securities listing of the Investment Units within 30 days from the Fund Registration Date or from the last date on which the newly issued Investment Units are offered, as the case may be;
- (c) to ensure that the Commitment between the Unitholders and the Management Company and the Fund Scheme at all times comply with the Securities Law and the notifications, rules and orders issued by virtue of thereof and to arrange for the Commitment between the Unitholders and the Management Company and/or the Fund Scheme to be amended without delay in case that any term contradicts the Securities Law and/or its notifications, rules and/or orders;
- (d) to convene a Unitholder's meeting and request for a resolution from the Unitholders in accordance with the Commitment between the Unitholders and the Management Company, the Fund Scheme and the Securities Law;
- (e) in requesting for a Unitholders' resolution, to provide sufficient information for the Unitholders to make a decision, which shall include the opinion of the Management Company and the Fund Supervisor on the matters to be decided and the potential impact on the Unitholders as a result of the resolution in such matters;
- (f) to give an opinion on matters required by the Securities Law which include, but not be limited to, the reasonableness of Infrastructure Assets appraisal and the matters for which a resolution from the Unitholders is required;



- (g) upon request by a Unitholder and in accordance with the terms of Commitment between the Unitholders and the Management Company, to issue or arrange for an issuance of updated investment unit certificates or other evidentiary documents containing necessary and sufficient information which can be used by the Unitholder as evidence of the Unitholder's right against the Management Company and any other person;
- (h) to monitor and ensure that its personnel performs in accordance with the Securities Law and any rules issued by virtue thereof as well as the code of conduct or applicable standards which were approved by the Office of the SEC;
- (i) to facilitate the Fund Supervisor or the Fund Supervisor's representatives such that they can perform their duties in connection with the Fund efficiently;
- (j) to separate accounts and keep Fund Assets separate from the Management Company assets, and to deposit the Fund assets and returns on investments of the Fund Assets into the custody of the Fund Supervisor;
- (k) to prepare investment book of the Fund in accordance with the Securities Law;
- (l) to cause a register of Unitholders to be prepared in accordance with the rules and procedures prescribed under the Securities Law;
- (m) to prepare the investment report of the Fund for the acknowledgment of the Fund Supervisor in accordance with the rules and procedures prescribed under the Securities Law;
- (n) to calculate the assets value, NAV and Value of Investment Units of the Fund and make a disclosure thereof in accordance with the rules, conditions, and procedures prescribed under the Securities Law;
- (o) to prepare financial statements of the Fund in accordance with the requirements as prescribed under the Securities Law and submit such to the Office of the SEC and the SET;
- (p) to prepare an annual report of the Fund which contains the particulars required under the Securities Law and deliver such annual report to the Unitholders, the Office of the SEC and the SET within four months from the end of each financial year;
- (q) to report to the Office of the SEC and the SET without delay of any circumstance or change which may materially affect the value of Infrastructure Assets of the Fund in accordance with the relevant notifications;
- (r) to prepare, or arrange for the preparation of, submit, report and disclose information in relation to the Fund in accordance with the Securities Law;
- (s) to follow up, proceed and order to the persons in charge under various appointment agreements such as the appraisal firm, the Fund Managers, advisors and marketing personnel in accordance with the relevant appointment agreements and to monitor the compliance of their duties and responsibilities under the relevant appointment agreements and the Securities Law, and to perform acts as specified in the appointment agreements and/or as requested by the Unitholders; and
- (t) to perform other duties which are prescribed by the Securities Law as duties of management companies.

8.1.4. Number of Employees Involving in Fund Management

Name	Education	Working Experience relating to Fund Management	Duties and Responsibilities
1. Ms. Voravan Tarapoom	<ul style="list-style-type: none"><li>• Master of Business Administration University of North Texas</li><li>• Bachelor of Architecture Silapakorn University</li></ul>	<ul style="list-style-type: none"><li>• 2010-Present Chief Executive Officer BBL Asset Management Co., Ltd</li><li>• 2002-2010 Managing Director BBL Asset Management Co., Ltd</li></ul>	<ul style="list-style-type: none"><li>• Be the member of Investment Advisory Committee</li></ul>
2. Mr. Wasin Wattanaworakijkul	<ul style="list-style-type: none"><li>• Master of Business Administration Chulalongkorn University</li><li>• Bachelor of Business Administration Chulalongkorn University</li></ul>	<ul style="list-style-type: none"><li>• 2010-Present Managing Director Business Distribution BBL Asset Management Co., Ltd</li><li>• 2007-2010 Deputy Managing Director Mutual Fund Business Group BBL Asset Management Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Be the member of Investment Advisory Committee</li></ul>
3. Mr. Sudhipongse Phuaphanprasert	<ul style="list-style-type: none"><li>• Master of Business Administration Georgia State University</li><li>• Bachelor of Civil Engineering Chulalongkorn University</li></ul>	<ul style="list-style-type: none"><li>• 2008-Present Deputy Managing Director Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li><li>• 2001-2008 Senior Manager Property Fund Department MFC Asset Management Plc.</li></ul>	<ul style="list-style-type: none"><li>• Be the member of Investment Advisory Committee</li></ul>

Name	Education	Working Experience relating to Fund Management	Duties and Responsibilities
4. Ms. Siriphen Wangdumrongves	<ul style="list-style-type: none"><li>• Master of Business Administration California State University, Los Angeles</li><li>• Bachelor of Accounting Thammasat University</li><li>• CFA Level 3</li></ul>	<ul style="list-style-type: none"><li>• 2012-Present Senior Vice President Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li><li>• 2003-2012 Senior Vice President Property Fund Department ING Funds (Thailand) Co., Ltd.</li><li>• 1998-2003 Vice President Fund Management Department BBL Asset Management Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Oversee overall operation of the fund</li><li>• Oversee overall performance of the fund</li><li>• Oversee the operation of Asset Manager and coordinate with the Asset Manager to manage the Fund</li><li>• Coordinate with related parties to manage the Fund e.g. Fund Supervisor, Appraiser, Auditor</li></ul>
5. Ms. Tapanee Namniraspai	<ul style="list-style-type: none"><li>• Master of Business Administration Thammasat University</li><li>• Bachelor of Accounting Thammasat University</li></ul>	<ul style="list-style-type: none"><li>• 2014-Present Manager Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Review revenues and operating expenses</li><li>• Coordinate with related parties to manage the Fund e.g. Fund Supervisor, Appraiser, Auditor</li></ul>
6. Ms. Anchalee Onnom	<ul style="list-style-type: none"><li>• Bachelor of Business Administration (Management) Phranakhon Rajabhat University</li></ul>	<ul style="list-style-type: none"><li>• 2013-Present Officer Real Estate and Infrastructure Investment BBL Asset Management Co., Ltd.</li><li>• 2009-2013 Officer Property Fund Department ING Funds (Thailand) Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Review revenues and operating expenses</li><li>• Coordinate with related parties to manage the Fund e.g. Fund Supervisor, Appraiser, Auditor</li><li>• Submit report of the Fund to SET and related parties</li></ul>

Name	Education	Working Experience relating to Fund Management	Duties and Responsibilities
7. Mr.Chukiet Viriyakorkitkul	<ul style="list-style-type: none"><li>• Bachelor of Accounting University of the Thai Chamber of Commerce</li></ul>	<ul style="list-style-type: none"><li>• 2008-Present Senior Vice President Fund Accounting and Operation BBL Asset Management Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Operate accounting, finance and registrar duties for property funds &amp; infrastructure funds</li></ul>
8. Mr. Apichart Torung	<ul style="list-style-type: none"><li>• Master of Accounting Program Thammasat University</li><li>• Bachelor of Accounting Rajamangala University of Technology Rattanakosin Borpitpimuk Chakkrawat Campus</li></ul>	<ul style="list-style-type: none"><li>• 2013-Present Senior Manager Fund Accounting and Operation BBL Asset Management Co., Ltd.</li><li>• 2012-Present Senior Officer Fund Accounting and Operation SCB Asset Management Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Operate accounting, finance and registrar duties for property funds &amp; infrastructure funds</li></ul>

8.2. Infrastructure Asset Manager

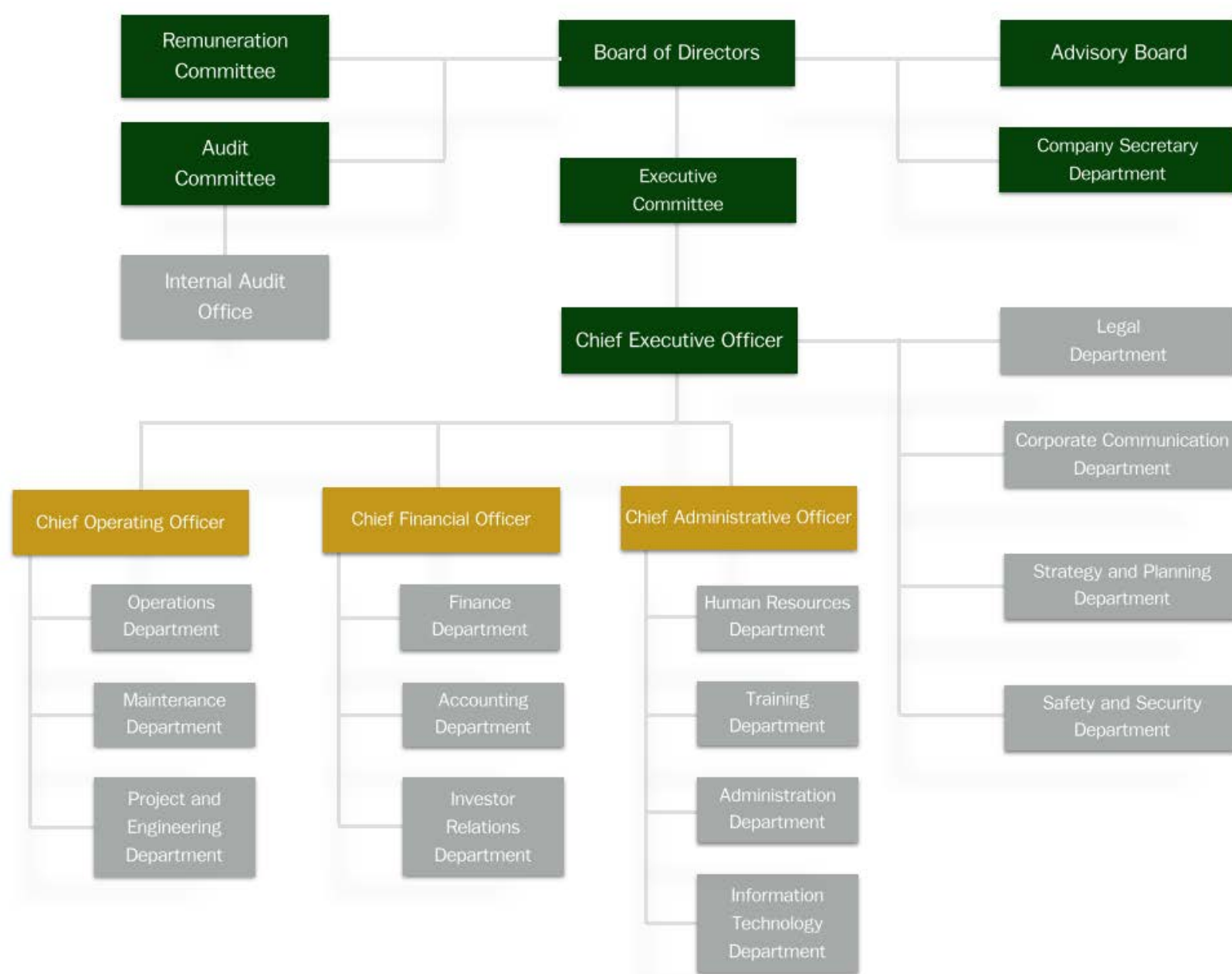
8.2.1. Name, Address, Corporate ID, Telephone and Fax Number

Name	Bangkok Mass Transit System Public Company Limited (“BTSC”)
Address	BTS Building, 1000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900
Corporate ID	0107539000243
Telephone	0-2617-7300
Fax	0-2617-7133



### 8.2.2. Management Structure, Directors and Management

The Company's management structure consists of 5 sets of committees, namely the Board of Directors, the Executives Committee, the Advisory Committee, the Remuneration Committee and the Audit Committee. The organizational structure of BTSC is as follows.



#### 8.2.2.1. Board of Directors

As of 31 March 2015, the Board of Directors consists of 9 members.

Executive Directors                      2        members.

Non-Executive Directors                7        members.

Directors are as follows:

Name	Position
1. Mr. Keeree Kanjanapas	Chairman
2. Mr. Chuchit Bunyaketu	Independent Director
3. Mr. Anan Santichewasatien	Independent Director
4. Mrs. Pichitra Mahaphon	Independent Director
5. Mr. Surapong Laoha-Unya	Director
6. Mr. Kavin Kanjanapas	Director
7. Ms. Voravan Tarapoom	Director
8. Mr. Wasin Wattanaworakijkul	Director
9. Mr. Sudhipongse Phuaphanprasert	Director

8.2.2.2. Executives Committee

As of 1 April 2015, the Executives Committee consists of 6 members:

Name	Position
1. Mr. Keeree Kanjanapas	Executive Chairman
2. Mr. Surapong Laoha-Unya	Executive Director & Chief Operating Officer
3. Mr. Surapong Laoha-Unya	Executive Director & (Acting) Chief Operating Officer
4. Mr. Surapong Laoha-Unya	Executive Director & (Acting) Chief Administrative Officer
5. Mr. Kong Chi Keung	Executive Committee Member & Chief Financial Officer
6. Dr. Anat Arbhabhirama	Executive Committee Member & Chairman of Advisory Committee

### 8.2.2.3. Advisory Committee

As of 1 April 2015, the Advisory Committee consists of 4 members:

Name	Position
1. Dr. Anat Arbhabhira	Chairman of Advisory Committee
2. Pot. Maj. Gen. Vara Ieammongkol	Advisory Committee
3. Mr. Kom Panomreongsak	Advisory Committee
4. Mr. Prajak Manothum	Advisory Committee

### 8.2.2.4. Remuneration Committee

As of 1 April 2015, the Remuneration Committee consists of 5 members:

Name	Position
1. Mr. Chulchit Bunyaketu	Chairman of Remuneration Committee
2. Mr. Anan Santichewasatien	Remuneration Committee
3. Mrs. Pichitra Mahaphon	Remuneration Committee
4. Mr. Surapong Laoha-Unya	Remuneration Committee
5. Mr. Kavin Kanjanapas	Remuneration Committee

### 8.2.2.5. Audit Committee

As of 31 March 2015, the Audit Committee consists of 3 members:

Name	Position
1. Mr. Chulchit Bunyaketu	Chairman of Audit Committee & Independent Director
2. Mr. Anan Santichewasatien	Audit Committee & Independent Director
3. Mrs. Pichitra Mahaphon	Audit Committee & Independent Director

#### 8.2.2.6. Executives

As of 31 March 2015, the Executives of BTSC are as follows:

Name	Position
1. Mr. Keeree Kanjanapas	Executive Chairman & Chief Executive Officer
2. Mr. Surapong Laoha-Unya	Director & Chief Operating Officer
3. Mr. Kong Chi Keung	Chief Financial Officer
4. Mr. Visuth Udompitisub	Deputy Chief Financial Officer & Financial Director
5. Mrs. Namthip Kimchun	Financial Controller
6. Mr. Natthasak Chaichana	Legal Director
7. Mr. Chaisak Srisethanil	Project and Engineering Director
8. Mr. Pakdi Jirapapun	Maintenance Director
9. Mr. Surachet Sangchayosawat	Strategy and Planning Director
10. Mr. Chaiwut Pakpoyen	Safety and Security Director
11. Mr. Sumit Srisantithum	Operation Director

#### 8.2.3 Duties and Responsibilities of Infrastructure Asset Manager

BTSC is still the counterparty as per the Concession Agreement with the BMA and BTSC still manages the operations of the Core BTS SkyTrain System for the benefit of the Fund under the supervision and control of the Fund as per the regulations and conditions of the net revenue purchase and transfer agreement as well as the duty to submit the net farebox revenue to the Fund during the period of the Concession Agreement. In addition, BTSC agrees to grant the rights for the joint management of BTSC to the Fund in which the Fund has the right to nominate 1/3 of the total directors of BTSC's Board of Directors as well as to perform other duties as specified in the Agreement.



### 8.3. Fund Supervisor

#### 8.3.1. Name, Address, Telephone and Fax Number

Name	Standard Chartered Bank (Thai) Public Company Limited
Address	90 North Sathorn Road, Silom Sub-district, Bangrak District, Bangkok 10500, Thailand
Telephone	0-2724-5047
Fax	0-2724-5051

#### 8.3.2. Duties and Responsibilities of the Fund Supervisor

The Fund Supervisor shall have the following key duties and responsibilities:

- (1) to execute the Commitment between the Unitholders and the Management Company on behalf of the Unitholders;
- (2) to certify the receipt of funds from subscription and support the establishment or registration of the Fund to be made with the Office of the SEC;
- (3) to supervise the Management Company to strictly comply with the Securities Law and the Fund Scheme as well as the Commitments between the Unitholders and the Management Company, and to notify the Office of the SEC within 5 Business Days from the date of the Fund Supervisor's knowledge if the Management Company fails to comply with the above;
- (4) to prepare a detailed report and submit it to the Office of the SEC in case that the Management Company does any act or omits from taking any action that causes damage to the Fund or fails to perform its duties under the Securities Law within five days from the date on which the Fund Supervisor is aware of such circumstance;
- (5) to take into custody the Fund Assets and keep them segregated from assets of the Fund Supervisor or of other persons which are under the custody of the Fund Supervisor;
- (6) to monitor and ensure that the disbursement, payment and delivery of either monies, documents or other assets made by the Fund complies with the Fund Scheme, as well as with the Net Revenue Purchase and Transfer Agreement;

- (7) to prepare details of items or assets deposited into and withdrawn out of accounts of the Fund;
- (8) to file a lawsuit against the Management Company to force the Management Company to perform its duties or to claim compensation for damages caused by the Management Company for the benefit of all Unitholders or upon the receipt of order from of the Office of the SEC, the cost of which can be claimed by the Fund Supervisor from the assets of the Fund;
- (9) to perform checks and balances over the Fund administration and management by the Management Company in a strict manner;
- (10) to perform its duties with loyalty by knowledge and competence as professional behaviour for the interest of the Fund and the Unitholders;
- (11) to consider and approve or not approve the acquisition or disposal of Infrastructure Assets with a value of more than Baht 100,000,000 but less than 30% of the value of the total assets of the Fund at the time of such acquisition or disposition of assets in accordance with the Fund Scheme and the Securities Law, taken into consideration the opinion of independent expert appointed at cost of the Fund (if any);
- (12) to consider and approve or not approve the entry into an agreement or amendment or termination of the agreement to engage the third party to be the operator to run or operate Infrastructure Business with a contract value of more than Baht 100,000,000 but less than 30% of the value of the total assets of the Fund at the time of such entry into an agreement or amendment or termination of such agreement in accordance with the Fund Scheme and the Securities Law, taken into consideration the opinion of independent expert appointed at cost of the Fund (if any);
- (13) to consider and approve or not approve the payment of O&M Costs for purchase of additional rolling stocks by BTSC only in the case where the actual O&M Costs for purchase of additional rolling stocks are higher than Baht 900 million as set out in the Prospectus Section 2.3.1 "Growth in Initial Asset- (ii) Additional investment to service expected ridership growth" which is equivalent to 30% of the value of the total assets of the Fund at the time of the purchase by BTSC, taken into consideration the opinion of independent expert appointed at cost of the Fund (if any);

Any payment of O&M Costs other than the payment of O&M Cost under this Sub-clause (13) does not require approval from the Fund Supervisor. Any acquisition or disposition of any assets, or entry into any agreement in relation to or creating the O&M Costs by any person other than the Fund is not acquisition or disposition, or entry into by the Fund. Accordingly, such acquisition or disposition, or entry into

agreement does not require approval either from the Fund Supervisor or the Unitholders. However, this shall not affect the right of the Fund in relation to Reserved Matters or any other rights of the Fund under the Transaction Documents.

For consideration of approval or not approval in respect of Sub- clauses (11) (12) and (13) above, the Management Company shall prepare and deliver details together with its opinion and supporting documents to the Fund Supervisor to consider the matter no less than 30 days.

- (14) to notify the Management Company to conduct a new appraisal immediately after the Fund Supervisor is of the opinion that any circumstance or change has occurred in a way that will have a material effect on the value of the assets of the Fund, or when it thinks necessary for the Fund;
- (15) to give an opinion on the matters requiring the Fund Supervisor's opinion;
- (16) to arrange for the receipt of, or payment of money from accounts of the Fund within the prescribed time as reasonably requested by the Management Company, subject to compliance with the Fund Scheme and/or the terms of the relevant Transaction Documents (as applicable);
- (17) not to take any action which will conflict with the interest of the Fund or the Unitholders, regardless of whether such action is or will be taken for the benefit of the Fund Supervisor itself or others, except for claims of remuneration for acting as the Fund Supervisor or actions which are fair treatment and have been sufficiently disclosed to the Unitholders in advance provided that the Unitholders who are notified thereof do not make any objection;
- (18) in case that the Management Company does not seek approval for the matters which require Unitholders' resolution, the Fund Supervisor has to take any necessary actions to seek such approval from the Unitholders;
- (19) to have rights, duties and responsibilities as prescribed in the Fund Scheme and Fund Supervisor Appointment Agreement; and
- (20) to perform any other acts as prescribed under the Securities Law and the Fund Supervisor appointment agreement.

### 8.3.3. Removal and Replacement of Fund Supervisor

The Management Company may change the Fund Supervisor upon the occurrence of any of the following events:

- (1) when the Unitholders pass a resolution, by a majority vote representing more than one-half of the total number of Investment Units sold, to change the Fund Supervisor, and a new fund supervisor is appointed, at any time during the term of the Fund;
- (2) if the Fund Supervisor engages in any arrangement that conflicts with the benefits of the Fund or the Unitholders which are material and incurable;
- (3) if the Fund Supervisor's licence to undertake a commercial bank or financial institution business is revoked, or the Fund Supervisor is unable to perform its duties and obligations as the Fund Supervisor;
- (4) if the Fund Supervisor commits a criminal offence against property as stipulated in Chapter 1, Chapter 3, Chapter 4, Chapter 5 or Chapter 7, of Title 12 of the Criminal Code;
- (5) when the Fund Supervisor fails to perform the duties or responsibilities as prescribed in the Fund Supervisor Appointment Agreement;
- (6) there is a material change in any condition of the Fund Scheme due to an amendment to the Securities Law or any other circumstance which causes the Management Company and the Fund Supervisor to be unable to agree on the amendment of the Fund Supervisor Appointment Agreement to comply with such change or amendment because such change or amendment imposes more duties on the Fund Supervisor and the Fund Supervisor does not wish to accept such duties. In such event, the Fund Supervisor shall have the right to terminate the Fund Supervisor Appointment Agreement by giving written notice thereof to the Management Company not less than 90 days in advance;
- (7) in case the Fund Supervisor lacks any qualification as prescribed under the Securities Law, the Management Company shall notify the Fund Supervisor in writing to make a rectification within 15 days from the day following the date on which the Management Company is or should reasonably be aware of such disqualification or the date on which such disqualification is discovered from an inspection of the Office of the SEC. The Management Company shall also notify such rectification to the Office of the SEC within 3 Business Days following the date the Fund Supervisor completes the rectification. If the Fund Supervisor fails to make a rectification within such prescribed period, the Management Company shall seek



permission to replace the Fund Supervisor from the Office of the SEC within 15 days from the day following the expiry date of the rectification period. When permission is obtained from the Office of the SEC, the Management Company shall appoint a new fund supervisor in place of the former Fund Supervisor immediately unless otherwise instructed by the Office of the SEC;

- (8) when any person proposes or files a petition to the Court or any other relevant authority in connection with the Fund Supervisor (a) for the dissolution of the Fund Supervisor or any other similar purposes; or (b) for the rehabilitation, composition or relaxation of debt payment, management of properties, liquidation or any other similar request under the current or future laws or under various regulations; or
- (9) when a Government authority or agency is of the opinion that the Fund Supervisor is at fault or has committed gross negligence and gives notice to the Management Company or makes an announcement to the public;
- (10) upon termination of the Fund Supervisor Appointment Agreement under cases other than those set out above, in which case the party wishing to terminate the said agreement shall give to the other party a written notice of not less than 60 days in advance.

Since the Securities Law provides that the Fund must have a fund supervisor, if the Fund Supervisor is discharged from its duties under any of these conditions, the Fund Supervisor must fully perform the duties of a fund supervisor until the completion of the transfer and delivery of all assets and documents and evidence of the Fund to the new fund supervisor or as instructed by the Management Company or the Office of the SEC, including any other necessary arrangements for the proper and complete transfer and delivery of all assets and documents to the new fund supervisor within a reasonable time to ensure the continuous performance of duties. The Fund Supervisor shall be entitled to receive the remuneration at the normal rate allowed under the Fund Supervisor Appointment Agreement until the transfer and delivery of all such assets and documents to the new fund supervisor or as instructed by the Management Company or the Office of the SEC is completed.

In case of termination of the Fund Supervisor Appointment Agreement, the Fund Supervisor is entitled to receive its remuneration and/or any other expenses due but not yet paid to the Fund Supervisor under the Fund Supervisor Appointment Agreement which have been incurred prior to the termination of the Fund Supervisor Appointment Agreement. The amount of such remuneration and/or any other expenses so due shall be calculated up until the expiration of the termination notice period or the period set out under the Fund Supervisor Appointment Agreement.

## 8.4. Investment Advisory Committee

### 8.4.1. List of Investment Advisory Committee

- Dr. Sompong Paksarsawan
- Mr. Sran Bunyasiri
- Mrs. Voravan Tarapoom
- Mr. Wasin Wattanaworakijkul
- Mr. Sudhipongse Phuaphanprasert
- Ms. Siriphen Wangdumrongves

### 8.4.2. Duties and Responsibilities of the Investment Advisory Committee

The Investment Advisory Committee shall have the following duties and responsibilities:

- (1) upon request by the Management Company, to provide advice and recommendation to the Management Company in relation to the Fund's investment in Infrastructure Assets as well as management of Infrastructure Assets in which the Fund has invested; and
- (2) to declare to the Management Company if any member of the Investment Advisory Committee has an interest (whether directly or indirectly) in the matters requiring advice or recommendation. The member who has such as interest (whether directly or indirectly) shall not participate in the meeting to consider such matters.

## 8.5. Name, Address, Telephone Number of Auditor, Fund Registrar and Asset Appraiser

### 8.5.1. Auditor

Name	EY Office Limited (Formerly known as Ernst & Young Office Limited)
Address	193/136-137 Lake Ratchada Building 33rd Floor Rachadaphisek Road, Klong Toey Sub-district, Klong Toey District, Bangkok 10110
Telephone	0-2264-0777

#### 8.5.2. Fund Registrar

Name	Thailand Securities Depository (Thailand) Company Limited
Address	62 The Stock Exchange of Thailand Building Rachadapisek Road, Klong Toey Sub-district, Klong Toey District, Bangkok 10110, Thailand
Telephone	0-2229-2888

#### 8.5.3. Asset Appraiser

Name	C.I.T. Appraisal Company Limited
Address	2 Ploenchit Center, 17th Floor, Sukhumvit Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110
Telephone	0-2656-7000

#### 8.6. Punishment and Fine Penalty

- None -

## 9. Corporate Governance

### 9.1. Governance Policy

The Management Company has the policy to administer and manage the Fund with prudence and loyalty for the benefit of Unitholders and to administer and manage the Fund in accordance with the Fund Scheme, the Commitment between the Management Company and the Unitholders, the Unitholders' resolutions, the Prospectus, the Securities Law and various agreements to which the Fund or the Management Company is or will be a party.

### 9.2. Sub Committee

The Management Company will appoint the Investment Advisory Committee of the Fund to provide advice and recommendation to the Management Company in relation to the Fund's investment in Infrastructure Assets as well as management of Infrastructure Assets in which the Fund has invested. The Investment Advisory Committee of the Fund consists of the following persons;

1. Ms. Voravan Tarapoom	Chief Executive Officer	BBL Asset Management Co., Ltd.
2. Mr. Wasin Wattanaworakijkul	Managing Director	BBL Asset Management Co., Ltd.
3. Mr. Sudhipongse Phuaphanprasert	Deputy Managing Director	BBL Asset Management Co., Ltd.
4. Ms. Siriphen Wangdumrongves	Senior Vice President	BBL Asset Management Co., Ltd.
5. Dr. Sompong Paksarsawan	Director	AMP Consultants Ltd.
6. Mr. Sran Bunyasiri	Consultant	AMP Consultants Ltd.

In addition, the Management Company still has certain control over BTSC's material corporate matters. The persons nominated by the Management Company have joined the board members of BTSC for one-third of the total board members of BTSC, details as follows;

1. Ms. Voravan Tarapoom	Chief Executive Officer	BBL Asset Management Co., Ltd.
2. Mr. Wasin Wattanaworakijkul	Managing Director	BBL Asset Management Co., Ltd.
3. Mr. Sudhipongse Phuaphanprasert	Deputy Managing Director	BBL Asset Management Co., Ltd.

In entering into such corporate matters by BTSC: (1) in case of the Reserved Matters, BTSC shall obtain an approval from a board of directors' meeting of BTSC having at least two affirmative votes from BTSC's directors who are nominated by the Fund and (2) in case of the matters prohibited under the negative undertakings as set out under the Net Revenue Purchase and Transfer Agreement, BTSC must obtain a prior consent of the Fund. If at least two members of BTSC board of directors representing the Fund approve the Reserved Matters which are the same



matters prohibited under the negative undertakings of BTSC, such approval shall deem to be the Fund's consent for BTSC to carry out such same matters prohibited under the relevant negative undertakings of BTSC.

### 9.3. Protection of the Misuse of Inside Information

The Management Company has a policy that prohibits the executives and employees of the Management Company as well as their related persons to use inside information for the benefit in trading securities and prohibits the disclosure of inside information to outsiders or unrelated persons before the information is disclosed to the public at large through the Stock Exchange of Thailand ("the SET"). In addition, the Management Company has criteria for the request for approval and the reporting of trading of securities of its employees who invest in the Investment Units of the funds managed by the Management Company. If any executive or employee violates such regulation on the misuse of inside information, not only would he/she be subject to the punishment according to the Securities and Exchange Act but also is subject to the punishment according to the work regulation and disciplinary action.

BTSC prohibits the directors, executives and employees of BTSC as well as their related persons to use inside information for the benefit in trading securities and prohibits the disclosure of inside information to outsiders or unrelated persons before the information is disclosed to the public at large through the SET.

### 9.4. Investment Decision Making and Fund Management

The objective of the Fund is to invest in the assets of the infrastructure business which initially is the Net Revenue generated from the Core BTS SkyTrain System, the Management Company has decided to invest in such infrastructure assets since the Core BTS SkyTrain System has the following strengths:

1. The sole rights in accordance with the Concession Agreement to operate the Core BTS SkyTrain System with a clear mechanism to adjust the fare and does not have to share the income with the government.
2. The Core BTS SkyTrain System is the main system of the mass transit system for the central Bangkok area and covers various strategic destinations.
3. The business has good strength, growth and potential for further growth.
4. The operation of the business is efficient and effective in maintaining the operating costs.
5. Strong and experienced management.

The Management Company believes that such infrastructure assets have potential in generating consistent income and has a potential for long-term growth which will make the Fund be able to pay dividends to the Unitholders consistently, at satisfactory rates.

Since the assets invested by the Fund is in the form of Net Revenue from operation in the Core BTS SkyTrain System which is under the operation and management of BTSC, the Management Company shall control and monitor the submission of the Net Revenue through the various daily and monthly reports that BTSC submits to the Fund and check whether or not the farebox revenue and expenses incurred are correct and appropriate.

### 9.5. Selection of the Asset Manager

The assets that the Fund invested are in the Net Revenue generated from the operation of the Core BTS SkyTrain System which the Fund allows BTSC to operate and manage the Core BTS SkyTrain System since BTSC was granted concession from the BMA that granted the rights solely to BTSC to operate the Core BTS SkyTrain System and the rights to collect the farebox revenue from the Core BTS SkyTrain System.

Moreover, the management of BTSC has the expertise and strength in the mass transit business. The management of BTSC consists of persons who are well experienced in the mass transit business for more than 10 years and have been operating the Core BTS SkyTrain System with no major accidents. With such high standard of service, BTSC, thus, has received awards from various organizations such as OHSAS 18001:2007 for cleanliness and safety, ISO9001:2008 for management and certification for safety management system from Lloyd's Register.

In the event of a breach of the Net Revenue Purchase and Transfer Agreement, the Fund has the right to the enforcement of pledge of securities according to the Share Pledge Agreement; the right to buy BTSC shares that the Sponsor holds according to the Agreement to Purchase and to Sell Shares; the right to revoke the appointment of BTSC as the Fund's representative in collecting the net revenue for and in the name of the Fund and appoint other persons to collect the Net Revenue. Moreover, the Fund may use the right to obtain the transfer of the Concession Agreement, as the representative of the creditors of BTSC, as per the notification letter to the BMA in the event that the BMA has an intention to revoke the Concession Agreement due to BTSC's breach of agreement.

### 9.6. Supervision of the Asset Manager's Operation

The Management Company oversees and monitors the operations of BTSC. Each year the Management Company shall consider the budget for O&M expenses and the annual Net Revenue Target from the reports submitted to the Fund by BTSC. The Management Company will consider the farebox revenue and expenses whether or not they are in accordance with the planned budgets. The Management Company shall also review the actual farebox revenue and expenses whether or not they are accurate and appropriate.

As for the revenue collection, the Management Company shall conduct reviews on the internal control of the collecting the farebox revenue and conduct random reviews on the income realization of BTSC and arrange for a meeting with BTSC to find ways to solve the problem that has arisen.

Moreover, the Management Company takes part in some of the operations of BTSC by chairing 1/3 of the total number of members of the Board of Directors of BTSC.

## 9.7. Supervision of the Fund's Interest

### Submission of the Net Farebox Revenue

1. BTSC submits the Net Farebox Revenue on a daily basis to the Fund's revenue account together with the related daily reports such as the daily number of passengers, the daily received farebox revenue and the Net Farebox Revenue that BTSC submits to the Fund. Such reports are to be submitted to the Management Company and the Fund Supervisor by 14.00 hrs. of the next business day.
2. The Management Company and the Fund Supervisor shall check to see whether the daily Farebox Revenue submitted by BTSC to the Fund is accurate and correspond to the report or not.
3. At the end of each month, BTSC shall submit a report on the Net Farebox Revenue of each month to the Management Company and the Fund Supervisor within 10 days from the end of the month, so that the Management Company and the Fund Supervisor can review the report (such report shall separate the Farebox Revenue from other incomes as well as the O&M costs deducted from such income)
4. The Management Company and the Fund Supervisor shall check whether or not the Net Farebox Revenue sent by BTSC to the Fund each day of the month is correct and corresponds to the Net Farebox Revenue disclosed in the daily report of the month.

### Depositing of O&M Costs and Withdrawing of O&M Costs

1. BTSC shall deposit the projected daily O&M costs in the O&M costs account, opened under the name of BTSC, by 14.00 hrs. of the next business day and delivers the deposit document, such as the statement or payment slip or transfer slip to the Management Company.
2. The Management Company shall check whether or not BTSC has deposited the projected daily O&M costs into the O&M costs account opened under the name of BTSC.

3. From the first day of each month, if there is no payment default, BTSC may withdraw the funds in the amount equal to the total amount of the O&M costs for the prior month which deposited into the O&M costs account, from the O&M costs account. The Management Company shall check to ensure that BTSC has not withdrawn the funds from the O&M costs account before the specified period or has not withdrawn more than the permitted amount.
4. BTSC shall deliver the initial actual expense report to the Management Company within 10 days from the end of each month so that the Management Company can review such report.
5. BTSC shall deliver the actual expense documents to the Management Company within 15 days from the end of each quarter month so that the Management Company can review such documents.
6. The Management Company shall consider whether or not the expenses incurred do actually relate to the Fund and has been allocated as per prior agreement.
7. At the end of each quarter, the Management Company shall reconcile the actual expenses incurred with the budget.

In the case the actual O&M costs in the quarter are lower than the total projected daily O&M costs for the quarter which BTSC had already deducted prior to sending the daily Net Farebox Revenue to the Fund, BTSC shall return the excess amount to the Fund within 5 business days from the date the Fund has reviewed the actual O&M costs incurred.

In the case the actual O&M costs in the quarter are higher than the total projected daily O&M costs for the quarter which BTSC had already deducted prior to submitting the daily Net Farebox Revenue to the Fund and the actual O&M expenses for the quarter when combined with the aggregate actual O&M costs for every preceeding quarter of the relevant year exceed 10% of the aggregate O&M costs budget for every preceding quarter of the relevant year up to that quarter, the Fund shall pay the shortfall amount of such quarter to BTSC, provided the Fund (or at least 2 directors of BTSC proposed by the Fund) or the experts that the Fund and BTSC have jointly appointed, consent to the payment.

#### 9.8. Remuneration of the Management Company

The Management Company shall calculate the Management Fee from the total NAV of the Fund which the Fund Scheme has specified the Management Fee to be not more than 0.10% per year of the NAV; such fee shall not be less than THB 10,000,000 per year. However, the Management Company charges the actual Management Fee



at 0.075% of the NAV at a minimum of THB 10,000,000 per year. The Management Fee for the year ending 31 March 2015 was THB 52,271,751.46 (including VAT).

### 9.9. Disclosure of Information to the Unitholders

The Management Company has a policy to publicly disclose important information of the Fund such as the Fund's financial status and performance, information that may have an impact on the price of securities or investment decision or the benefits of the Unitholders as per the notification of the SET and other related laws as well as to disclose the Annual Report so that investors and related persons can use for their investment decision through various channels and medias of the SET as well as the Fund's website. The Management Company has assigned related units to be responsible for disclosing information to the Unitholders. The information to be disclosed shall be approved by the authorized persons of the related units.

### 9.10. Meeting of Unitholders

The Unitholders who have their names recorded in the registrar book shall have the rights to vote, as well as to receive the distributions. The Management Company shall inform the date of book closing date to the SET and the Registrar 14 days or any period of time as prescribed by the SET or the Registrar prior to the book closing date. If there is any change to such book closing date, the Management Company shall inform the SET and the Registrar at least 7 days or any period of time as prescribed by the SET or the Registrar prior to the original book closing date.

The Management Company shall send a request of resolution by circular, or a notice to convene the Unitholders' meeting to the Unitholders whose names are in the registrar book as at the book closing date.

It shall be assumed that the registrar book of the Investment Units is a correct and accurate record; therefore the payment or distribution of assets, and the entitlement or restriction of any rights made to the Unitholders whose names appear in such registrar book shall be deemed duly made by the Management Company.

#### 9.10.1. Resolution by Circular

To obtain a resolution by circular, the resolution shall be passed by more than half of the total units with voting rights, regardless of the nature of the matters, except for the amendment or modification of the Fund Scheme or fund management procedures which shall be in compliance with the requirements as prescribed in the Prospectus, Section 7.14.1— "Procedures to Amend the Fund Scheme".

### 9.10.2. Resolution by Meeting

#### (1) Quorum requirements

- (a) Except as provided in (b) below, to constitute a quorum there shall be at least 25 Unitholders, or at least half of the total number of Unitholders, holding in aggregate no less than one-third the total units sold.
- (b) Requirements with respect to a quorum as set out in (a) above are not applicable to the amendment or modification of the Fund Scheme or fund management procedures; it shall be in compliance with the requirements as prescribed in the Prospectus, Section 7.14.1— “Procedures to Amend the Fund Scheme”.

#### (2) Rights to vote

- (a) Unitholders who have a special interest or a conflict of interest in a matter shall have no right to vote on such matter.
- (b) Unitholders who hold Units in excess of the holding limits as set out in the Prospectus, Section 7.4.7 — “Holding Restrictions” shall abstain from casting votes in respect of such excess portion.

#### (3) Voting requirements

- (a) One unit of the Investment Unit shall have one vote.
- (b) Except as provided in (c) and (d) below, the resolutions of a Unitholders’ meeting, shall be passed by a simple majority vote of more than 50% of the total number of votes of attending Unitholders with the rights to vote.
- (c) Any resolutions of the meeting of Unitholders on the following matters must be passed by a vote of no less than three-fourths (i.e. 75% or more) of the total number of votes of attending Unitholders with the rights to vote:
  - (1) acquisition or disposition of Infrastructure Assets having a value of more than Baht 100,000,000 or 30% or more of the Fund’s total assets at the time of such acquisition or disposition of assets, in accordance with the Prospectus, Section 2.2.3 — “Core Investment - Additional Assets”, or agreement, consent or casting vote for a company in which the Fund holds shares according to paragraph (e) under the definition of “Infrastructure Assets” to undertake such acquisition or disposition;
  - (2) entry into, amendment or termination of any agreement to engage a third party to be the operator to run or operate such Infrastructure Business having a value of more than Baht 100,000,000 or 30% or more of the Fund’s total assets at the time of such entry into, amendment or termination of such agreement, in accordance with the Prospectus, Section 3.8.3 — “Agreement with Third Parties” or agreement, consent or casting vote for a company in which the Fund holds shares according to paragraph (e) under the definition of “Infrastructure Assets” to enter into, amend or terminate such agreements;

- (3) entry into any related party transaction, or agreement, consent or casting vote for a company in which the Fund holds shares according to paragraph (e) under the definition of “Infrastructure Assets” to enter into any related party transaction, which requires consent from the Unitholders in accordance with the Prospectus, Section 5.3 - “Required Resolutions from Unitholders”;
  - (4) capital increase of the Fund in accordance with the procedures prescribed in the Prospectus, Section 7.5 - “Increase of Capital” or agreement, consent or casting vote for a company in which the Fund holds shares according to paragraph (e) under the definition of “Infrastructure Assets” to increase capital;
  - (5) capital reduction of the Fund in accordance with the procedures prescribed in the Prospectus, Section 7.6 - “Reduction of Capital” or agreement, consent or casting vote for a company in which the Fund holds shares according to paragraph (e) under the definition of “Infrastructure Assets” to reduce capital; and
  - (6) amalgamation or merger with another fund.
- (d) A resolution with respect to the amendment of the Fund Scheme or fund management procedures shall be in compliance with the requirements as prescribed in the Prospectus, Section 7.14.1 - “Procedures to Amend the Fund Scheme”.

#### 9.11. Remuneration of the Auditor

##### (1) Audit Fee

The Fund has recorded the audit fee for the accounting period ending 31 March 2015 paid to EY Office Limited (formerly known as Ernst & Young Office Limited) of THB 1.61 million.

##### (2) Non-audit Fee

The Fund recorded the audit fee for the internal audit of the train fare collection system and the random checking of the revenue recognition of BTSC for the accounting period ending 31 March 2015 paid to EY Office Limited (formerly known as Ernst & Young Office Limited) of THB 0.60 million (for the accounting year 2013-2014) paid in 2014 and THB 0.75 million (for the accounting year 2014-2015) to be paid in 2015.

#### 9.12. Compliance with other Good Corporate Governance (if any)

- None -

## 10. Responsibility on the Society, Community and Environment



### 10.1. BTSC Policy on Carrying Out Responsibilities towards the Society, Community and Environment

As the operator of a mass transit system of a capital and a creator of a new lifestyle for urban people, the policy on Corporate Social Responsibility (CSR) of BTSC in 2014 continued to be in line with the policy of BTS Group as per the policy established in 2011 that states *“the Corporate Social Responsibility is implemented with the realisation that social responsibility stems from the Group’s overall operational policies, applicable to every part of the organization. It also places importance on management of the environment, development of quality life of its employees as well as the society and community and it is committed to maintain economic, social and environmental balance.”*

At the moment, the mass transit system has proven itself not only to raise the image of Bangkok to international standards but also to alleviate the traffic problems and greatly reduce the overall power consumption of the country. For these reasons, the idea of “City Solution” was created and has become the Group’s Vision. The Group realizes that mass transit system is an important mechanism in dictating the expansion plan of the city and it is the core mechanism in connecting its vicinities to the inner city for the betterment of the community and society.

The abovementioned Vision leads to the phrase “Our City, Our Future” which is the Group’s main Mission since it realizes the importance of partaking in creating our future city for a well balanced and blended life. The city’s expansion and planning will help offer a more convenient way of life to urban communities and this orderly planning will be the main factor for the development of a sound economy.



As an operator of the Bangkok's mass transit system, BTSC places importance on quality and safety as well as environment management, thus, has established policies as follows:

#### Policy on Quality

- Provide safe, reliable, efficient and clean train service on par with international standards
- Listen to the customers and give more than they expect
- Conduct regular reviews of the business operations and procedures and constantly improve the procedures for best efficiency
- Give importance to BTSC's human resources development

#### Policy on Safety

- Ensure utmost safety for the passengers and workplace of employees of BTSC
- Proactively manage security and safety by preventing harmful objects and constantly find ways to reduce risks to be at a minimum level
- Place importance on training and occupational health of BTSC employees to reduce any possible risk that may occur
- No business factor is more important than safety

#### Policy on Environment

- Build a train service system that is sustainable and eco-friendly as well as comply with the laws, regulations and other requirements on environment which are related to the train service and operation.
- Proactively manage environmental issues and try to significantly and constantly reduce the impacts on the environment by establishing appropriate control measures as well as regularly review current procedures and measures on the environment.
- Urge employees to understand the impacts on environment by providing trainings, knowledge and implementing best practices to employees.

The abovementioned 3 core policies will lead to an operation of BTSC that is socially responsible in accordance with the guidelines on CRS as follows:

## 1. Fair Trade

BTSC places importance on fair trade as well as good corporate governance (CG), thus, has complied with the CG policies and guidelines of the SET. BTSC realizes the importance of and responsibility towards the stakeholders, management transparency and responsibility of the Board of Directors and the management as well as enhances the confidence of the shareholders, investors and all related parties. The details on the CG principles and guidelines as well the organization structure can be found in the 56-1 Report and the Annual Report.

## 2. Respect for Human Rights

BTSC recognizes the importance of respect for human rights and equality regardless of race, religion, gender, marital status and physical fitness by adopting the international standard practices such as the policy and sustainable human resources management framework in accordance with the Human Rights and Labor Rights under the UN “Protect, Respect and Remedy” Framework for Business and Human Rights 2011 and under the framework of OECD Guidelines for Multinational Enterprises.

In addition, BTSC has formulated a policy on employment which is a part of the handbook for the selection of personnel for the Group according to Section 15 of the Labor Protection Act B.E. 2541 which states that “An employee shall treat male and female employees equally in employment unless the description or nature of work prevents such treatment” which is in line with the second paragraph of Section 30 of the Constitution of the Kingdom of Thailand B.E. 2540 which states that “male and female have equal rights”. BTSC’s employees, whether Buddhists, Christians or Muslims work together in harmony, the human resources policy is wide opened and accepts differences in religion and does not use it as an obstacle of work. Moreover, the Company provides facilities for religious activities such as prayer rooms for Muslims.

Furthermore, BTSC also provides opportunities and promotes personal development for female employees to take examinations for specific positions requiring expertise such as train operators which as of 31 March 2015, BTSC has 31 female train operators, an increase from 19 female train operators as of March 2013.

## 3. Fair Treatment of Employees

BTSC believes that people are the most important resource of the organization, therefore, has formulated a policy for the proper remuneration of employees as well as the provision of employee benefits to cover all aspects continuously in order to be an incentive for the employees who are considered the Company’s stakeholders.

In addition to the employee remuneration and various benefits, BTSC also focuses on trainings and personal development so that the employees are ready to support the rapid business growth of the Group.

#### Nuduan Chuan Kayan

This project aims at promoting BTSC's employees to act and work efficiently, to have disciplines, honesty, loyalty to the organization and to take pride in being BTSC's employees as well as to be an incentive and reward for employees with good behaviors, dedication to job, creativity, loyalty and sacrifice to the Company as well as the society. Employees who receive the Nuduan points not only will receive a BTSC recognition plaque but also can redeem such points for cash and various benefits of the BTSC such as annual fitness membership or scholarships.

From the launch of Nuduan Chuan Kayan campaign in 2003 up until now, the most obvious result is in terms of employee discipline, especially reducing the number of substitute employees due to leave of absence or tardiness. Moreover, the expenses on electricity and office supplies have reduced as well. As for the benefits to the employees, the most obvious result is employee morale. Employees are more dedicated to their work, as a result, work efficiency has increased. Furthermore, the campaign has also helped create loyalty to the organization as can be seen by the number of employee recognitions has increased steadily over the years.

Number of Employee Recognitions							
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of Employee	426	457	418	473	460	460	458

For the scholarship program for the children of the employees, BTSC continues to consider the scholarships even though some employees have deceased. Since the inception of the program in 2008 to 2014, there have been 22 employees' children who have been granted the scholarships up to graduation with bachelor's degrees in various fields.

Scholarship Program for the Children of the Employees								
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	Total
Number of Children	290	310	342	376	411	438	478	2,645
Scholarship Amount (THB)	2,288,000	2,648,000	3,210,000	3,643,000	4,192,000	4,742,000	5,272,000	25,986,000

Cooperative Saving Plan

The BTS group of companies has established a Cooperative Saving Plan with the objective to promote the employees’ savings, at the same time to provide funds to employees for emergency cases. The Cooperative Saving Plan is a member-help-member plan in which members will receive returns in the forms of cash dividends and tax-free deposit interest.

4. Customer Responsibility

BTS SkyTrain Service

BTSC recognizes the importance of responsibilities towards customers; in the years 2014/2015 BTSC had designated the customer confidence index and conducted various surveys as shown in the table below:

Targets for 2014/2015	Operating results for 2014/2015	Performance Evaluation Compared to Targets
Service Confidence		
More than 1,000 trips per 5 minutes or more delays	The confidence on service is 757 trips per 1 error	Better than target due to consistent repairs and maintenance system  Note: There was a change from the monthly independent basis to 12-month average basis
Train Creditability		
No less than 35,000 carriage kilometers per 1 error	972,895 carriage Kilometer per 1 error	Better than target due to consistent repairs and maintenance of various spare parts so they are in effective conditions
Train Ticket Creditability		
No less than 15,000 times before an error is found	20,910 times before an error is found	Better than target due to consistent repairs and maintenance of various spare parts so they are in effective conditions
Customer Satisfaction		
No less than 3.8	The overall satisfaction score is 3.93 from a total of 5	Better than target
1,265 complaints	Accumulated passengers from 1 April 14 -31 March 15 with 229,027,293 passengers	The number of complaints is lower when compared to the number of passengers.



## Additional Train Carriages

Since the number of passengers continues to increase, BTSC has invested in additional train carriages to be connected to the existing trains which would increase from 3 carriages to 4 carriages per train making the entire 35 Siemens Model trains becoming 4-carriage trains with a length of 86.6 meters and a width of 3.12 meters per train and with a maximum capacity of 1,490 passengers from the previous 3-carriage train with a maximum capacity of 1,006 passengers. Moreover, it has also various facilities for the convenience of the passenger both inside the train and at the station as follows;

- 3-pronged poles so that the passengers have more space to hold on to.
- Enlarged space for wheelchairs with safety belts to connect the wheelchairs to the handles.
- Installation of small transformers from 750 VDC to 400 VAC to appropriately power the air-condition system in the carriages.
- A new brake system called EP2002, which is both the air and electric brakes, is centralized in one control equipment.
- A dual cycle air-condition system which uses a R407C refrigerant
- Installation of 20 sets of fence and automatic door at 9 stations for the safety of the passengers.
- Installation of LCD screens at the concourses and platforms, in-train & dynamic route map
- Installation of location signs, maps and important places that can be connected to the stations
- Installation of 68 CCTVs under the stations and 1,464 CCTVs at the stations totaling 1,534 cameras.
- Construction of SkyBridges at 22 stations connecting to 47 office buildings, hotels, department stores and important places.

Furthermore, BTS trains have been granted ISO 9001:2008 Certification for completing the management and service of 218,726,409 trips as of the end of March 2015 without any fatal accident.

## Services Provided to Various Groups of Customers

In addition to the general customers, BTSC also promotes equal treatments to all groups of customers whether the elderly or disabled groups. BTSC provides facilities to the disabled persons to use the BTS service by providing various equipments to facilitate the disabled at every station such as ramps for wheelchairs, different textures of flooring and Braille alphabets in the elevator panels for the blinds; installation of second elevator panels for wheelchair users and installation of automatic ticket vending machines at lower than normal height for wheelchair users as well as a measure for its officers to assist the disabled, such officers have been trained for basic assistance to appropriately assist disabled customers.

BTSC has a policy to promote disabled customers to use BTS by waiver of train fares to allow the disabled to use more mass transit systems. The disabled persons only need to show their Handicap/Disability ID issued by the Office of Empowerment of Person with Disabilities, Ministry of Social Development and Human Security.

From 1 March 2015 onwards, BTSC has increased its safety measures to the blinds when using the escalators which the security guards will take care of them from the moment they enter the BTS facilities and lead them up the escalator from the ticketing office to the platform and to the train, every time when there are blind persons using the BTS service. Such persons can inform the BTS officer when they arrive at the BTS station. BTSC has also provided training to the security guards and station officers on “Leading the Blinds to the BTS Train” before commencing the service with the cooperation from the Thailand Association of the Blind. At present, BTS has normal disabled customers and various disabled customers on an average of 50,000-60,000 persons per month which the number continues to rise since the start of BTS service in December 1999.

Apart from the disabled, BTSC also places importance on the elderly, pregnant ladies and children groups of customers to use the BTS service conveniently and safely such as providing seats for pregnant ladies, waiver of train fares for children under 90 centimeters of height and special fare tickets for the elderly.

#### Public Relations and Marketing Promotions

BTSC focuses on providing information and understanding of the BTS system through various public relations channels which it has been conducting such activities since the launch of its service. The objective is to encourage more people to use the BTS service which in turn will help reduce power usage of the country as well as reduce the amount of pollution from other means of transportation.

The main channels to communicate the information of BTS are its website, various PR board postings, announcements on the station, LCD screens inside the trains, LED screens on the platforms as well as all types of social media channels which are considered the efficient type of targeted PR.

BTS celebrated its 15 years in service on 5 December 2014 which it had been using marketing strategies and creating good relations with the customers through various marketing activities and promotions on a continuous basis in order to offer its appreciation for the patronage and answer the needs of the customers. Details of the marketing activities appear in the Annual Reports of BTSC.

### Channels for Customers' Comments

BTSC places importance on listening to the customers' comments. Every comment and suggestion of the customer is considered valuable to BTSC in which it can be used as a guideline for improving and developing various facets of its operations in order to most effectively respond to the needs of the customers. The channels for accepting the customers' comments are as follows:

- 1) BTS HOTLINE Tel. 02-617-6000 which is opened from 6.00- 24.00 hrs. everyday.
- 2) E-mail at: nuduan@bts.co.th
- 3) Website: www.bts.co.th
- 4) Comment boxes at stations
- 5) Social media channels such as Facebook.com/SkyTrain.BTS, Twitter.com/bts\_skytrain and WeChat

BTS HOTLINE has been awarded as the best center for accepting complaints/comments and solve problems for consumers in 2014 which the Office of the Consumer Protection Board together with the Management System Certification Institute (Thailand) held for the first time to promote the development of center for accepting complaints.

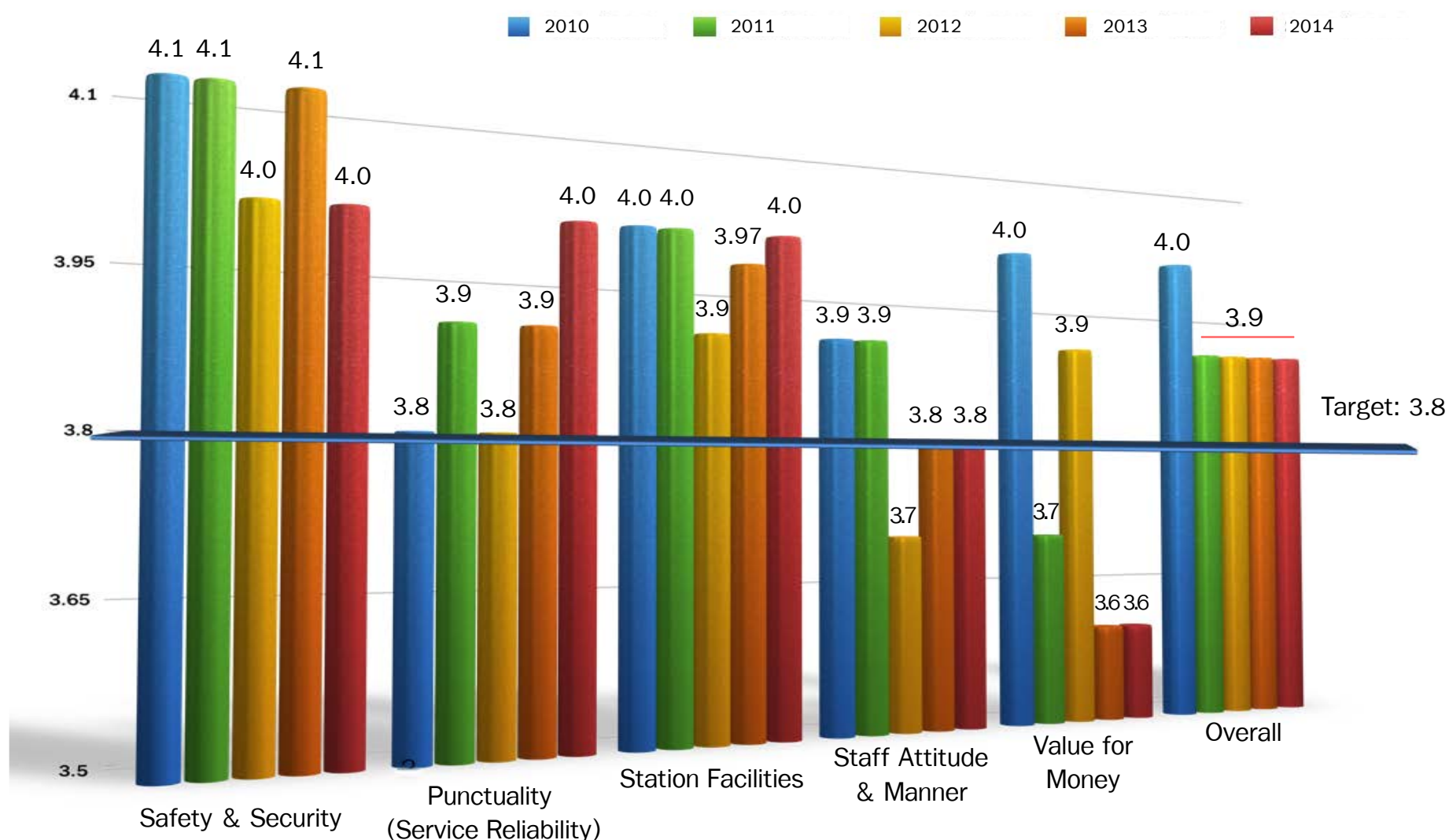
### Customer Satisfaction Survey

In addition to the normal channels for accepting comments from customers, BTSC also places importance on customer satisfaction which the customers are considered part of its stakeholders. The main aim is to be the leader and best mass transit system provider which is designated as the Vision of the mass transit business that every unit of the company has to abide by and comply with. It is also one of the quality policies that aims to provide safe, reliable, efficient and clean train service up to international standards. In order to evaluate different aspects of the operations of BTSC, it has prepared a customer satisfaction survey to be conducted annually with the objective to use the results as the guidelines to most effectively improve and develop services to be in line with the needs of the customers.

The results of the past customer satisfaction surveys from the years 2010/11 to present are considered satisfactory since the level of satisfaction has risen in every category especially safety which increases every year and always at the highest score. This means that customers are confident about the train system and the measures to take care of the customers.

In 2014, BTSC commissioned Suan Dusit Rajabhat University to conduct a customer satisfaction survey taken from 2,805 people in 34 stations. The total satisfaction score came out at 3.93 points from a total of 5 points which is considered highly satisfied. The highest score, as always, was safety with a score of 4.01 points followed by train reliability at 3.96 points which is highly satisfied while the quality, facilities at the station and in the train the result was 3.94 points also highly satisfied; public relations and provision of information and worthiness of BTS service

the total score was 3.92 points which is highly satisfied, the service of station officers the score was 3.77 points also highly satisfied; and the last topic was ticket and marketing the result was 3.59 points also considered highly satisfied.



## 5. ISO 14001:2004 Environmental Management Systems

BTSC realizes the importance of preservation of environment by regulating the procedure, product and service to be in accordance with the policy and mission of the organization in addition to the stringent compliance with the various laws and regulations related to the economic development, environment and stakeholders. In the year 2014, BTSC was awarded the ISO 14001:2004 Environment Management Systems Certificate from Bureau Veritas (Thailand) Limited confirming that BTS has a management system that is sustainable and environmentally friendly in accordance with the standard and law on environment.

### Energy Saving Project "Change of Lighting to LED at 23 Stations"

In the year 2014/2015, the company improved the lighting system at the stations by changing fluorescent lights to LED lights in order to save energy. A total of 15,000 LED lights were installed at the ticketing floor as well as the platforms. The project started in March 2015 and is expected to be completed by August 2015. It is expected

that this project will save approximately 1,160,027 units of electricity or Baht 4,292,099.90 (average Baht 3.7/unit with 8.2 hours of use per day). The company has invested Baht 29,876,651.28 in the project with an expected return on investment period of 4 years 9 months (Break-even in 2020, the NPV is Baht 18,380,000 with a rate of return of 21.55%)

Table Comparing the Qualities of 2 Types of Electric Lights

Fluorescent Lights	LED Lights
58 Watts	25 Watts
Approximately 20,000 life span	Approximately 50,000 life span
Average 200 LUX Illuminance	Average 200 LUX Illuminance
For 8.2 hours of uses an average of 49.9 Watts of energy per bulb	For 8.2 hours of uses an average of 23.93 Watts of energy per bulb
Electrical expense for 1 bulb per day = 1.51 Baht	Electrical expense for 1 bulb per day = 0.73 Baht

For the fluorescent lights which had been removed and replaced, the damaged or end-of-life bulbs had been separated and sent to the manufacturers who are responsible for properly disposing or recycling the bulbs, however, for the bulbs that were in good condition and could still be used, part of them had been donated while the rest have been kept for office use.

Study on Other Energy Conservation Measures

Energy Storage System Project

BTSC has installed a Capacitor Energy Storage System (CESS) to store energy from the regeneration energy of trains running on service and pass the energy back to the system as the trains move away from the stations. The Group has conducted a feasibility study on the project and decided to install the CESS at Surasak Station. The manufacturer expected to reduce the energy consumption approximately 800,735.4 units per year or equal to Baht 2,962,721 per year (at the average electricity rate of Baht 3.7/unit, operating 18 hours per day). The total investment would be Baht 30,763,495 million (USD 878,957 at Baht 35/USD). When considering the maintenance costs and other factors, it was found that the project had an IRR of less than 2%, thus, the project is not viable at the moment. However, BTSC continues to conduct feasibility studies on different aspects of such project by contacting other manufacturers to submit new proposals.



### Solar Roof at Stations Project

The Solar Roof at Stations Project which will install 96 KW solar cells panels on the roofs of stations to produce solar energy to fuel equipments at the stations which expected to reduce electricity usage from the Metropolitan Electricity Authority approximately 140,160 units or equal to Baht 518,592 (assuming electricity charge of Baht 3.7/unit, operating 4 hours per day). The total investment would be Baht 6,574,080 million with a break-even period of 12 years 6 months. Therefore, this project is not appropriate to start at the moment. However, BTSC continues to conduct feasibility studies on different aspects of such project by contacting other manufacturers to submit new proposals.

## 6. Social Responsibility

BTSC, as the provider of a large mass transit system that has changed the mode of transportation of the people of Bangkok, recognizes the responsibility of the Company in giving back to the society in order to improve the lives of people through the following activities:

### Society

The activity that BTSC holds on regularly on an annual basis for more than 10 years is held on the occasion of the National Children's Day which falls on the second Saturday of January. This year the activity was held on 10 January 2015, in which BTSC allowed children with heights not over 140 cm. to travel on the trains free of charge, normally BTSC would allow children with heights not over 90 cm. to travel on the trains free of charge. Another activity was on the occasion of the Senior Citizen Day and Family Day between 13-15 April 2014 in which BTSC allowed senior citizens over 60 years of age to travel on the trains free of charge for all 3 days. While on Mother's Day and Father's Day, 12 August 2014 and 5 December 2014 respectively, BTSC allowed mothers and fathers to ride on the trains free of charge. This is so that families can spend quality time together on special occasions so as to build a strong family foundation and nurture a generation of quality people.

### Healthcare

In addition to the activities to promote family relationships, BTSC also focuses on the promotion of the quality of physical health as well as mental health. BTSC held its 12th Sky Clinic on 22-25 May 2014 at the Sanam Pao BTS station which offered free health check-ups and offered health advices to the public. The aim was to help prevent health hazards and diseases. Moreover, with the cooperation from Chulabhorn Hospital, Kluaynamthai Hospital, Chaophya Hospital, Vibhavadi Hospital, Metta International Eye Center, Ekachai Hospital, RSU Healthcare/Rangsit University and Thai Traditional Medical College/Rajamagala University of Technology Thanyaburi, BTSC

held 8 healthcare stations each for a particular health concern namely: Diabetes Station, Heart Station, Cancer Station, Eye Station, Bone and Joints Station, Thai Traditional Medicine Station, Oriental Medicine Station and Liver Care Station.

BTSC promotes the culture of abiding to religious precepts and abstinence of eating meat by offering free vegetarian food during the annual Je Vegetarian Festival which was held from 24-26 September 2014 at the National Stadium Station. The event offered food to some 4,000 people during the 3-day period in order to take part in creating a sense of religious sacrifice to abstain from eating meat and behave in accordance with the religious precepts during the Festival.

### Religion

BTSC holds its annual Kratin Merit Giving which BTSC holds regularly every year and opens the opportunity for the customers to join the merit giving with the BTS Group, its employees and business partners. This year Kratin Merit Giving was held at Makutkiriwan Temple, Pongkalong Sub-District, Pakchong District, Nakorn Rachsima Province on 1 November 2014. The total funds raised for the event was Baht 2,530,870.65 (Two million five hundred and thirty thousand eight hundred and seventy Baht and sixty-five Satang). Another event was the food offering to 588 monks at the Nonsi Station on 2 December 2014 so that BTSC employees and customers as well as Bangkok people traveling to work in the morning would have a chance to join in offering food to the monks on the occasion of the King's Birthday on 5 December and on the occasion of BTS' 15 years in service, also on 5 December.

Moreover, BTSC held volunteer activities under the name of Nuduan Chuan Du Lae Nong Project which was held for the 11th time this year on 13 February 2015. BTSC offered lunch and gave out necessary personal-use objects to children at the Ratchaburi Home for the Mentally Handicapped Children. BTSC's employees also regularly join in donating blood to the Thai Red Cross every 3 months.

### Energy Conservation

BTSC promotes the use of bicycles and mass transit system in place of personal cars. BTSC have joined with the BMA in holding the Car Free Day which is a global event held on 22nd September every year. In 2014, the BMA together with various government agencies and the private sector held activities on 21 September 2014 which BTSC joined by allowing passengers to take BTS trains free of charge when they bring their bicycles on the trains as well as allowing passengers who wear car free badges, sold by the BMA, to ride the trains free of charge during the Car Free Day.

In addition to the promotion of the use of bicycles on the Car Free Day and on the occasion of the King's 87th Birthday and BTS's 15th year in service, BTSC held the "BTS Bike Rally Life" for a distance of 20 Km. from Bang Wa Station to Phuttamonthon Road, Nakorn Pathom Province on 30 November 2014, proceeds of which were donated to build the Geriatric Center and a hospital in the Bang Khuntien District of Bangkok.

BTSC aims to hold various activities for the people in the society to take care of themselves and their loved ones as well as the environment they live in to create a better society and a better quality of life.

## 10.2. Additional Guidelines Related to Anti-Corruption

The Management Company has been accepted as a member of the Collective Action Coalition Against Corruption or CAC which is one of 109 companies which were certified at the level of member. The CAC was established with the objective to move forward with anti-corruption actions in the broader sense with the support from the government and the National Anti-Corruption Commission and cooperation from 8 organizations namely: the Thai Institute of Directors, the Thai Chamber of Commerce, International Chamber of Commerce, Thai Listed Companies Association, Thai Bankers' Association, Federation of Thai Capital Market Organizations, the Federation of Thai Industries and the Tourism Council of Thailand.

For more information on the policy on anti-corruption of the management company, please visit [www.bblam.co.th](http://www.bblam.co.th)

# 11. Internal Control and Risk Management

## 11.1. Opinion of Head of Compliance of the Management Company

From the evaluation of the various internal compliance systems of the Management Company related to the management of the Fund, the results suggest that compliance is appropriate and the Management Company has sufficient personnel to handle the operation effectively. There is also a system to control and monitor by the Fund Managers which can protect the assets of the Fund from its directors/management misusing or without proper authority, conducting transactions with persons with conflict of interest and related persons. It also properly oversees other compliance issues.

## 11.2. Head of Compliance of the Management Company

The Board of Directors’ Meeting No. 6/2012 resolved to appoint Mr. Sutee Khantaruangsakul as the person with highest responsibility of Compliance. Mr. Sutee’s duty is to oversee to ensure compliance with the regulations of the supervisory authorities. Mr. Sutee possesses qualifications of the Head of Compliance.

Name	Education	Work Experience and Related Trainings	Duties and Responsibilities
Mr. Sutee Khantaruangsakul	Bachelor of Law, Thammasat University	Deputy Managing Director Compliance & Legal BBL Asset Management Co., Ltd.	Be the center for overseeing the operations of the business to be in compliance with the laws, rules, regulations, policies and directives of the related authorities such as the Office of the SEC, the SET or other authorities related to the operations of the Management Company

## 12. Prevention of Conflict of Interest

### 12.1. Transaction between the Fund and the Management Company and the Related Persons

#### 12.1.1. Disclosure of Transaction between the Fund and the Management Company and the Related Person

Related Person	Transaction Date	Type of Transaction	Asset Name	Asset Type	Issuer	Rate of Return	Amount (Million Baht)
BBL*	24 Feb 2015	Trading of securities via the Related Person	CB15305A	Bond	Bank of Thailand	1.95%	10.00
BBL*	24 Feb 2015	Trading of securities via the Related Person	CB15305B	Bond	Bank of Thailand	1.95%	159.94

Remark : \* Bangkok Bank Plc. ("BBL") is the major shareholder of the Management Company.

#### 12.1.2. Necessity and Appropriateness

Such transactions between the Fund and the Management Company and its Related Persons were in accordance with the conditions of general trading and at market prices.

#### 12.1.3. Policy on Connected Party Transactions and Outlook on Connected Party Transactions

The Management Company may have the necessity to conduct transactions with the Related Persons in the future. In such event, the Management Company shall specify various conditions to be the same as the conditions of general trading and at the market price which the prices and conditions shall be at arm's length basis and shall comply with the notifications and regulations related to connected party transactions.

#### 12.1.4. Guidelines on Protection of Conflict of Interest

1. In conducting a transaction with any person related to the Management Company, it shall be in accordance with the specified regulations.
2. Transactions with related persons shall be at fair prices.



3. Persons with interest in the transactions shall not take part in the decision to enter into such transactions.
4. Calculation of expenses incurred from the transactions with related persons shall be fair and appropriate.

## 12.2. Transaction between the Fund and the Fund Supervisor and the Related Persons

### 12.2.1. Disclosure of Transaction between the Fund and the Fund Supervisor and the Related Person

Related Person	Transaction Date	Type of Transaction	Asset Name	Asset Type	Issuer	Rate of Return	Amount (Million Baht)
SCBT	4 Dec 2014	Trading of securities via the Related Person	CB15305B	Bond	Bank of Thailand	2.00%	89.55

### 12.2.2. Necessity and Appropriateness

Such transaction between the Fund and the Fund Supervisor and its Related Persons was in accordance with the conditions of general trading and at market prices.

### 12.2.3. Policy on Connected Party Transactions and Outlook on Connected Party Transactions

The Management Company may have the necessity to conduct transactions with Related Persons in the future. In such event, the Management Company shall specify various conditions to be the same as the conditions of general trading and at the market price which the prices and conditions shall be at arm's length basis and shall comply with the notifications and regulations related to connected party transactions.

### 12.2.4. Guidelines on Protection of Conflict of Interest

1. In conducting a transaction with the Fund Supervisor and its Related Persons, it shall be in accordance with the specified regulations.
2. Transactions with related persons shall be at fair prices.
3. Persons with interest in the transactions shall not take part in the decision to enter into such transactions.
4. Calculation of expenses incurred from the transactions with related persons shall be fair and appropriate.

12.3. Soft Commmission

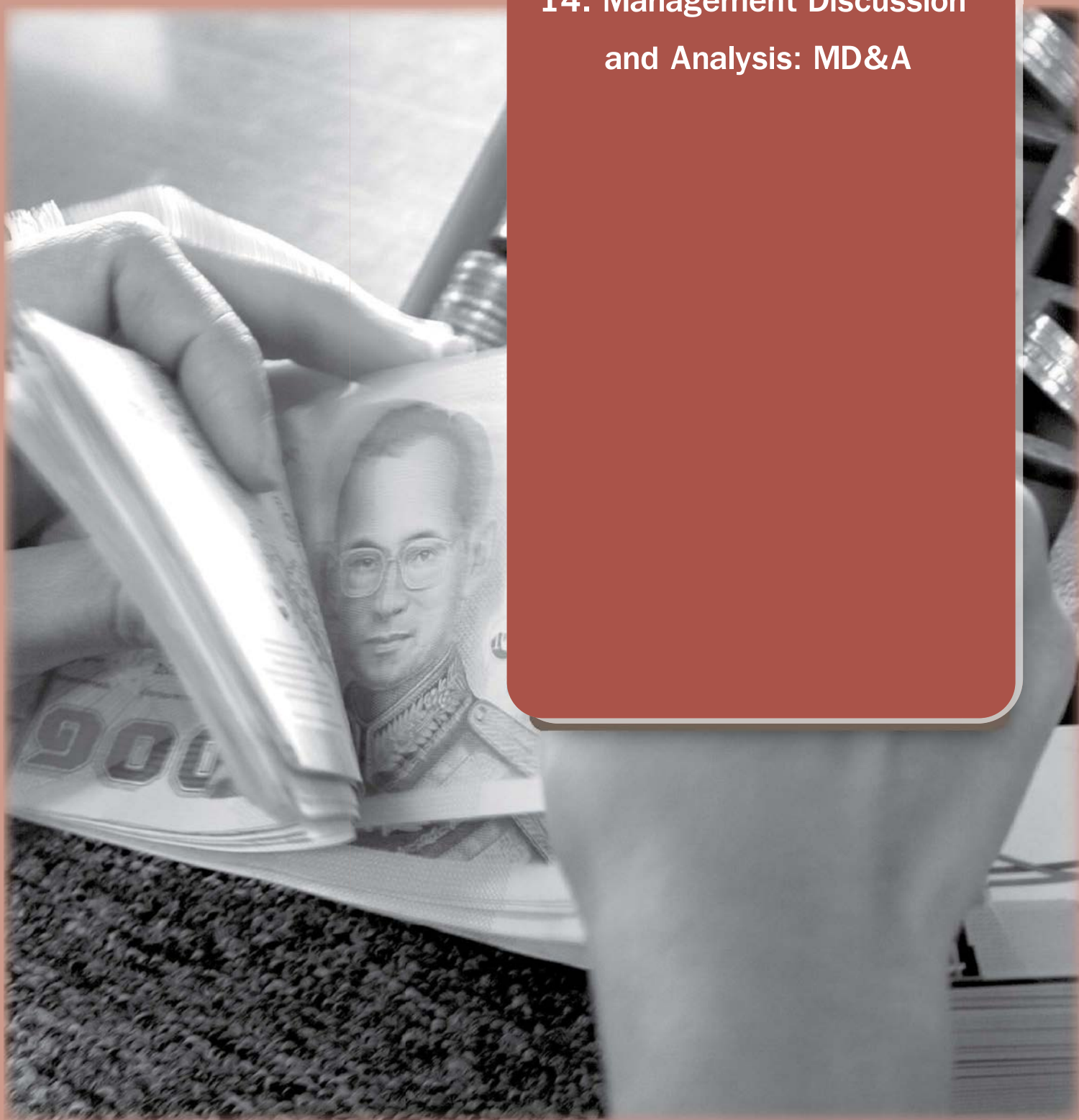
Company	Benefit	Reason
Bank of America, National Association	Research Paper	For fund benefit
Bank of Ayudhya Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Bangkok Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
BNP Paribas	Research Paper and Indicative Yield	For fund benefit
CIMB Thai Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Citibank, N.A.	Research Paper and Indicative Yield	For fund benefit
Deutsche Bank AG.	Research Paper and Indicative Yield	For fund benefit
JPMorgan Chase Bank, National Association	Research Paper and Indicative Yield	For fund benefit
Kasikornbank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Krung Thai Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Thanachart Bank Public Company Limited	Indicative Yield	For fund benefit
Tisco Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
United Overseas Bank (Thai) Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Standard Chartered Bank (Thai) Public Company Limited	Research Paper and Indicative Yield	For fund benefit
TMB Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
The Hongkong And Shanghai Banking Corporation Limited	Research Paper and Indicative Yield	For fund benefit
Siam Commercial Bank Public Company Limited	Research Paper and Indicative Yield	For fund benefit
Asia Plus Securities Public Company Limited	Indicative Yield	For fund benefit
KGI Securities (Thailand) Public Company Limited	Indicative Yield	For fund benefit

## Part 3

### Financial Position and Performance

#### 13. Significant Financial Information

#### 14. Management Discussion and Analysis: MD&A



# 13. Significant Financial Information

## 13.1. Summary of Financial Statement

Balance Sheet				
As at 31 March				
	2015		2014	
	Baht	% of Total assets	Baht	% of Total assets
<b>Assets</b>				
Investment in the net revenue purchase and transfer agreement at fair value (at cost: Baht 61,399 million)	64,010,000,000	97.37	63,100,000,000	96.80
Investments in securities at fair value (at cost: 31 March 2015: Baht 1,225 milion and 31 March 2014: Baht 1,242 million)	1,227,169,778	1.87	1,245,437,613	1.91
Cash at bank	108,077,447	0.16	77,557,850	0.12
Accounts receivable from interest	838,740	0.00	61,553	0.00
Deferred units issuance costs	387,261,042	0.59	757,287,953	1.16
Other assets	5,752,438	0.01	4,057,497	0.01
<b>Total assets</b>	<b>65,739,099,445</b>	<b>100.00</b>	<b>65,184,402,466</b>	<b>100.00</b>
<b>Liabilities</b>				
Account payable from the net revenue purchase and transfer agreement	146,706,137	0.22	47,127,254	0.07
Other payables and accrued expenses	98,256,386	0.15	27,825,862	0.04
Specific business tax payable	5,349,083	0.01	4,622,963	0.01
Other liabilities	419,024	0.00	320,693	0.00
<b>Total liabilities</b>	<b>250,730,630</b>	<b>0.38</b>	<b>79,896,772</b>	<b>0.12</b>
<b>Net assets</b>	<b>65,488,368,815</b>	<b>99.62</b>	<b>65,104,505,694</b>	<b>99.88</b>
<b>Registered capital</b>				
5,788,000,000 units of Baht 10.7230 each (31 March 2014: 5,788,000,000 units of Baht 10.80 each)	62,064,724,000	94.41	62,510,400,000	95.90
Paid-in capital from unitholders	62,064,724,000	94.41	62,510,400,000	95.90
Retained earnings	3,423,644,815	5.21	2,594,105,694	3.98
<b>Net assets</b>	<b>65,488,368,815</b>	<b>99.62</b>	<b>65,104,505,694</b>	<b>99.88</b>
<b>Net asset value per unit</b>	<b>11.3145</b>		<b>11.2481</b>	

Income Statement				
	For the year ended 31 March 2015		For the period from 17 April 2013 (date of registration) to 31 March 2014	
	Baht	% of Total Income	Baht	% of Total Income
Investment income				
Income from the investment in the net revenue purchase and transfer agreement*	3,957,213,287	99.34	3,773,816,796	99.09
Interest income	26,460,576	0.66	34,763,213	0.91
Total income	3,983,673,863	100.00	3,808,580,009	100.00
Expenses				
Management fee	52,271,751	1.31	49,289,690	1.29
Fund Supervisor fee	13,939,134	0.35	13,143,917	0.34
Registrar fee	5,350,000	0.13	5,599,179	0.15
Professional fees	11,299,016	0.29	6,294,675	0.17
Amortisation of deferred unit issuance costs	370,026,911	9.29	353,807,333	9.29
Other expenses	11,115,298	0.28	320,693	0.00
Total expenses	464,002,110	11.65	455,569,592	11.96
Net investment income	3,519,671,753	88.35	3,353,010,417	88.04
Unrealised gains on investments				
Net unrealised gains on investments	910,003,368	22.85	1,700,995,277	44.66
Total unrealised gains on investments	910,003,368	22.85	1,700,995,277	44.66
Increase in net assets resulting from operations	4,429,675,121	111.20	5,054,005,694	132.70
	Baht	% of Farebox revenue	Baht	% of Farebox revenue
*Income from the investment in the net revenue purchase and transfer agreement				
Farebox revenue	5,874,069,994	100.00	5,469,611,834	100.00
Less: Cost of farebox	(1,273,451,546)	(21.68)	(1,229,510,396)	(22.48)
Selling expenses	(73,239,103)	(1.25)	(83,726,964)	(1.53)
Administrative expenses	(363,328,878)	(6.18)	(307,272,185)	(5.62)
Capital expenditures	(206,837,179)	(3.52)	(75,285,493)	(1.37)
Total operating and maintenance costs	(1,916,856,706)	(32.63)	(1,695,795,038)	(31.00)
Income from the investment in the net revenue purchase and transfer agreement	3,957,213,287	67.37	3,773,816,796	69.00



Statement of cash flows		
	(Unit: Baht)	
	For the year ended 31 March 2015	For the period from 17 April 2013 (date of registration) to 31 March 2014
Cash flows from operating activities		
Increase in net assets resulting from operations	4,429,675,121	5,054,005,694
Adjustments to reconcile the increase in net assets resulting from operations to net cash from (used in) operating activities		
Purchases of investment in the net revenue purchase and transfer agreement	-	(61,399,000,000)
Purchases of investments in securities	(5,553,471,147)	(4,930,862,865)
Sales of investments in securities	5,595,000,000	3,708,000,000
Net purchases and sales of investments in securities	41,528,853	(1,222,862,865)
Increase in accounts receivable from interest	(777,187)	(61,553)
Increase in other assets	(1,694,941)	(4,057,497)
Increase in account payable from the net revenue purchase and transfer agreement	99,578,883	47,127,254
Increase in other payables and accrued expenses	70,430,524	27,825,862
Increase in specific business tax payable	726,120	4,622,963
Increase in other liabilities	98,331	320,693
Amortisation of deferred units issuance cost	370,026,911	353,807,333
Amortisation of discounts on investments	(23,257,650)	(22,579,471)
Net unrealised gains on investments	(910,003,368)	(1,700,995,277)
Net cash from (used in) operating activities	4,076,331,597	(58,861,846,864)
Cash flows from financing activities		
Proceed from paid-in capital from unitholders	-	62,510,400,000
Payment of the issuance costs	-	(1,111,095,286)
Decrease in paid-in capital from unitholders	(445,676,000)	-
Distributions to unitholders	(3,600,136,000)	(2,459,900,000)
Net cash from (used in) financing activities	(4,045,812,000)	58,939,404,714
Net increase in cash at bank	30,519,597	77,557,850
Cash at bank at beginning of period/year	77,557,850	-
Cash at bank at end of period/year	108,077,447	77,557,850

Significant financial information		
	(Unit: Baht)	
	For the year ended 31 March 2015	For the period from 17 April 2013 (date of registration) to 31 March 2014
Operating performance (per unit)		
Net asset value - beginning of period/year	11,2481	-
Add: Paid-in capital from unitholders	-	10.8000
Income from investment operations		
Net investment income	0.6081	0.5793
Net unrealised gains on investments	0.1573	0.2938
Total income from investment operations	0.7654	0.8731
Less: Decrease in paid-in capital from unitholders	(0.0770)	-
Distributions to unitholders	(0.6220)	(0.4250)
Net asset value - end of period/year	11.3145	11.2481
Ratio of the increase in net assets resulting from operations to average net assets during the period/year (%)	6.80	7.87
Net assets - end of period/year (Baht)	65,488,368,815	65,104,505,694
Average net assets during period/year (Baht)	65,130,616,710	64,231,056,785

### 13.2. Financial Ratios

	For the year ended 31 March 2015	For the period from 17 April 2013 (date of registration) to 31 March 2014
Overall financial performance (%)		
Ratio of the increase in net assets resulting from operations to average net assets during the period/year*	6.80	7.87
Ratio of total investment income to average net assets during period/year	6.12	5.93
Ratio of total expenses to average net assets during period/year	0.71	0.71
Ratio of net investment income to average net assets during period/year	5.41	5.22
Ratio of weighted average investment purchases and sales to average net assets during period/year**	0.23	94.00
<p>* The average net assets during period/year were the average of net asset value each month by the number of days for the entire year.</p> <p>** Investment purchases and sales exclude cash at banks and investments in promissory notes, and must be real purchases or sales of investments which exclude purchases under resale agreements or sales under repurchase agreements.</p>		
Liquidity Ratios (times)		
Current ratio	5.34	16.61
Quick ratio	5.33	16.56
Profitability Ratios (%)		
Income from the investment in the net revenue purchase and transfer agreement to total income	99.34	99.09
Income from the investment in the net revenue purchase and transfer agreement to farebox revenue	67.37	69.00
Operating and maintenance cost to farebox revenue	32.63	31.00
Total expenses to total income	11.65	11.96
Net investment income to total income	88.35	88.04
Net investment income before amortisation of deferred unit issuance costs to total income	97.64	97.33
Efficiency Ratios		
Return on asset (%)	5.38	5.25
Asset turnover (times)	0.06	0.06
Financial Policy Analysis Ratios		
Total liabilities to net asset value (times)	0.004	0.001
Dividend payout ratio * (%)	99.65	99.95

\* Dividend payout ratio was calculated based on the announced dividend payment for the performance during the relevant period to net investment income (excluding unrealised gains on investments)

# 14. Management Discussion and Analysis: MD&A

## 14.1. Financial Performance Analysis

The investors should consider the financial position and financial performance in this part together with the financial statements for FY2014/2015 and FY2013/2014 and the note to financial statements of each year.

### 14.1.1. Overall Financial Performance and Significant Transactions

- Overall Financial Performance

For FY2014/2015 ended 31 March 2015, the Fund had an increase in net assets resulting from operations of THB 4,429.68mn and the average net assets during the year of THB 65,130.62mn. Consequently, ratio of the increase in net assets resulting from operations to average net assets during FY2014/2015 was 6.80%, decreasing 1.07% from 7.87% in FY2013/2014. The increase in net assets resulting from operations for FY2014/2015 decreased from an enormous amount of unrealised gains on investments in FY2013/2014 together with the increase in the average net assets during FY2014/2015, thus affecting the ratio.

For FY2014/2015, total investment income was THB 3,983.67mn. Ratio of total investment income to average net assets during the year was 6.12%, increasing slightly 0.19% from 5.93% in FY2013/2014. This was largely from the income from the investment in the Net Revenue Purchase and Transfer Agreement (NRTA) which increased from full year effect in FY2014/2015.

Total expenses for FY2014/2015 were THB 464.00mn. Ratio of total expenses to average net assets during FY2014/2015 was 0.71% which was unchanged from FY2013/2014.

Net investment income for FY2014/2015 was THB 3,519.67mn. Ratio of net investment income to average net assets during the year was 5.41%, increasing 0.19% from 5.22% in FY2013/2014 as a result of increasing in total income whereas the total expenses were unchanged.

Ratio of weighted average investment purchases and sales to average net assets during FY2014/2015 was 0.23%, decreasing 93.77% from 94.00% in FY2013/2014 because there was a purchase of investment in the Net Revenue Purchase and Transfer Agreement (NRTA) during FY2013/2014 which was the year of fund establishment, thus the said ratio in FY2013/2014 being higher than normal.

- Significant Transactions

On 17 April 2013, the fund initially invested in the future net farebox revenues from the BTS SkyTrain Core Network under the concession agreement from the date of purchase until the concession expiry date on 4 December 2029.

On 1 June 2013, BTSC adjusted effective fare to THB 15 — 42.

On 5 December 2013, BTSC commenced full operations of the 5.3km Green Line Silom extension from Wongwian Yai (S8) to Bang Wa (S12).

On 15 September 2014, BTSC signed 15-year Maintenance Agreement with Siemens from 1 January 2015 until 4 December 2029 (concession expiry date). BTSC has commitments in respect of the cost of maintenance and spares supply service fee in relation to the project (both core and extension line) for the whole period. The cost and fee for each year shall be based on the first year fee and subject to price escalation each year based on annual Consumer Price Index each year. The first year fee was THB 253mn and EUR 3mn and also shall be allocated to the fund in accordance with the appropriate criteria and assumptions.

#### 14.1.2. Profitability

##### Income Statement

Net investment income for FY2014/2015 was THB 3,519.67mn, increasing by THB 166.66mn or 4.97% from THB 3,353.01mn in FY2013/2014 as detail below.

For FY2014/2015, total income was THB 3,983.67mn, increasing by THB 175.09mn or 4.60% from THB 3,808.58mn in FY2013/2014 because of the increase in income from the investment in the Net Revenue Purchase and Transfer Agreement (NRTA). For FY2014/2015, farebox revenue was THB 5,874.07mn, increasing by THB 404.46mn or 7.39% from THB 5,469.61mn in FY2013/2014. The increase was primarily due to FY2014/2015 performance included full year effect and the whole year operation of 2 stations (from Talat Phlu (S10) to Bang Wa (S12) stations) of Silom line extension since 5 December 2013 which fed more passengers to the Core Network. Nevertheless, for the FY2014/2015, there was the shortened operating hours during the military-imposed curfew in May 2014 which slightly decreased the ridership. Operating and maintenance costs for FY2014/2015 were THB 1,916.86mn (Operating and maintenance costs comprised of cost of farebox of THB 1,273.45mn, selling expenses of THB 73.24mn, administrative expenses



of THB 363.33mn and CAPEX of THB 206.84mn). Operating and maintenance costs increased by THB 221.06mn or 13.04% from THB 1,695.79mn in FY2013/2014 (Operating and maintenance costs comprised of cost of farebox of THB 1,229.51mn, selling expenses of THB 83.73mn, administrative expenses of THB 307.27mn and CAPEX of THB 75.28mn) mainly from (1) the increase in cost of farebox by THB 43.94mn or 3.57% primarily due to (i) the increase in maintenance expenses, utility expenses, and employee expenses, yet offset with (ii) the reduction in insurance expenses which in FY2013/2014 had advance payment for the next year, (2) the decrease in selling expenses by THB 10.48mn or 12.53% mainly from transferring bank charge fees to administrative expenses which was a part of the cause in (3) the increase in administrative expenses by THB 56.06mn or 18.24% from the increase in utility expenses and the payment of director fee for FY2014/2015, and (4) the increase in CAPEX by THB 131.55mn or 174.74% from spare parts, machinery & equipment for maintenance of train system to carry more passengers.

Total expenses for FY2014/2015 were THB 464.00mn (consisting of fund management fee and expenses of THB 82.85mn, amortisation of deferred unit issuance costs of THB 370.03mn and other expenses of THB 11.12mn), increasing by THB 8.43mn or 1.85% from THB 455.57mn in FY2013/2014 (consisting of fund management fee and expenses of THB 74.33mn, amortisation of deferred unit issuance costs of THB 353.81mn and other expenses of THB 27.43mn) mainly due to full year effect in FY2014/2015. There were increases in fund management fee and expenses by THB 8.52mn or 11.48% and amortisation of deferred unit issuance costs by THB 16.22mn or 4.58%, but decrease in other expenses by THB 16.31mn or 59.48% mostly from lower incentive fee for BTSC.

For FY2014/2015, the Fund recognised an increase to the fair value of its investment in the Net Revenue Purchase and Transfer Agreement (NRTA) by THB 910.00mn (from THB 63,100.00mn to THB 64,010.00mn), thus recognising an unrealised gain on investment of THB 910.00mn.

### Profitability Ratio Analysis

Ratio of income from the investment in the Net Revenue Purchase and Transfer Agreement (NRTA) to total income for FY2014/2015 was 99.34%, slightly increasing 0.25% from 99.09% in FY2013/2014. Ratio of income from the investment in the Net Revenue Purchase and Transfer Agreement (NRTA) to farebox revenue for FY2014/2015 was 67.37%, decreasing 1.63% from 69.00% in FY2013/2014 due to operating and maintenance costs increased at higher rate than farebox revenue. Ratio of operating and maintenance costs to farebox revenue for FY2014/2015 was 32.63%, increasing 1.63% compared to FY2013/2014 at 31.00%.

Ratio of total expenses to total income for FY2014/2015 decreased 0.31% to 11.65% from 11.96% in FY2013/2014 mostly from lower incentive fee for BTSC.

Ratio of net investment income to total income for FY2014/2015 was 88.35%, increasing 0.31% from 88.04% in FY2013/2014 from the increase in income from the investment in the Net Revenue Purchase and Transfer Agreement (NRTA) from full year operation in FY2014/2015 together with the reduction in total expenses proportion.

Ratio of net investment income before amortisation of deferred unit issuance costs to total income for FY2014/2015 was 97.64%, increasing 0.31% from FY2013/2014 at 97.33%. The increase was at the same proportion as the increase in ratio of net investment income to total income for FY2014/2015 because the proportion of amortisation of deferred unit issuance costs for FY2014//2015 was the same as FY2013/2014.

#### 14.1.3. Asset Management Efficiency

##### Balance Sheet

As at 31 March 2015, total assets stood at THB 65,739.10mn which consisted of investment in the Net Revenue Purchase and Transfer Agreement of THB 64,010.00mn (increasing by THB 910mn or 1.44% from THB 63,100.00mn as at 31 March 2014 from revaluation), investments in securities at fair value and cash at bank of THB 1,335.25mn (increasing by THB 12.26mn or 0.93% from THB 1,322.99mn as at 31 March 2014) and other assets of THB 393.85mn (decreasing THB 367.56mn or 48.27% from THB 761.41mn as at 31 March 2014 from amortisation of deferred unit issuance costs). Total assets increased THB 554.7mn or 0.85% from THB 65,184.40mn as at 31 March 2014.

Net asset value (NAV) as at 31 March 2015 was THB 65,488.37mn, increasing by THB 383.86mn or 0.59% from THB 65,104.51mn as at 31 March 2014. Net asset value (NAV) as at 31 March 2015 equaled to THB 11.3145 per unit, increasing THB 0.0664 per unit.

##### Efficiency Ratio Analysis

Return on asset during FY2014/2015 was 5.38%, increasing 0.13% from 5.25% during FY2013/2014 as a result of the increase in net investment income as mentioned above.

Total asset turnover during FY2014/2015 was 0.06 times which was unchanged from FY2013/2014.

#### 14.1.4. Leverage Performance

##### Balance Sheet

Total liabilities as at 31 March 2015 stood at THB 250.73mn, increasing by THB 170.83mn or 213.82% from THB 79.90mn as at 31 March 2014 mainly from the increases in account payable from the net revenue purchase and transfer agreement and other payable from securities purchase. Total liabilities were current liabilities. The fund had no financial loan.

##### Liquidity Ratio Analysis

Current ratio as at 31 March 2015 was 5.34 times, decreasing from 16.61 times as at 31 March 2014 mostly from the increases in account payable from the net revenue purchase and transfer agreement and other payable from securities purchase.

Quick ratio as at 31 March 2015 was 5.33 times, decreasing from 16.56 times as at 31 March 2014 for the same reason as mentioned in current ratio above.

#### 14.1.5. Liquidity and Capital Sufficiency

##### Statement of Cash Flows

As at 31 March 2015, cash and cash equivalent was THB 438.08mn, increasing by THB 360.52mn or 464.84% from THB 77.56mn as at 31 March 2014.

##### (1) Sources and Uses of Capital

For FY2014/2015, net cash from operating activities stood at THB 4,076.33mn, increasing by THB 62,938.18mn from THB 58,861.85mn in FY2013/2014. The main reason was the purchase of investment in the net revenue purchase and transfer agreement of THB 61,399.00mn in FY2013/2014 which caused a large amount of net cash used in operating activities in the previous year. For FY2014/2015, sources of capital were from net cash from operating activities which was attributable to (1) the increase in net assets resulting from operations, (2) net of cash receipts from purchases and sales of investments in securities, (3) the increases in account payable from the net revenue purchase and transfer agreement and other payables and accrued expenses which were not due and (4) non-cash expense of amortisation of deferred units issuance cost. These items were partially offset with (5) amortisation of discounts on investments and (6) net unrealised gains on investments.

For FY2014/2015, uses of capital were from net cash used in financing activities of THB 4,045.81mn for (1) the decrease in paid-in capital from unitholders of THB 445.68mn and (2) distributions to unitholders of THB 3,600.14mn.

## (2) Capital Expenditure & Future Plan

For FY2014/2015, capital expenditure for investment in the Net Revenue Purchase and Transfer Agreement (NRTA) was THB 206.84mn which was split into (1) spare parts of THB 88.56mn, (2) machinery & equipment for train of THB 88.06mn and (3) office equipment & furniture of THB 30.22mn. For FY2013/2014, capital expenditure for investment in the Net Revenue Purchase and Transfer Agreement (NRTA) was THB 75.28mn which was split into (1) spare parts of THB 21.66mn, (2) machinery & equipment for work in progress of THB 20.22mn and (3) office equipment & furniture of THB 33.40mn. All capital expenditure was spent for operating and managing train system and was under the fund scheme.

For future plan for FY2015/2016, BTSC plans for total capital expenditure of THB 283.56mn which is split into (1) spare parts and others of THB 27.30mn, (2) machinery & equipment of THB 194.08mn and (3) office equipment & furniture of THB 62.18mn. The majority of CAPEX are backbone transmission network upgrade of THB 55.00mn, the additional construction for future station of THB 45.00mn, traction substation of THB 18.44mn and private automatic branch exchange (PABX) of THB 13.50mn.

## (3) Additional Sources of Capital

The fund has sufficient capital for operation without financial loan. In case that the fund needs the financial loan, the financial loan could be added as the portion of total liabilities to total assets is still low as mentioned above.

## (4) Ability to Pay Debt and Comply with the Covenant

As at 31 March 2015, total liabilities stood at THB 250.73mn, increasing by THB 170.83mn or 213.82% from THB 79.90mn as at 31 March 2014 mainly from the increases in account payable from the Net Revenue Purchase and Transfer Agreement and other payable from securities purchase. Total liabilities were current liabilities. The fund had no financial loan.

## Leverage Ratio Analysis

Ratio of total liabilities to net asset value as at 31 March 2015 was 0.004 times, increasing from 0.001 times as at 31 March 2014. The fund had higher amount of net asset value than total liabilities significantly.

14.1.6. Rate of Return

For rate of return, as appeared in table 7.3.2 Historical of Dividend Payment and Reduction of Capital, dividend payment from the operation during FY2014/2015 was the sum of dividend payment No. 5-8, which equaled to THB 0.606 per unit and dividend payment from the operation during the FY2013/2014 was the sum of dividend payment No. 1-4, which equaled to THB 0.579 per unit. Distribution yields are as shown below.

Distribution yields comparing with	FY 2014/2015 (%)	FY 2013/2014* (%)
Initial Public Offering price (THB 10.80)	5.61	5.61
Price after the 1 <sup>st</sup> Reduction of Capital (THB 10.723)	5.65	5.65
Market price as at 31 March 2015 (THB 10.40)	5.83	5.82

\* Distribution yield for FY 2013/2014 is implied to annual yield

From the table of distribution yield above, the yield for FY2014/2015 was close to FY2013/2014.

Financial Ratio Analysis

Dividend payment ratio during FY2014/2015 was 99.65%, close to 99.95% during FY2013/2014.

14.2. Factors or Occurrences which may Have Impact in the Future

14.2.1. Adjustment of Promotional Prices for Trips on the BTS SkyTrain

BTSC had announced the adjustment of promotional prices for 30-Day Trips on the BTS SkyTrain System for the 23.5 kilometers concession line between Mo Chit and On Nut stations on the Sukhumvit Line and National Stadium to Saphan Taksin stations on the Silom Line (including travel between Saphan Taksin and Wongwian Yai stations on the Silom Line Extension) and One-Day Pass, details as follows

1. 30-Day Trips for Adults Promotional Prices (Fare increasing by 3 Baht/trip):-
- 50 trips 25 Baht/trip

40 trips 26 Baht/trip

25 trips 28 Baht/trip

15 trips 30 Baht/trip



2. 30-Day Trips for Students Promotional Prices (Fare increasing by 2 Baht/trip):-

50 trips 18 Baht/trip	40 trips 19 Baht/trip
25 trips 21 Baht/trip	15 trips 23 Baht/trip

3. One-Day Pass Promotional Prices 140 Baht (From 130 Baht)

Fare for travel on the Sukhumvit Line Extension between On Nut and Bearing stations and on the Silom Line Extension between Saphan Taksin and Bang Wa stations (which belong to Bangkok Metropolitan Administration) will be set according to announcements by the Bangkok Metropolitan Administration.

The above adjustment of promotional prices for trips on the BTS SkyTrain will be effective from 1st July 2015 onwards.

#### 14.2.2. Capital Expenditure

BTSC plans for total capital expenditure for FY2015/2016 of THB 283.56mn which is split into (1) spare parts and others of THB 27.30mn, (2) machinery & equipment of THB 194.08mn and (3) office equipment & furniture of THB 62.18mn. The majority of CAPEX are backbone transmission network upgrade of THB 55.00mn, the additional construction for future station of THB 45.00mn, traction substation of THB 18.44mn and private automatic branch exchange (PABX) of THB 13.50mn.

For FY2014/2015, capital expenditure for investment in the Net Revenue Purchase and Transfer Agreement (NRTA) was THB 206.84mn which was split into (1) spare parts of THB 88.56mn, (2) machinery & equipment for train of THB 88.06mn and (3) office equipment & furniture of THB 30.22mn.

#### 14.2.3. Maintenance Agreement

On 15 September 2014, BTSC signed 15-year Maintenance Agreement with Siemens from 1 January 2015 until 4 December 2029 (concession expiry date). BTSC has commitments in respect of the cost of maintenance and spares supply service fee in relation to the project (both core and extension line) (including future train overhaul) for the whole period. The cost and fee for each year shall be based on the first year fee and subject to price escalation each year based on annual Consumer Price Index each year. The first year fee was THB 253mn and EUR 3mn and also shall be allocated to the fund in accordance with the appropriate criteria and assumptions. (For the year ended 31 March 2015, BTSC had maintenance expense under Maintenance Agreement of THB 218mn and EUR 2mn which excluded train overhaul)

# Attachment 1

## Auditor Report and Financial Statement

**BTS Rail Mass Transit Growth Infrastructure Fund**  
**Report and Financial Statements**  
**For the year ended 31 March 2015**



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## **Independent Auditor's Report**

To the Unitholders of BTS Rail Mass Transit Growth Infrastructure Fund

I have audited the accompanying financial statements of BTS Rail Mass Transit Growth Infrastructure Fund, which comprise the balance sheet, including the details of investments as at 31 March 2015, and the related statements of income, changes in net assets, cash flows and significant financial information for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Responsibility of Fund's Management for the Financial Statements**

Fund's management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as Fund's management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Fund's management, as well as evaluating the overall presentation of the financial statements.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BTS Rail Mass Transit Growth Infrastructure Fund as at 31 March 2015, and its financial performance, changes in its net assets, cash flows, and significant financial information for the year then ended, in accordance with Thai Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'Siraporn', is located below the opinion text.

Siraporn Ouannunkun

Certified Public Accountant (Thailand) No. 3844

EY Office Limited

Bangkok: 25 May 2015



**BTS Rail Mass Transit Growth Infrastructure Fund**

**Balance sheet**

**As at 31 March 2015**

		(Unit: Baht)	
	Note	2015	2014
<b>Assets</b>			
Investment in the net revenue purchase and transfer agreement at fair value			
(at cost: Baht 61,399 million (2014: Baht 61,399 million))	7	64,010,000,000	63,100,000,000
Investments in securities at fair value			
(at cost: Baht 1,225 million (2014: Baht 1,242 million))		1,227,169,778	1,245,437,613
Cash at bank	9	108,077,447	77,557,850
Accounts receivable from interest		838,740	61,553
Deferred units issuance costs	10	387,261,042	757,287,953
Other assets		5,752,438	4,057,497
<b>Total assets</b>		<b>65,739,099,445</b>	<b>65,184,402,466</b>
<b>Liabilities</b>			
Account payable from the net revenue purchase and transfer agreement	11	146,706,137	47,127,254
Other payables and accrued expenses		98,256,386	27,825,862
Specific business tax payable		5,349,083	4,622,963
Other liabilities		419,024	320,693
<b>Total liabilities</b>		<b>250,730,630</b>	<b>79,896,772</b>
<b>Net assets</b>		<b>65,488,368,815</b>	<b>65,104,505,694</b>
<b>Net assets</b>			
Registered capital			
5,788,000,000 units of Baht 10.7230 each	12	62,064,724,000	62,510,400,000
(2014: 5,788,000,000 units of Baht 10.80 each)			
Paid-in capital from unitholders		62,064,724,000	62,510,400,000
Retained earnings	13	3,423,644,815	2,594,105,694
<b>Net assets</b>		<b>65,488,368,815</b>	<b>65,104,505,694</b>
Net asset value per unit		11.3145	11.2481
Number of units issued - end of year (units)		5,788,000,000	5,788,000,000

The accompanying notes are an integral part of the financial statements.



(Mr. Winai Hirunpinyopard)  
Deputy Managing Director



**BTS Rail Mass Transit Growth Infrastructure Fund**  
**Details of investments**

Details of investments classified by asset classes

	As at 31 March 2015			As at 31 March 2014		
	Cost (Baht)	Fair value (Baht)	Percentage of investment (Percent)	Cost (Baht)	Fair value (Baht)	Percentage of investment (Percent)
	61,399,000,000	64,010,000,000	98.12	61,399,000,000	63,100,000,000	98.06
	<b>61,399,000,000</b>	<b>64,010,000,000</b>	<b>98.12</b>	<b>61,399,000,000</b>	<b>63,100,000,000</b>	<b>98.06</b>

**Investment in the infrastructure business (Note 7)**

Investment in the net revenue purchase and transfer agreement to acquire the net revenue to be generated from the operations of the Core BTS Sky Train System pursuant to the concession agreement dated 9 April 1992 and its amendments entered into between the Bangkok Metropolitan Administration and Bangkok Mass Transit System Public Company Limited from 17 April 2013 until the expiration of the Concession Agreement (4 December 2029)

**Total investment in the infrastructure business**

Type of investment	Maturity date	Yield rate (Percent per annum)
<b>Investments in securities</b>		
<b>Bond</b>		
Bank of Thailand	8 May 2014	2.1900
Bank of Thailand	15 May 2014	2.1800
Bank of Thailand	29 May 2014	2.2050
Bank of Thailand	5 June 2014	2.0200 - 2.2200
Bank of Thailand	5 June 2014	2.1375
Bank of Thailand	14 May 2015	1.9400
Bank of Thailand	4 June 2015	1.9400 - 1.9500
Bank of Thailand	4 June 2015	1.9200
<b>Total investments in bond</b>		

The accompanying notes are an integral part of the financial statements.



(Mr. Winai Hirunpinoyopard)  
Deputy Managing Director

**BTS Rail Mass Transit Growth Infrastructure Fund**  
**Details of investments (continued)**

Details of investments classified by asset classes

Type of investment	As at 31 March 2015			As at 31 March 2014		
	Par value (Baht)	Fair value (Baht)	Percentage of investment (Percent)	Par value (Baht)	Fair value (Baht)	Percentage of investment (Percent)
<b>Treasury bills</b>						
Ministry of Finance						
Ministry of Finance						
Ministry of Finance						
<b>Total investments in treasury bills</b>						
<b>Fixed deposit and certificate of deposit</b>						
Government Savings Bank						
Government Housing Bank						
Tisco Bank Public Company Limited						
<b>Total investments in fixed deposit and certificate of deposit</b>						
<b>Total investments in securities</b>						
<b>Total investments</b>						

The accompanying notes are an integral part of the financial statements.

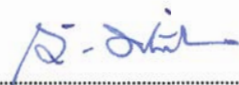


(Mr. Winai Hirunpinyopard)  
Deputy Managing Director

**BTS Rail Mass Transit Growth Infrastructure Fund****Income statement**

(Unit: Baht)			
For the period			
from 17 April 2013			
(date of registration)			
	For the year ended	For the year ended	
Note	31 March 2015	31 March 2014	
<b>Investment income</b>			
Income from the investment in the net revenue purchase			
and transfer agreement			
8, 11	3,957,213,287	3,773,816,796	
Interest income	26,460,576	34,763,213	
<b>Total income</b>	<b>3,983,673,863</b>	<b>3,808,580,009</b>	
<b>Expenses</b>			
Management fee	52,271,751	49,289,690	
Trustee fee	13,939,134	13,143,917	
Registrar fee	5,350,000	5,599,179	
Professional fees	11,299,016	6,294,675	
Amortisation of deferred unit issuance costs	370,026,911	353,807,333	
Other expenses	11,115,298	27,434,798	
<b>Total expenses</b>	<b>464,002,110</b>	<b>455,569,592</b>	
<b>Net investment income</b>	<b>3,519,671,753</b>	<b>3,353,010,417</b>	
<b>Unrealised gains on investments</b>			
Net unrealised gains on investments	910,003,368	1,700,995,277	
<b>Total unrealised gains on investments</b>	<b>910,003,368</b>	<b>1,700,995,277</b>	
<b>Increase in net assets resulting from operations</b>	<b>4,429,675,121</b>	<b>5,054,005,694</b>	

The accompanying notes are an integral part of the financial statements.



(Mr. Winai Hirunpinyopard)  
Deputy Managing Director

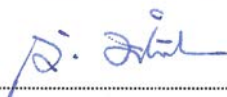
**BTS Rail Mass Transit Growth Infrastructure Fund**

**Statement of changes in net assets**

(Unit: Baht)

		For the period from 17 April 2013 (date of registration) to 31 March 2014
	Note	For the year ended 31 March 2015
<b>Increase in net assets resulting from operations during period/year</b>		
Net investment income		3,519,671,753
Net unrealised gains on investments		910,003,368
<b>Increase in net assets resulting from operations</b>		<b>4,429,675,121</b>
<b>Increase in paid-in capital from unitholders</b>	12	-
<b>Decrease in paid-in capital during period/year</b>	12	(445,676,000)
<b>Distributions to unitholders during period/year</b>	6, 14	(3,600,136,000)
<b>Increase in net assets during period/year</b>		<b>383,863,121</b>
Net assets - beginning of period/year		65,104,505,694
Net assets - end of period/year		<b>65,488,368,815</b>

The accompanying notes are an integral part of the financial statements.



(Mr. Winai Hirunpinyopard)

Deputy Managing Director



**BTS Rail Mass Transit Growth Infrastructure Fund**

**Statement of cash flows**

	(Unit: Baht)	
	For the year ended	For the period
	31 March 2015	from 17 April 2013
		(date of registration)
		to 31 March 2014
<b>Cash flows from operating activities</b>		
Increase in net assets resulting from operations	4,429,675,121	5,054,005,694
Adjustments to reconcile the increase in net assets resulting from operations to net cash from (used in) operating activities		
Purchases of investment in the net revenue purchase and transfer agreement	-	(61,399,000,000)
Purchases of investments in securities	(5,553,471,147)	(4,930,862,865)
Sales of investments in securities	5,595,000,000	3,708,000,000
Net purchases and sales of investments in securities	41,528,853	(1,222,862,865)
Increase in accounts receivable from interest	(777,187)	(61,553)
Increase in other assets	(1,694,941)	(4,057,497)
Increase in account payable from the net revenue purchase and transfer agreement	99,578,883	47,127,254
Increase in other payables and accrued expenses	70,430,524	27,825,862
Increase in specific business tax payable	726,120	4,622,963
Increase in other liabilities	98,331	320,693
Amortisation of deferred units issuance cost	370,026,911	353,807,333
Amortisation of discounts on investments	(23,257,650)	(22,579,471)
Net unrealised gains on investments	(910,003,368)	(1,700,995,277)
<b>Net cash from (used in) operating activities</b>	<b>4,076,331,597</b>	<b>(58,861,846,864)</b>
<b>Cash flows from financing activities</b>		
Proceed from paid-in capital from unitholders	-	62,510,400,000
Payment of the issuance costs	-	(1,111,095,286)
Decrease in paid-in capital from unitholders	(445,676,000)	-
Distributions to unitholders	(3,600,136,000)	(2,459,900,000)
<b>Net cash from (used in) financing activities</b>	<b>(4,045,812,000)</b>	<b>58,939,404,714</b>
<b>Net increase in cash at bank</b>	<b>30,519,597</b>	<b>77,557,850</b>
Cash at bank at beginning of period/year	77,557,850	-
<b>Cash at bank at end of period/year</b>	<b>108,077,447</b>	<b>77,557,850</b>

The accompanying notes are an integral part of the financial statements.

  
 (Mr. Winai Hirunpinoyopard)

Deputy Managing Director



**BTS Rail Mass Transit Growth Infrastructure Fund**

**Significant financial information**

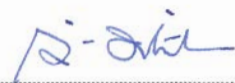
	(Unit: Baht)	
	For the year ended	For the period
	31 March 2015	from 17 April 2013
		(date of registration)
		to 31 March 2014
<b>Operating performance (per unit)</b>		
Net asset value - beginning of period/year	11.2481	-
Add: Paid-in capital from unitholders	-	10.8000
Income from investment operations		
Net investment income	0.6081	0.5793
Net unrealised gains on investments	0.1573	0.2938
Total income from investment operations	0.7654	0.8731
Less: Decrease in paid-in capital from unitholders	(0.0770)	-
Distributions to unitholders	(0.6220)	(0.4250)
Net asset value - end of period/year	11.3145	11.2481
<b>Ratio of the increase in net assets resulting from</b>		
<b>    operations to average net assets during the period/year (%)</b>	6.80	7.87

**Significant financial ratios and additional information**

Net assets - end of period/year (Baht)	65,488,368,815	65,104,505,694
Ratio of total expenses to average net assets during period/year (%)	0.71	0.71
Ratio of total investment income to average net assets during period/year (%)	6.12	5.93
Ratio of weighted average investment purchases and sales		
to average net assets during period/year (%)*	0.23	94.00
Average net assets during period/year (Baht)	65,130,616,710	64,231,056,785

\* Investment purchases and sales exclude cash at banks and investments in promissory notes, and must be real purchases or sales of investments which exclude purchases under resale agreements or sales under repurchase agreements.

The accompanying notes are an integral part of the financial statements.



(Mr. Winai Hirunpinyopard)  
Deputy Managing Director

## **BTS Rail Mass Transit Growth Infrastructure Fund**

### **Notes to financial statements**

**For the year ended 31 March 2015**

#### **1. Description of BTS Rail Mass Transit Growth Infrastructure Fund**

BTS Rail Mass Transit Growth Infrastructure Fund ("the Fund") is a closed-end and infrastructure business fund. The Fund was established and registered as a fund on 17 April 2013 with no project life stipulated. The Fund raised funds from the public and general investors, with the main objective of utilising the proceeds from such fund raising to invest in infrastructure businesses. The Fund initially invested in acquiring the net revenue to be generated from the operations of the Core BTS SkyTrain System from Bangkok Mass Transit System Public Company Limited ("BTSC"), covering the 23.5 kilometer original lines of the BTS SkyTrain System, consisting of the 17.0 kilometer Sukhumvit line from Mo-Chit to On-Nut, and the 6.5 kilometre Silom line from National Stadium to Taksin Bridge ("the Core BTS Skytrain System"). The Fund may also engage in activities within the scope allowed under the regulations of the Office of the Securities and Exchange Commission and other relevant notifications, with a view to generate income and returns for the Fund and the unitholders. This may include investment in other securities and/or deriving benefits from other means as prescribed by securities laws and/or other relevant laws.

On 17 April 2013, the Stock Exchange of Thailand approved the listing of the Fund's units and permitted their trading in the Stock Exchange of Thailand on 19 April 2013.

The Fund is managed by BBL Asset Management Company Limited ("the Management Company") and its trustee is Standard Chartered Bank (Thai) Public Company Limited.

As at 31 March 2015, the Fund's major unitholder is BTS Group Holdings Public Company Limited holding 33.33% of the Fund units issued.

#### **2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and in accordance with the regulations and format specified in Accounting Standard No. 106 "Accounting for Investment Business".

The financial statements in Thai language are the official statutory financial statements of the Fund. The financial statements in English language have been translated from the Thai language financial statements.



### 3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

#### (a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases – Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease

TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
Accounting Treatment Guidance for Stock Dividend	

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements because these financial reporting standards are not relevant to the business of the Fund and the Fund's financial statements are prepared in accordance with the regulations and format specified in Thai Accounting Standard No. 106 "Accounting for Investment Business".

**(b) Financial reporting standards that will become effective in the future**

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015 (beginning on or after 1 April 2015 for the Fund). These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The Fund's management believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, TFRS 13 *Fair Value Measurement* involves changes to key principles, as follow:

**TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the Fund's management believes that this standard will not have any significant impact on the Fund's financial statements.



#### **4. Significant accounting policies**

##### **4.1 Revenue and expense recognition**

Income from the investment in the net revenue purchase and transfer agreement is recognised as revenue on an accrual basis, at the amounts stipulated under the agreement.

Interest income is recognised as interest accrues, based on the effective rate method.

Premiums or discounts on debt instruments are amortised evenly throughout the remaining term of the debt instruments, using the effective rate method, and included as part of interest income.

Expenses are recorded on an accrual basis.

##### **4.2 Measurement of investment value**

Investment is recognised at cost, on the date on which the Fund receives the rights in the investment. The cost of investment comprises the purchase price and all direct expenses incurred by the Fund in their acquisition.

###### **Investment in the net revenue purchase and transfer agreement**

Investment in the net revenue purchase and transfer agreement is stated at fair value. The Management Company measured its fair value as at the balance sheet date using the latest appraisal value from the appraisal report or the review report by an independent appraiser approved by the Securities and Exchange Commission. An appraisal will be made when economic conditions change, but at least every three years after the latest valuation date and to be reviewed every year after the latest valuation.

Gains or losses on valuation of investment (if any) are presented as net unrealised gains or losses in the statement of income.

###### **Investments in securities**

Investments in marketable debt securities which can be freely traded on an open market are presented at their fair value, based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. The fair value of investments which cannot be freely traded on an open market is based on the yield rate as quoted by a market maker which the Management Company considers to be the nearest equivalent to fair value. Gains or losses from the valuation of investments are recorded as net unrealised gains or losses in the statement of income. To determine the cost of investments which are disposed of, the average method is used.



Investments in cash at banks, bills of exchange and non-transferable promissory notes are presented using the sum of principal and accrued interest as of the date on which the investment is valued to determine fair value. Accrued interest is separately presented in the balance sheet as "Accounts receivable from interest".

#### **4.3 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Fund, whether directly or indirectly, or which are under common control with the Fund.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Fund that gives them significant influence over the Fund, the Management Company, the Infrastructure Business Manager, key management personnel, directors, and officers of the Management Company with authority in the planning and direction of the Fund's operations.

#### **4.4 Account receivable from the net revenue purchase and transfer agreement**

Account receivable from the net revenue purchase and transfer agreement is stated at the net realisable value.

#### **4.5 Issuance costs/ amortisation**

Amortisation is calculated using the straight-line basis over a period of 3 years.

#### **4.6 Distribution to unitholders**

Decreases in retained earnings are recognised as at the date a dividend is declared.

#### **4.7 Income tax**

The Fund has no corporate income tax liability since it is exempted from corporate income tax in Thailand.

#### **4.8 Provision**

Provisions are recognised when the Fund has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires the Management Company to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ. Significant judgements and estimates are as follow:

### **Fair value of investment**

The fair value of the investment in the net revenue purchase and transfer agreement is determined by reference to the appraise value from the appraisal report or the review report by an independent appraiser who uses income approach method. The determination of the fair value of the investment requires the use of estimates for the future cash flows from the Core BTS SkyTrain Business, comprising projected farebox revenues less projected operating and maintenance costs for the remaining period of the concession agreement. An appropriate discount rate is used to discount the series of the projected cash flows to present value of which the aggregate amount equals the fair value of the investment. The main assumptions used in the valuation are ridership, effective fare, repair and maintenance expenses, operation expense, capital expenditures and discount rates.

## **6. Dividend policy and capital reduction**

### Dividend policy

The Fund has a policy to pay dividends to unitholders more than once a year if the Fund has sufficient retained earnings.

- 1) The Management Company is to pay dividend, in aggregate, not less than 90% of its adjusted net profit for the year. The Management Company will calculate the adjusted net profit by deducting from the net profit of the Fund the following items; unrealised gains from the appraisals or review of the value of the investments, and capital reserve for the repair, maintenance and improvement of the infrastructure business or repayment of any loan or commitment, in according to the plan specified in the prospectus or notified in advance by the Management Company to unitholders.
- 2) In case that the Fund has retained earnings, the Management Company may pay dividend distributions to unitholders out of such retained earnings.
- 3) In case that the Fund has accumulated losses, the Management Company will not pay the dividend neither from adjusted profit as mentioned in 1) nor from retained earnings as mentioned in 2).

The Management Company is to make the dividend payments under 1) within 90 days from the end of the accounting period to which the dividend payment relates, and no more than 90 days from the day following the date of closing the unitholders' register for the interim dividend purposes, unless necessary circumstances in which the Fund is unable to make the dividend payment within such timeframe. In such cases, the Management Company is to notify the unitholders in writing.



In considering the payment of dividends, if the value of interim dividends per unit to be paid is less than or equal to Baht 0.10, the Management Company reserves the right not to pay dividends at that time and to bring such dividends forward for payment together with the next dividend payment.

#### Capital reduction

The Management Company may reduce the Fund's capital in the followings cases:

- 1) the reduction of capital according to plans which may be determined by the Fund.
- 2) the Fund has excess liquidity after disposal of infrastructure assets and payment of dividend to the unitholders, provided that no retained earnings remain.
- 3) the Fund incurs non-cash expenses and such expenses need not be included for the calculation of the adjusted net profit of the Fund.
- 4) other cases as resolved by the unitholders.

#### **7. Investment in the net revenue purchase and transfer agreement**

The Fund entered into a net revenue purchase and transfer agreement ("NRTA") with BTSC to acquire the net revenue to be generated from the operations of the Core BTS SkyTrain System pursuant to the concession agreement dated 9 April 1992 and its amendments entered into between the Bangkok Metropolitan Administration ("BMA") and BTSC ("the Concession Agreement"), starting from the effectiveness of the net revenue purchase and transfer agreement (17 April 2013) until the expiration of the Concession Agreement (4 December 2029). The net revenue purchased by the Fund includes, without limitation, fare box revenues, and any rights and claims under or in connection with or pursuant to the Concession Agreement, after deducting all costs, expenses, capital expenditures, and fees incurred by BTSC in connection with the operating and maintenance of the Core BTS SkyTrain System (other than any financing costs and expenses with respect to working capital facilities or any other financing requirements of BTSC) and selling and administrative expenses. All net revenue and other rights and claims to be purchased by the Fund pursuant to the NRTA does not include revenues generated from BTSC's other business operations, including revenues from the operation of the Extension BTS SkyTrain System, and the Bus Rapid Transit System under agreements with the BMA, and revenues from advertising and merchandising space on the BTS SkyTrain stations and on the trains.

As stipulated in the NRTA, BTSC agreed to fully reimburse the Fund for any specific business tax in connection with the net revenue purchase and transfer agreement.

Under the terms of the NRTA, the Fund will pay BTSC the incentive fees on annual basis if the net revenues for any year are more than the annual net revenue target for that year, at the following rates.

- (a) 10% in respect of the net revenue amount exceeding the 100% but not exceeding 125% of the annual net revenue target
- (b) 15% of the net revenue in respect of the amount exceeding the 125% of the annual net revenue target

Under the sponsor support and guarantee agreement, BTS Group Holdings Public Company Limited (BTSG) who is the major shareholder of BTSC, has agreed to provide a limited guarantee for the performance of BTSC under the terms of the NRTA. (However, there is no guarantee provided on the net revenue to be received by the Fund). In addition, BTSG agreed to maintain the shareholding interest in BTSC at 97.46% as a minimum and to secure such sponsor support and guarantee agreement BTSG pledged its aforementioned shares in BTSC and also entered into an agreement to sell, and the Fund to buy, BTSG's shares in BTSC upon the occurrence of an event of default in accordance with the terms and conditions of the NRTA at the price determined in the agreement to sell, and to buy shares.

The Fund paid Baht 61,399 million on 17 April 2013 for the investment in the NRTA and has recorded the fair value adjustment for the year ended 31 March 2015 and for the period from 17 April 2013 to 31 March 2014 as summarised below.

	(Unit: Thousand Baht)	
	For the year ended 31 March 2015	For the period from 17 April 2013 to 31 March 2014
<b>Investment in the net revenue purchase and transfer agreement - at cost</b>		
Investment in the NRTA - beginning of the period/year	61,399,000	-
Add: Purchase of investment during the period	-	61,399,000
Investment in the NRTA - end of the period/year	61,399,000	61,399,000
<b>Net unrealised gains on Investment in the net revenue purchase and transfer agreement</b>		
Net unrealised gains on investments - beginning of the period/year	1,701,000	-
Add: Net unrealised gain on investments during the period/year	910,000	1,701,000
Net unrealised gains on investments - end of the period/year	2,611,000	1,701,000
<b>Investment in the net revenue purchase and transfer agreement - end of the period/year - at fair value</b>	<b>64,010,000</b>	<b>63,100,000</b>



**8. Income from the investment in the net revenue purchase and transfer agreement**

	(Unit: Thousand Baht)	
	For the year ended	For the period from
	31 March 2015	17 April 2013 to
		31 March 2014
		(Reclassified)
Farebox revenue	5,874,070	5,469,612
Less: Operating expenses	(1,229,948)	(1,202,357)
Repair and maintenance expenses	(480,072)	(418,153)
Capital expenditures	(206,837)	(75,285)
Net revenue from investment	3,957,213	3,773,817

**9. Cash at bank**

Bank/account type	Principal		Interest rate	
	(Thousand Baht)		(% per annum)	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
Bangkok Bank Public Company Limited				
Saving account	93,887	67,693	0.625	0.500
Standard Chartered Bank (Thai)				
Public Company Limited				
Saving account	14,190	9,865	1.000	1.000
Total	108,077	77,558		

**10. Deferred unit issuance costs**

	(Unit: Thousand Baht)	
	As at	As at
	31 March 2015	31 March 2014
Unit issuance costs	757,288	1,111,095
Less: Accumulated amortisation	(370,027)	(353,807)
Net book value	387,261	757,288
Amortisation expenses included in the income statement		
for the year ended 31 March 2015 and for		
the period from 17 April 2013 to 31 March 2014	370,027	353,807



## 11. Related party transactions

During the period, the Fund had significant business transactions with related parties which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Fund and those companies. Below is a summary of those transactions.

(Unit: Thousand Baht)			
	For the year ended 31 March 2015	For the period from 17 April 2013 to 31 March 2014	Pricing policy
<b>BBL Asset Management Company Limited</b>			
(the Management Company)			
Management fee	52,272	49,290	The basis stated in the prospectus
<b>Bangkok Mass Transit System Public Company Limited</b>			
(a subsidiary of the major unitholder)			
Acquire the investment in the net revenue purchase and transfer agreement	-	61,399,000	The basis stated in the agreement
Income from the investment in the net revenue purchase and transfer agreement	3,957,213	3,773,817	The basis stated in the agreement
Reserve for incentive fee expense	1,132	20,935	The basis stated in the agreement
Reimbursement of the specific business tax	53,407	54,757	The basis stated in the agreement, as incurred

As at 31 March 2015 and 2014, the Fund has the following significant outstanding balances with its related companies.

(Unit: Thousand Baht)		
	31 March 2015	31 March 2014
<b>BBL Asset Management Company Limited</b>		
Accrued management fee	4,464	4,438
<b>Bangkok Mass Transit System Public Company Limited</b>		
Account payable from the net revenue purchase and transfer agreement	146,706	47,127
Accrued incentive fee	1,132	20,935

## 12. Unitholders' equity

Movements of the investment units and capital from unitholders during the year ended 31 March 2015 and during the period from 17 April 2013 to 31 March 2014 are as follow.

	For the year ended 31 March 2015			For the period from 17 April 2013 to 31 March 2014		
	Number of	Value per	Registered	Number of	Value per	Registered
	units	unit	capital	units	unit	capital
	(Thousand unit)	(Baht)	(Thousand Baht)	(Thousand unit)	(Baht)	(Thousand Baht)
Beginning balance	5,788,000	10.8000	62,510,400	-	-	-
Paid in capital from unitholders	-	-	-	5,788,000	10.8000	62,510,400
Reduction of investment unit value	-	(0.0770)	(445,676)	-	-	-
Ending balance	5,788,000	10.7230	62,064,724	5,788,000	10.8000	62,510,400

During the current year, the Management Company declared a reduction in the value of the investment units of Baht 0.0770 per unit, or totaling Baht 446 million, without any change in the number of units, in order to decrease excess liquidity from amortisation of issuance costs which was non-cash expense during the period from 17 April 2013 to 30 June 2014. As a result, the Fund has paid-in capital from unitholders of Baht 62,065 million. This procedure is in accordance with the Fund prospectus, together with notifications of amendments to the Fund scheme and the Notification of the Office of the SEC No. Tor Nor 22/2557 Re: Rules, Conditions, and Procedures for Establishment and Management of Infrastructure Funds, the fourth issue.

## 13. Retained earnings

	(Unit: Thousand Baht)	
	For the year ended	For the period from
	31 March 2015	17 April 2013 to 31 March 2014
Retained earnings - beginning of period/year	2,594,106	-
Add: Net investment income	3,519,672	3,353,011
Unrealised gains on investments	910,003	1,700,995
Less: Disbtibutions to unitholders during period/year	(3,600,136)	(2,459,900)
Retained earnings - end of period/year	3,423,645	2,594,106

#### 14. Distributions to unitholders

Dividend declared during the year ended 31 March 2015 and during the period from 17 April 2013 to 31 March 2014 consisted of the following.

Declared date	For the operations period	Per unit (Baht)	Total (Thousand Baht)
23 May 2014	1 January 2014 to 31 March 2014	0.154	891,352
13 August 2014	1 April 2014 to 30 June 2014	0.151	873,988
10 November 2014	1 July 2014 to 30 September 2014	0.156	902,928
10 February 2015	1 October 2014 to 31 December 2014	0.161	931,868
Total dividends for the year ended 31 March 2015		0.622	3,600,136
20 August 2013	17 April 2013 to 30 June 2013	0.117	677,196
12 November 2013	1 July 2013 to 30 September 2013	0.158	914,504
11 February 2014	1 October 2013 to 31 December 2013	0.150	868,200
Total dividends for the period from 17 April 2013 to 31 March 2014		0.425	2,459,900

#### 15. Expenses

The Management Company calculates the management fee, trustee fee and registrar fee as follows:

##### Management fee

A management fee is calculated and charged to the Fund's account on a monthly basis at a rate of 0.075% per annum of the Fund's net assets. The minimum charge is Baht 10 million per annum (excludes value added tax or any other similar tax).

##### Trustee fee

A trustee fee is calculated and charged to the Fund's account on a monthly basis at a rate of 0.02% per annum of the Fund's net assets. The minimum charge is Baht 350,000 per month (excludes value added tax or any other similar tax) and the foregoing does not include other expense as actually incurred such as fund transfer fee, bank charges, the expenses for the inspection of assets of the Fund.

##### Registrar fee

A registrar fee is calculated at a rate of 0.023% per annum of the Fund's registered capital. The maximum charge is Baht 5 million per annum (excludes value added tax or any other similar tax).



## **16. Commitments**

16.1 The Fund is committed to pay management fee, trustee's fee and registrar fee to counterparties under the terms and conditions specified in the agreements and the prospectus.

16.2 The Fund is committed to pay the incentive fee as described in the note 7 to the financial statements.

16.3 The Fund has commitments with contingent expenses as stipulated in the net revenue purchase and transfer agreement on behalf of BTSC as follows.

(a) Capital commitments

The Fund had capital commitments in respect of changes and improvements to the signaling system for the elevated train operation and traction power supply system and the acquisition of equipment for the Automatic Fare Collection System and spare parts.

(b) Lease and service commitments

The Fund has commitments to pay fees in respect of lease, service and concession agreements.

(c) Commitments under maintenance contracts

The Fund has commitments in respect of the cost of maintenance and spares supply service fees in relation to the project.

(d) Guarantees

The Fund had outstanding bank guarantees amounting to Baht 38 million (31 March 2014: Baht 42 million) issued on behalf of BTSC by a bank to the Metropolitan Electricity Authority, in order to guarantee electricity use under the net revenue purchase and transfer agreement.

(e) Commitments related to long-term employee benefits

The Fund had commitments in respect of costs related to long-term employee benefit of BTSC's employees who retire during the remaining period of the Core BTS SkyTrain System.



16.4 The Fund had commitments which respect to service contracts. Minimum fees required under service contracts were as follows.

	(Unit: Million Baht)	
	31 March 2015	31 March 2014
Payable:		
In up to 1 year	4	9
In over 1 and up to 5 years	8	12

## 17. Segment information

The Fund operates in a single business segment that is the investment in the net revenue purchase and transfer agreement from the Core BTS SkyTrain System and it was carried on in the single geographical area of Bangkok, Thailand. As a result, all revenues, operating profits, assets, and liabilities as reflected in these financial statements are assumed to pertain to the aforementioned business segment and geographic area.

## 18. Financial instruments

### 18.1 Financial risk management

The Fund's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise investments in securities, cash at bank and account receivable and account payable from the net revenue purchase and transfer agreement. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Fund is exposed to credit risk primarily with respect to account receivable from the net revenue purchase and transfer agreement. The Management Company manages the risk by collection of cash receipts of fare box revenues from BTSC daily, and therefore the Fund does not expect to incur material financial losses.

#### ***Interest rate risk***

The Fund's exposure to interest rate risk relates primarily to its investments in securities and cash at bank. However, since most of the Fund's financial assets bear fixed interest rates which are close to the market rate or floating interest rates, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 March 2015					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Investments in securities	1,227	-	-	1,227	1.75 - 2.55
Cash at bank	-	108	-	108	0.63 - 1.00
<b>Financial liabilities</b>					
Account payable from the net revenue purchase and transfer agreement	-	-	147	147	-
Other payable and accrued expenses	-	-	98	98	-
Specific business tax payable	-	-	5	5	-

(Unit: Million Baht)

As at 31 March 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Investments in securities	1,245	-	-	1,245	2.02 - 2.22
Cash at bank	-	78	-	78	0.50 - 1.00
<b>Financial liabilities</b>					
Account payable from the net revenue purchase and transfer agreement	-	-	47	47	-
Other payable and accrued expenses	-	-	28	28	-
Specific business tax payable	-	-	5	5	-

### **Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund considers itself no foreign currency risk because it has no foreign currency transactions, and no financial assets and liabilities denominated in foreign currencies outstanding at the balance sheet date.

## **18.2 Fair values of financial instruments**

Since the majority of the Fund's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

## **19. Capital management**

The primary objectives of the Fund's financial management are to maintain its ability to continue as a going concern and to maintain an appropriate capital structure in order to provide returns for unitholders in accordance with the Fund's establishment objective.

## **20. Approval of financial statements**

These financial statements were authorised for issue by an authorised person of the Management Company on 25 May 2015.

## Attachment 2

### Total Expenses as Collected from the Fund

Total Expenses as Collected from the Fund		
For Period from 1 April 2014 to 31 March 2015		
Fund's Direct Expense	THB (thousand)	% of Net Assets Value
Management Fee	52,271.75	0.08
Fund Supervisor Fee	13,939.13	0.02
Registrar Fee	5,350.00	0.01
Amortisation of Deferred Units Issuance Costs	370,026.91	0.57
Professional Fees	11,299.02	0.02
Other Expenses	11,115.30	0.01
Total Expenses	464,002.11	0.71

Remark: Included VAT

Average Net Asset THB 65,130,616,710



# Attachment 3

## Fund Supervisor Report



### Mutual Fund Supervisor Report

To: Unitholders of BTS Rail Mass Transit Growth Infrastructure Fund

Whereas Standard Chartered Bank (Thai) Public Company Limited, the Mutual Fund Supervisor of BTS Rail Mass Transit Growth Infrastructure Fund which is managed by BBL Asset Management Co., Ltd. has performed duties as the Mutual Fund Supervisor of the Fund during the fiscal year commencing from 1 April 2014 and ending on 31 March 2015

During that period BBL Asset Management Co., Ltd. has, in our view, managed the Fund, in accordance with the fund investment scheme approved by the Office of the Securities and Exchange Commission, and the commitment to the unitholders under the Securities Exchange Act B.E. 2535 in all material respects.

Standard Chartered Bank (Thai) Public Company Limited

A handwritten signature in blue ink, appearing to read "Surapa Nakvachara".

(Surapa Nakvachara)  
Assistant Manager

Standard Chartered Bank (Thai) Public Company Limited  
1 April 2015

A handwritten signature in blue ink, appearing to read "Surapa Nakvachara".



At BBLAM, we grow your money, prudently

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(Compiled data as of 8 June 2015)









