

EXECUTIVE SUMMARY

TOTAL REVENUE

 THB 5,282mn
 ▼44% YoY

NET PROFIT

 THB 536mn
 ▼61% YoY

MIX REVENUE

 THB 1,097mn
 ▲67% YoY

O&M REVENUE

 THB 1,662mn
 ▲7% YoY

In 1Q 2022/23, BTS Group Holdings PCL (BTS Group or the Company) delivered **Total Reported (consolidated) Revenue** of THB 5,282mn, decreasing by 44.3% YoY or THB 4,205mn. The decline is majorly attributed to development of new rail lines reaching the tail-end of development, resulting in THB 4,423mn lower revenue from contracting works coupled with no record on gain on sale of land (in 1Q 2021/22, the Company recorded a THB 481mn gain on sale of land). However, the decline was partially offset by a solid performance in MIX business, chiefly driven by the full-quarter consolidation of Fanslink Communication Company Limited (Fanslink) and positive results from Payment business.

Total Reported (consolidated) Expenses decreased 47.4% YoY to THB 3,674mn in line with the reduce in revenues.

BTS Group recorded **Recurring EBITDA** of THB 1,887mn, a decrease of THB 425mn or 18.4% YoY, largely from a softer performance from MATCH businesses. However, this was partially offset by a turnaround from share of loss from investment in associates/ JVs of THB 19mn in 1Q 2021/22 to share of profit from our investment of THB 213mn in this quarter.

BTS Group recorded **Reported Net Profit Attributable to The Company** of THB 536mn, contracting 61.2% YoY or THB 847mn and **Net Profit Margin** (before non-recurring items) of 10.1%, decreasing from 14.6% in 1Q 2021/22.

Total Assets as of 30 June 2022 stood at THB 253,804mn, slightly decreased from 31 March 2022. Receivables from government authorities (provision of Operations & Maintenance and Electrical & Mechanical works) increased from THB 39,940mn to THB 42,079mn. Excluding extinguished receivables related to VGI's RO subscription, BTS Group's balance sheet remains strong with the adjusted debt ratio of 1.47x.

STOCK INFORMATION *(as of 11 August 2022)*

Ticker:	BTS TB Equity
Closing Share Price:	8.70
52-week High:	10.20
52-week Low:	8.15
Shares Outstanding (mn shares):	13,167
Market Cap (THB mn):	114,558
Market Cap (USD mn):	3,245
Bank of Thailand THB/USD = 35.308	

3M Business Strategy Overview

Under the 'Sharing Economy' concept, BTS Group provides a unique MATCH solution to its partners, sharing access to both its MOVE network (providing ACCESS to customers) and its MIX network (providing broad and customised audience REACH).

Our MOVE network itself is a pioneering concept whereby we aim to provide convenient and safe door-to-door transportation solutions to customers, which purposefully support UNSDG13 (Climate Action) by reducing carbon emissions and improving living conditions.

Our MIX network has advanced beyond its leading OOH media capability to provide comprehensive O2O solutions combining advertising, payment, and distribution services, incorporating smart DATA for optimising insight and customer satisfaction.

KEY DEVELOPMENT IN 1Q 2022/23

SUSTAINABILITY AT BTS GROUP

6 May 2022: Sustainability-Linked Bonds (SLBs) issuance

BTS Group successfully issued senior unsecured SLBs to institutional and high-net-worth investors valued at THB 11,000mn (rated A, negative outlook by TRIS). The Bonds received great responses with more than 1.67 times oversubscription on the initial target issue size of THB 8,000mn. The SLBs consists of 4 tranches due in 2025, 2027, 2029 and 2032 with an average coupon rate of 3.99%. The proceeds will be used for debt refinancing. Terms of the SLBs are linked to sustainability KPIs and benchmarking our performance with industry-specific targets, reaffirming our sustainability commitment.

24 May 2022: BTS Group certified Carbon Neutral

BTS Group was certified as Carbon Neutral (for the 2nd year running) from the Thai Government's Thailand Greenhouse Gas Management Organisation (TGO), demonstrating its commitment and supporting the transition to a Low-Carbon Economy to address climate change.

15 June 2022: BTS Group joined the United Nations Global Compact (UNGC)

BTS Group joined UNGC which is the world's largest corporate sustainability initiative, made up of more than 16,000 companies in over 160 countries. This is to be part of a global network of businesses that shares the same aim to adopt sustainable and socially responsible practices.

22 June 2022: Launch of Biodiversity Commitment

The Company has launched its Biodiversity Commitment aiming to encourage the preservation and rehabilitation of biodiversity through biodiversity-related risk mitigation and appropriate measures.

4 August 2022: 6th Consecutive Year Constituent of the FTSE4Good Index Series

BTS Group was recognised as a member of FTSE4Good Index Series for the 6th consecutive year. The index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

MOVE

2 August 2022: Pink Line Extension

Bangkok Land Public Company Limited (BLAND) held a signing ceremony with Northern Bangkok Monorail Co., Ltd. (NBM), BTS Group's subsidiary, to build the Pink Line Extension to Muang Thong Thani adding two more stations: IMPACT Muang Thong Thani Station (Challenger 1) and Muang Thong Thani Lake Station. The project is expected to be completed and operational by 2025. The extension requires THB 4bn investment to further increase urban mobility for the public to uplift their way of life and increase surrounding assets value.

MIX

30 June 2022: Rabbit Care Fundraising from Series C round

Rabbit Care Company Limited or RCare, (BTS Group's subsidiary), Thailand's largest financial marketplace with online comparison services for insurance and banking products as well as offline (telesales) conversion capabilities, raised THB 269.2mn in Series C round by issuing 148,150 preferred shares. With the additional capital, RCare aims to invest in new business opportunities and new technological infrastructure that stipulate competitive advantages for the company.

22 June 2022: VGI invested in NINE

VGI invested 59.9% in Nation International Edutainment Public Company Limited (NINE) through the purchase of 954mn shares through a private placement with a total investment value of THB 3,147mn. NINE has the rights to operate on 31 BTS stations' merchandising spaces.

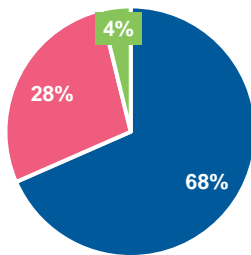
MATCH

27 July 2022: A LIFE Rebranded to Rabbit Life Insurance

Advance Life Assurance PCL or A LIFE (U City's subsidiary), launched its re-branding to becoming Rabbit Life Insurance PCL (Rabbit Life) with the vision of *"Think differently to improve your life with a life insurance that hedge your bets and provides simplified solutions"* – aiming to become the leader in the life insurance business.

OPERATIONAL PERFORMANCE

Revenue Contribution



■ MOVE ■ MIX ■ MATCH

	Operating Revenue (THB mn)			GP margin (%)	
	1Q 2022/23	1Q 2021/22	YoY	1Q 2022/23	1Q 2021/22
MOVE	2,704	6,976	(61%)	40.4%	19.0%
MIX	1,097	658	67%	29.2%	37.1%
MATCH	151	171	(12%)	n/a	n/a
Total	3,952	7,805	(49%)	35.4%	20.0%

In 1Q 2022/23, **Total Operating Revenue** was THB 3,952mn, decreasing by 49.4% YoY or THB 3,853mn. Revenues from the MOVE, MIX and MATCH businesses accounted for 68%, 28% and 4% of total operating revenue, respectively.

The decline in operating revenue was mainly due to the development of new rail lines reaching the tail-end of development under MOVE businesses, revenues from the Pink and Yellow Line projects (civil and E&M works) and the Northern Green Line extension (E&M works and the train procurement) continue to reduce. However, the

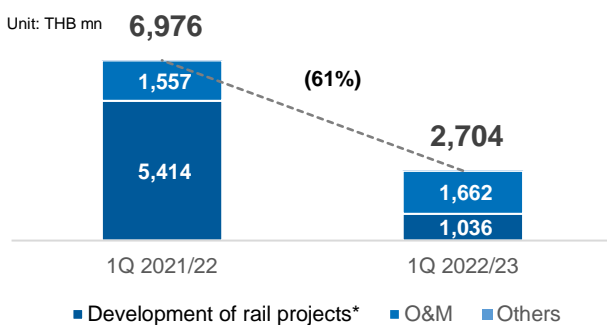
decline in operating revenue was partially compensated by a resilient and steady growth in O&M revenue and a higher revenue from MIX business.

Total Operating Costs was THB 2,555mn, decreasing 59.1% YoY. Costs declined in line with the decrease in total operating revenue at a higher degree.

As a result, **Operating Gross Profit** was THB 1,397mn, decreasing 10.4% YoY. The **Operating Gross Profit Margin** in 1Q 2022/23 was 35.4%, increasing from 20.0% in the same period last year.

SEGMENTAL PERFORMANCE

MOVE BUSINESS



(*) Development of rail projects include Green Line Extensions and Pink and Yellow Lines

Total **MOVE revenues** were THB 2,704mn, decreasing 61.2% YoY. The changes in MOVE revenue on YoY basis were due to (i) decreased construction revenue of the Pink and Yellow Line of THB 4bn and (ii) decreased services income of THB 373mn from the provision of E&M works and the train procurement service for Green Line extensions, as development reaches the tail-end. Though, the decrease in revenue was partly offset by (iii) increased O&M revenue by 6.7% YoY or THB 105mn,

chiefly from the contractually agreed increase in operating fee of the existing Green Line extensions and Southern Green Line extensions.

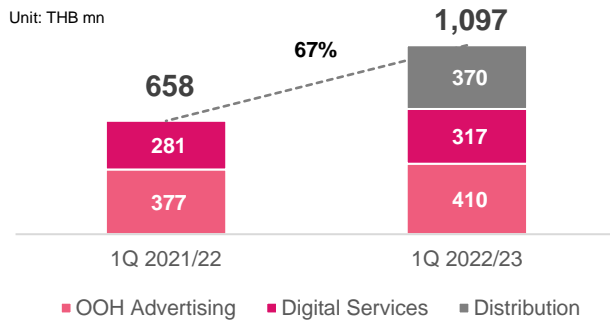
Mass transit related interest income was THB 924mn, increasing 17.8% YoY or THB 140mn, resulting from a higher interest income from receivables related to the Pink, Yellow and Green Line extensions projects.

The Company recognised **share of profit from investments in BTSGIF** of THB 46mn (compared to share of loss of THB 18mn in 1Q 2021/22). There has been the significant improvements in BTSGIF's farebox revenue on the Core Line Network, increasing 102.9% YoY, driven by an increase of 88.9% YoY in ridership and 7.4% YoY in average fare, indicating a robust recovery pattern.

More commentary on the Core Network performance can be found in FY 1Q 2022/23 BTSGIF management discussion and analysis:

<https://classic.set.or.th/set/pdfnews.do?newsId=16605130699690&sequence=0>

MIX BUSINESS



Total MIX revenue in 1Q 2022/23 was THB 1,097mn, increasing by 66.8% YoY or THB 439mn. The increase was mainly from the full-quarter consolidation of Fanslink, which was recorded under Distribution business. Meanwhile, Out-of-Home (OOH) Advertising and Digital Services segment have continued to expand from the same period last year.

- **OOH Advertising revenue** was at THB 410mn, slightly improved by 8.9% YoY or THB 33mn. The increase was mainly driven by an increase in BTS ridership and sales of Street View media package
- **Distribution revenue** was at THB 370mn as a result of the full-quarter consolidation of Fanslink started since August 2021
- **Digital Services revenue** was at THB 317mn, increasing by 12.6% YoY or THB 35mn, mainly driven by more transaction fees and card sales revenue, resulting from the increase in BTS ridership as well as project management fees under Rabbit Group.

The consolidation of Fanslink also resulted in a rising cost of sales, which came to THB 776mn, an increase of THB 363mn or 87.8% YoY.

In 1Q 2022/23, the Company recorded share of loss from investments in Kerry of THB 176mn (from a share of profit of THB 50mn in 1Q 2021/22) resulting from an aggressive pricing strategy to maintain its market leadership.

More commentary on VGI can be found in 1Q 2022/23 VGI's management discussion and analysis:

<https://classic.set.or.th/set/pdfnews.do?newsId=16601742170260&sequence=2022096192>

MATCH BUSINESS

Total MATCH revenue in 1Q 2022/23 was THB 151mn, decreasing 11.9% YoY or THB 21mn, due to lower construction revenue from HHT Construction Company Limited of THB 46mn. However, this was partially offset by positive performances from the operation of Thana City Golf & Sports Club.

In 1Q 2022/23, the Company recorded share of profit from investments in U City of THB 308mn (from a share of loss of THB 39mn in 1Q 2021/22), primarily from results of:

- Higher hotel revenue due to the easing of COVID-19 control measures across Thailand and Europe and the recovery of hotel business and tourism sector
- The recognition of insurance revenue from the consolidation of Rabbit Life from October 2021.

More commentary on U City can be found in 2Q 2022 U City's management discussion and analysis:

<https://classic.set.or.th/set/pdfnews.do?newsId=16605130710580&sequence=0>

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

BALANCE SHEET

Total assets as of 30 June 2022 stood at THB 253,804mn, a slight decrease of THB 2,007mn or 0.8% from 31 March 2022, mainly due to the extinguished receivables related to VGI RO subscription amounting to THB 12,917bn, partially offset by following items:

- Cash and cash equivalents of THB 6,315mn (see details in cash flow)
- Receivables from government authorities and provision of E&M work totalling of THB 2,655mn
- Elevated train project costs of THB 1,141mn recognised from the construction of the Pink and Yellow Lines

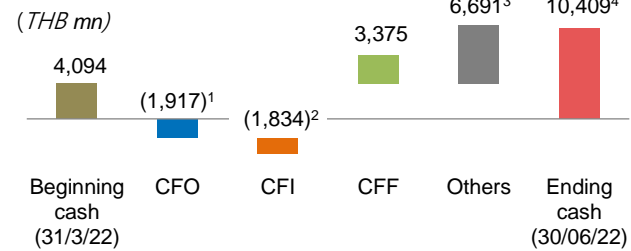
Total liabilities as of 30 June 2022 stood at THB 165,613mn, a slight decrease of THB 4,070mn or 2.4% from 31 March 2022.

The decrease was mainly from short-term loans from financial institutions and bills of exchange payable of THB 13,331mn, partly offset by an increase in (i) net long-term debentures of THB 9,690mn from the issuance of the BTS Group's SLB of THB 11,000mn on 6 May 2022, being partially offset by the repayment of the second tranche (in May 2022) of THB 1,300mn of the THB 13,000mn Green Bond issued in May 2019, (ii) net long-term loans from financial institutions of THB 1,557mn chiefly from drawdown of syndicate loan of the Pink & Yellow Lines.

Total equity was THB 88,191mn, an increase of THB 2,063mn or 2.4% from 31 March 2022. The increase was primarily attributed to an increase in non-controlling interest of the subsidiaries of THB 1,400mn, chiefly from a subscription of newly issued ordinary shares in NINE through right offering with final stake at 59.9% by Point of View Media Group Company Limited (POV), BTS Group's subsidiary.

As of 30 June 2022, issued and fully paid-up shares of BTS Group stood at 13,167.6mn shares (13,164.5mn shares as of 31 March 2021).

CASH FLOW



¹ CFO after

- Net corporate income tax of THB 15mn
- Net interest expenses of THB 1,256mn
- An increase in a receivable under agreements with government authority of THB 2bn mainly from the provision of the O&M services for the Green Line extensions
- Investment for construction of the Pink and Yellow Lines of THB 0.3bn

² CFI included net investment for construction of the Pink and Yellow Lines of THB 873mn

³ Others include cash to be received from subscription VGI'RO of THB 6,669mn

⁴ Excluding liquid investments of THB 8.9bn

As of 30 June 2022, **cash and cash equivalents** stood at THB 10,409mn, an increase of 154.2% or THB 6,315mn from 31 March 2022. Cash used in operating activities was THB 647mn (versus cash used in operating activities of THB 2,537mn in 3M 2021/22). This was derived from profit before tax of THB 936mn, being partially offset by (i) non-cash reconciling items of THB 34mn and (ii) changes in net working capital of THB 1,617mn. After deducting cash paid for interest expense of THB 1,256mn (3M 2021/22: THB 958mn) and net cash paid for corporate income tax of THB 15mn (3M 2021/22: THB 41mn), **net cash used in operating activities** was THB 1,917mn.

Net cash used in investing activities was THB 1,834mn. The key components were (i) net cash paid for acquisition of financial assets of THB 1,652mn, (ii) net investment in construction of the Pink and Yellow Lines of THB 781mn, (iii) net cash paid for purchases of investments in associates of THB 236mn majority from Kerry, partially offset by (iv) net cash received from investment in subsidiaries of THB 826mn largely from POV subscribed newly issued ordinary shares of NINE.

Net cash from financing activities was THB 3,375mn. The key components were (i) net cash received of THB 9,700mn from issuance of the BTS Group's sustainability-linked bond debentures of THB 11,000mn on 6 May 2022, being partially offset by the repayment of the second tranche (in May 2022) of THB 1,300mn of the THB 13,000mn Green Bond issued in May 2019, (ii) cash received from VGI issuing share capital of THB 6,248mn, (iii) cash received from long-term loans from financial institutions of THB 1,547mn, being partially offset by (iv) net cash paid in short-term loan from financial institutions and bills of exchange payables of THB 13,361mn.

BTS GROUP FINANCIAL SUMMARY (CONSOLIDATED)

FINANCIAL PERFORMANCE (THB mn)	1Q 2022/23	1Q 2021/22	% YoY
Service and sales income	2,802	2,204	27%
Revenues from contracting works	1,128	5,550	(80%)
Interest income	970	897	8%
Other income*	382	835	(54%)
Reported revenues	5,282	9,487	(44%)
Expenses**	2,632	6,270	(58%)
SG&A	793	615	29%
Other expenses	249	100	149%
Reported expenses	3,674	6,985	(47%)
Share of loss from investments	213	(19)	n/a
Finance cost	(884)	(722)	n/a
Profit before income tax expenses	936	1,761	(47%)
Income tax	(392)	(323)	n/a
Profit (loss) for the period	544	1,439	(62%)
Reported Net Profit***	536	1,383	(61%)

* Other income includes rental income, dividend income and other income stated in audited financial statement

** Expenses include cost of services and sales and cost of contracting works

*** After adjusting non-controlling interests of the subsidiaries

STATEMENT OF FINANCIAL POSITION (THB mn)	30-Jun-22	31-Mar-22	% Change
Current assets	15,058	23,153	(35%)
Non-current assets	238,745	232,713	3%
Total assets	253,804	255,867	(1%)
Current liabilities	33,112	47,524	(30%)
Non-current liabilities	132,501	122,215	8%
Total liabilities	165,613	169,739	(2%)
Issued and fully paid capital	52,670	52,658	0%
Retained earnings	(6,650)	(7,214)	n/a
Other items in shareholders' equity	16,706	16,618	1%
Non-controlling interest of the subsidiaries	25,464	24,065	6%
Total shareholders' equity	88,191	86,128	2%
Total liabilities and shareholders' equity	253,804	255,810	(1%)

DEBT INFORMATION (THB mn)	30-Jun-22	31-Mar-22	% Change
Gross interest bearing debt	148,804	151,282	(2%)
Adjusted net debt****	129,501	125,824	3%

**** Adjusted Net Debt = Interest Bearing Debt – Cash and Cash Equivalent and Liquid Investment

CASH FLOW STATEMENT (THB mn)	1Q 2022/23	1Q 2021/22	% YoY
Earnings Before Tax	936	1,761	(47%)
Cash from (used in) operating activities	(647)	(2,537)	n/a
Cash paid for interest expenses	(1,256)	(958)	n/a
Cash paid for corporate income tax	(37)	(41)	n/a
Cash received for corporate income tax	22	0	n/a
Net cash from operating activities	(1,917)	(3,536)	n/a
Net cash from investing activities	(1,834)	(4,456)	n/a
Net cash from financial activities	3,375	11,507	n/a
Net changes in cash and cash equivalents	(376)	3,516	n/a
Others*****	6,691	54	n/a
Cash and cash equivalents at beginning of the year	4,094	3,829	7%
Cash and cash equivalents at end of the year	10,409	7,398	41%

***** Others adjustments include effect of exchange rate for cash and cash equivalents and cash received from clearing house - share subscription of subsidiary

KEY FINANCIAL RATIOS

Profitability ratios	1Q 2022/23	1Q 2021/22	4Q 2021/22
Gross operating profit margin (%)	35.4%	20.0%	30.5%
Recurring net profit margin (%) ^A	9.2%	10.8%	10.6%
Net profit margin (%) ^B	10.1%	14.6%	13.8%
ROA (%) ^C	1.2%	3.2%	1.7%
ROE (%) ^D	3.6%	9.1%	4.8%
Liquidity ratio			
Current ratio (times)	0.45x	0.50x	0.49x
Leverage ratios			
Interest bearing debt to equity (times)	1.69x	1.64x	1.76x
Adjusted net debt ^E to equity (times)	1.47x	1.39x	1.46x
Interest coverage (times) ^F	2.13x	3.2x	2.34x
Per share ratios^G			
Basic earnings per share (THB)	0.04	0.11	0.06
Book value per share (THB)	6.70	5.78	6.54

Note:

^A Calculated based on recurring net profit / total recurring revenue

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

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

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

^E Calculated based on interest bearing debt - cash and cash equivalent and liquid investment, Cash to be received from clearing house - share subscription of subsidiary and Receivable from subscription for newly issued ordinary shares of subsidiary

^F Calculated based on recurring EBITDA / finance cost

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

MANAGEMENT OUTLOOK

Thailand's economy has enjoyed a moderate recovery as the Ministry of Public Health has declared the "post-pandemic" stage since 1 July 2022, leading to the recommencement of daily life and commercial activities. Whilst the country is on the course to normalcy, the economy came under pressure from the rise in inflation rates, resulting in increased cost of raw materials and a lower consumer purchasing power. However, BTS Group remains relatively well-positioned against the rise of inflation as most of BTS Group's revenue is either generated from Government non-discretionary spending and/or MOVE revenue with contractual inflation adjustments.

In the MOVE business, ridership continued to exhibit a post-COVID rebound during the first quarter of FY2022/23. In June 2022, the average weekday ridership reached 451k trips or 61% compared to the precedent levels of pre-COVID ridership at 735k trips*. The improving ridership was supported by the back-to-school and return to office policies. In August 2022, there were days that Bangkok traffic congestion levels exceeded the average of those in 2019 and 2021**. We continue to expect ridership to recover (and thus an increase in share of profit from BTSGIF) to pre-COVID levels by the end of 2023 (base case), or April 2023 (plausible case). Further to this, the Pink and Yellow Lines are nearing completion (90% construction progress) and we expect operations to commence by the second half of next year.

For the MIX business, we expect the recovery in ridership to drive a rebound in VGI's OOH media revenue. The Distribution business is also expected to grow significantly, fuelled by the increasing popularity of Fanslink's products. With the reach of more than 40mn unique audiences, we are expecting a promising path for our MIX business.

Lastly, for the MATCH business, we are anticipating financial services and insurance businesses under U City to generate attractive returns as a result of rising interest rates which leads to higher rates of return on investment, lower reserve requirements and the company's capacity to offer new products with more attractive rates of return.

Additionally, Advanced Life Assurance PCL (A LIFE) has successfully rebranded to Rabbit Life Insurance PCL (Rabbit Life). Rabbit Life now pairs with the Group's 3M platforms, allowing the company to leverage and capitalise data from the MIX platform. This enables Rabbit Life to create new sales channels and advertising strategies to penetrate the insurance market. Rabbit Life's goal is to expand its insurance market share from 0.2% to 5% in the next three years and aims to become one of the industry's leaders in the future.

In summary, we are expecting to see the continued recovery of Thailand's economy. This is anticipated to benefit BTS Group's overall businesses, notably in our MOVE business as economic activities positively correlate with the level of ridership across all transportation modes. MIX business will continue to be a direct beneficiary of the COVID rebound and benefit from the growing distribution network BTS Group is building under its 3M strategy. Moreover, the Group is relatively well placed to face headwinds of rising inflation.

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Rangsin Kritalug

(Executive Director and Chief Operating Officer)

(*) pre-COVID ridership is the average daily ridership of FY2019/20

(**) https://www.tomtom.com/en_gb/traffic-index/bangkok-traffic