

1Q 2023 KEY FINANCIAL HIGHLIGHTS

Total Revenue THB 1,082mn ▼ 23.5% YoY	Total Expenses THB 949mn ▼ 16.9% YoY	EBITDA THB 327mn ▼ 20.2% YoY	EBITDA Margin 30.2%
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1Q 2023 SIGNIFICANT EVENTS

9 January 2023, Rabbit Holdings PCL (“Rabbit Holdings” or “the Company”) reported on the utilisation of the net proceeds from the capital increase of THB 15,725mn, which the Company received from issuing and offering the newly issued preferred shares to the existing shareholders and existing preferred shareholders in proportion to their shareholdings during 12–21 May 2021. As of 31 December 2022, the Company has no balance received from the capital increase. The Company has utilised the proceeds during the period of 25 May 2021 – 31 December 2022 with details as follows:

- I. Repayment of loans of the Company and associated companies of THB 10,198mn
- II. Investment in the development of projects of THB 5,527mn

(For more details, please see the news in the SET [RABBIT.SET 001/2023](#), [U.SET 012/2022](#), [U.SET 001/2022](#) and [U.SET 017/2021](#))

17 January 2023, the Company changed its website (URL) from www.ucity.co.th to www.rabbitholdings.co.th.

23 February 2023, the Company reported on the successful reduction of its registered capital from THB 109,580,953,718.40 to THB 47,941,667,251.80 and the reduction of the Company’s paid-up capital from THB 101,821,343,532.80 to THB 44,546,837,795.60 by reducing the par value of the Company’s shares from the par value of THB 3.20 per share to THB 1.40 per share.

Subsequently, on **7 March 2023**, RABBIT and RABBIT-P were traded at a new par value of THB 1.40 per share.

(For more details, please see the news in the SET [RABBIT.SET 004/2023](#))

28 February 2023, RBH Ventures Co., Ltd., a subsidiary of Rabbit Holdings, has entered into a share subscription agreement with Prime Zone Asset Management Co., Ltd. (“PZ”) for 2,228,572 shares, or equivalent to 70% of the total registered capital of PZ after its capital increase, for a total purchase price of THB 900mn. The purpose of the investment is to expand further into the financial services business, increase the Company’s income base and customer group, and ultimately enhance the Company’s overall business value. The transaction is expected to be completed by 30 June 2023.

(For more details, please see the news in the SET [RABBIT.SET 005/2023](#))

9 March 2023, the Board of Directors’ Meeting No. 2/2023 resolved to propose to the Annual General Meeting of Shareholders for the year 2023 to consider as follows:

- I. To acknowledge the report of the Company's business operation for the fiscal year ended 31 December 2022
- II. To approve the Company's and its subsidiaries' report and consolidated financial statements for the fiscal year ended 31 December 2022
- III. To approve no distribution of the dividend payment for the fiscal year ended 31 December 2022
- IV. The election of directors to replace those who will retire by rotation
- V. The remuneration of the Board of Directors and Sub-Committee for the year 2023
- VI. To approve the appointment of auditors and determination of the audit fee for the fiscal year ended 31 December 2023

(For more details, please see the news in the SET [RABBIT.SET 007/2023](#))

16 March 2023, the Company announced the expiration of its RABBIT-W4 and reported the total number of exercised warrants of 94,085 units, which had been converted to a total of 1,129 RABBIT common shares. Therefore, the new total outstanding RABBIT common shares increased to 5,613,718,693 shares from 5,613,717,564 shares.

5 April 2023, the Company reported the results of the first exercise of the conversion of RABBIT-P to RABBIT shares. The total converted shares were 1,262,527,417. Therefore, the outstanding shares after conversion were 6,876,246,110 RABBIT common shares and 24,942,924,873 RABBIT-P preferred shares.

27 April 2023, the Annual General Meeting of Shareholders for the year 2023 was convened, and all proposed resolutions were approved.

(For more details, please see the news in the SET [RABBIT.SET 009/2023](#))

1Q 2023 PERFORMANCE

1Q 2023 P&L SNAPSHOT AND ANALYSIS

(THB mn)	1Q 2023	1Q 2022 ¹ (restated)	% YoY	4Q 2022	% QoQ
Total consolidated revenue	1,082	1,414	(23.5%)	2,018	(46.4%)
Total consolidated expenses	(949)	(1,142)	(16.9%)	(868)	9.3%
EBITDA	327	410	(20.2%)	1,350	(75.8%)
Finance costs	(216)	(270)	(20.0%)	(160)	34.8%
Share of profit/(loss) from JVs/associates (equity income)	(288)	12	n.a.	(5)	(6,171.5%)
Reported Net Profit/(Loss)	(372)	(52)	(616.5%)	1,086	n.a.
EBITDA margin (%)	30.2%	29.0%		66.9%	
Operating EBITDA margin (%)²	21.8%	19.4%		38.3%	
Reported Net profit margin (%)	(34.4%)	(3.7%)		53.8%	

¹Revised due to changes in accounting policy and fair value measurements.

²Exclude FX gain/(loss), impairments, profit/(loss) from the disposal of investment in subsidiaries/associates/JVs, a government subsidy to Vienna House, and difference on initial recognition of the investment.

In 1Q 2023, the Company reported **total consolidated revenue** of THB 1,082mn, representing a decrease of THB 332mn or 23.5% YoY from THB 1,414mn in the previous year. The decrease in total revenue was chiefly attributed to (i) lower gain on sales of investments in subsidiaries and joint ventures of THB 214mn or 88.8% YoY, mainly from no repeat gain of THB 241mn from the sale of all shares in Boonbaramee Metta Property Company Limited (“BMP”), which was recorded in 1Q 2022, while recognising an additional gain of THB 27mn in this quarter from the disposal of the ordinary shares in the Vienna House Group Hotel business held by Vienna House Capital GmbH (“VHC”), (ii) lower revenue from hotel operation of THB 178mn or 31.9% YoY largely owing to the disposal of the ordinary shares in the Vienna House Group Hotel business held by VHC in 3Q 2022 and (iii) lower insurance income of THB 94mn YoY due to the economic conditions and the insurance agent commission adjustments. However, the decrease was partially offset by (iv) higher rental income of THB 126mn or 113.7% YoY primarily from renting our European hotel properties.

Total consolidated expenses were THB 949mn in 1Q 2023, decreasing by THB 193mn or 16.9% YoY. The total expenses decrease directionally in line with the total revenue. The decrease was mainly due to (i) the decrease in cost of hotel operation of THB 121mn or 45.4% YoY, (ii) the decrease in Selling, General, and Administrative (“SG&A”) expenses of THB 99mn YoY (the lower cost of hotel operation and SG&A is largely due to the aforementioned disposal of the ordinary shares in the Vienna House Group Hotel business held by VHC) and (iii) no record of losses on the exchange rate in this quarter (in 1Q 2022, the Company recorded losses on the exchange rate of THB 86mn). However, the decrease was partially offset by (iv) higher insurance expenses of THB 63mn YoY and (v) higher depreciation and amortisation of THB 56mn YoY.

The reported **share of loss from investment in associates/JVs** was THB (288)mn in 1Q 2023, compared with a share of profit of THB 12mn in 1Q 2022. The share of loss in this year was comprised of (i) a THB (212)mn share of loss from investment in Singer Thailand Public Company Limited, (ii) a THB (67)mn share of loss from investment in other associates/JVs and (iii) a THB (9)mn share of loss from a JV with Sansiri Public Company Limited.

Finance costs were THB 216mn, decreasing by THB 54mn, or 20.0% YoY. The decrease stemmed from the repayment of long-term loans to financial institutions.

The Company reported a **Net loss** of THB (372)mn with a net profit (loss) margin of (34.4%) this quarter. The net loss was largely due to the performance of the insurance business and the recognition of a share of loss from investment in associates/JVs compared to a share of profit in the previous year.

1Q 2023 SEGMENTAL PERFORMANCE

Revenue (THB mn)	1Q 2023	% of Total	1Q 2022	% of Total	% Change (YoY)
Financial services business³	204	18.9%	288	20.3%	(29.0%)
Real estate business	682	63.0%	761	53.8%	(10.5%)
Hotel	379	35.0%	557	39.4%	(31.9%)
Rental properties	237	21.9%	111	7.8%	113.7%
Property management	27	2.5%	52	3.7%	(47.9%)
Sale of real estate	39	3.5%	41	2.9%	(7.4%)
Other income	196	18.1%	365	25.8%	(46.2%)
Total Revenue	1,082		1,414		(23.5%)

³ Revenue of Financial services business comprised of 1) insurance income 2) interest income, dividend income and other income related to insurance business.

FINANCIAL SERVICES BUSINESS

In 1Q 2023, the insurance segment was the main revenue contributor to the financial services business. Contribution of the revenue from the financial services to total revenue was 18.9%. The Company recognised revenue from the insurance segment of THB 204mn in this quarter, a decrease of 29.0% or THB 84mn YoY. This is attributable mainly from the decrease in premiums earned.

Premiums earned for 1Q 2023 was THB 135mn, decreasing by 41.0% or THB 94mn YoY, mainly from the economic conditions and the insurance agent commission adjustments.

- First-year premiums rose by THB 27mn YoY to THB 48mn, mainly from the increase in lifetime insurance products sale.
- Renewal premiums decreased by THB 19mn YoY to THB 64mn this quarter.
- Single premiums decreased by THB 102mn YoY to THB 23mn, mainly due to the insurance agent commission adjustments and registered contracts of some products in this quarter classified under investment contracts compared to insurance contracts in the previous years. The investment contract was not recorded as revenue under the statement of comprehensive income but as liabilities under the statement of financial position.

Insurance segment performance (THB mn)	1Q 2023	1Q 2022	% Change
Premiums earned	135	229	(41.0%)
First-year premiums (FYP)	48	21	128.6%
Renewal premiums (RP)	64	83	(22.9%)
Single premiums (SP)	23	125	(81.6%)
Investment income and others	69	59	16.9%
Revenue from insurance segment	204	288	(29.0%)

Investment income and others were THB 69mn, increased by 16.9% or THB 11mn YoY.

The total cost from the insurance segment was THB 179mn, increased by 54.3% or THB 63mn YoY primarily from an increase of (i) net claims paid mainly from maturity of contracts (ii) insurance reserves for long-term insurance contracts from a decrease of the risk-free rate and (iii) other underwriting expenses.

In 1Q 2023, the Company recorded a net loss from the insurance segment of THB (83)mn, compared to a net profit of THB 124mn in the same period last year.

At the end of March 2023, the Company's **Capital Adequacy Ratio (CAR)** was at 372%, higher than 312% at the end of March 2022 and higher than the minimum threshold of 140% set by the Office of Insurance Commission (OIC).

	As of 31 Mar 23	As of 31 Mar 22
Capital Adequacy Ratio	372% (not yet reviewed)	312% (reviewed)

REAL ESTATE BUSINESS

Our real estate portfolio comprises of 1) hotel business, 2) office and commercial units, 3) residential property, and 4) others. However, in terms of revenue contribution, the Company realised revenues under the real estate business as per the following segments, 1) hotel segment, 2) rental properties, 3) property management segment, and 4) sale of real estate segment.

In 1Q 2023, **the revenue of the real estate business** net decreased by THB 79 or 10.5% YoY to THB 682mn, a contribution to total revenue of 63.0%. The decrease was owned to the lower hotel segment revenue and lower property management segment revenue.

Hotel segment revenue was THB 379mn, declined by 31.9% YoY mainly due to the disposal of the ordinary shares in the Vienna House Group Hotel business held by VHC in 3Q 2022. As a result, the total operational keys decreased. However, the gradual recovery of leisure travel has led to a greater Average Daily Rate (ADR), Occupancy Rate (OCC), and Revenue Per Available Room (RevPAR) than in 1Q 2022.

Hotel segment operation	1Q 2023	1Q 2022	+/-
Total operational keys	7,112	8,939	(1,827)
ADR (THB/ night)	2,662	2,440	222
Occupancy rate (%)	60.5	32.8	27.7
RevPAR (THB/ night)	1,611	800	811

Rental properties segment revenue rose by THB 126mn or 113.7% YoY to THB 237mn in this quarter. The increase was mainly due to additional rental revenue from renting our European hotel properties and contractually rental fee

Office segment operation	1Q 2023	1Q 2022	+/-
Overall net floor area (NFA)	30,332	30,332	0
Occupancy rate (%)	87.7	88.4	(0.8)

increase. The Company is currently looking for new prospective tenants for the remaining office buildings. Moreover, the Company invests in various commercial units in buildings across Bangkok to increase its recurring revenue. The commercial units have a total net rental area of 15,824 sqm. The overall occupancy rate for Commercial unit buildings remained the same as the previous quarter at 100.0% and generated revenue of approximately THB 134mn per annum.

Property management segment revenue declined by THB 25mn or 47.9% YoY to THB 27mn in 1Q 2023, mainly from lower new project management fees from JVs due to the disposal JVs with Noble Public Company Limited

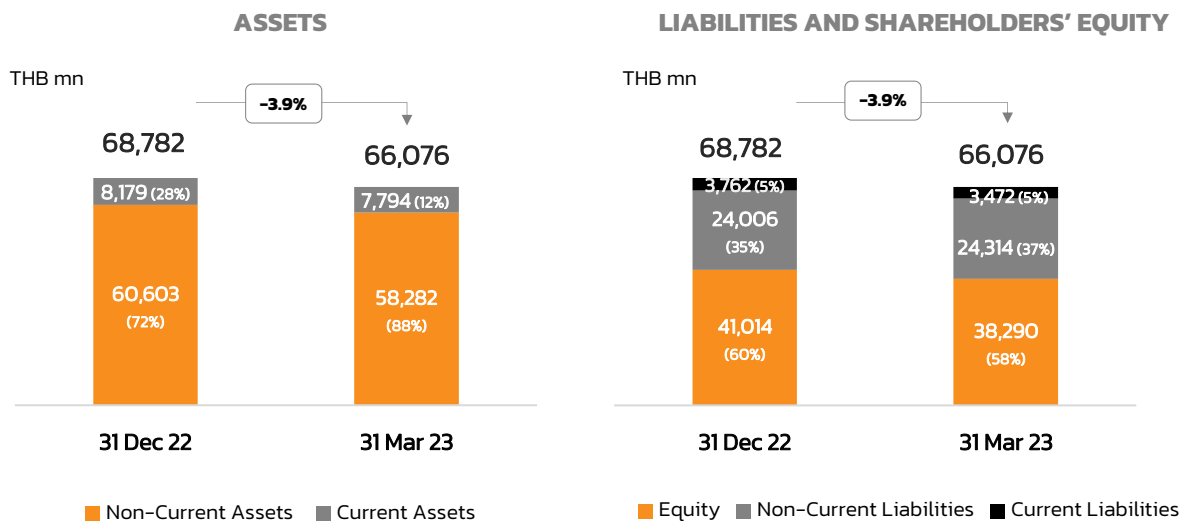
(condominium projects) to Thanulux Public Company Limited (“Thanulux”) in 4Q 2022. And this quarter, the Company recorded revenue from **the sale of real estate** of THB 39mn.

Moreover, the Company has a residential property business under our real estate portfolio, which are JV projects with Sansiri PCL. There are currently two condominium projects on sale which are ready-to-move, consisting of: KHUN By Yoo and the LINE Phahonyothin Park. Lastly, there are two condominium projects under construction which are: The LINE Sathorn and The LINE Vibe. During the period of 2023 – 2026, the presales backlog was THB 1,480mn.

OTHER INCOME

In 1Q 2023, other income decreased by 46.2% or THB 169mn YoY to THB 196mn. The decrease was chiefly attributed to (i) lower gain on sales of investments in subsidiaries and joint ventures of THB 214mn or 88.8% YoY mainly from no repeat gain from sale of all shares in BMP, which was recorded in 1Q 2022 and (ii) the decrease in other income of THB 58mn YoY. However, the decrease was partially offset with (iii) gains on exchange rate of THB 67 in this quarter.

FINANCIAL POSITION



Total Assets as of 31 March 2023 were THB 66,076mn, decreasing by THB 2,706mn, or 3.9%, from 31 December 2022. The decrease was chiefly due to a decline in (i) other financial assets largely from fair value measurement of financial assets, (ii) right-of-use asset and (iii) long-term loans to related parties and interest receivables mainly due to repayment of loans obtained from Thanulux. However, the decrease was partially offset by an increase in (iv) investment properties and (v) cash and cash equivalents, primarily from aforementioned Thanulux’s loan repayments.

Total Liabilities as of 31 March 2023 were THB 27,786mn, slightly increased by 0.1% or THB 17mn from THB 27,768mn at the end of 2022. The increase was attributed chiefly to (i) an increase in other non-current liabilities and (ii) an increase in net long-term liabilities, partly offset by (iii) a decrease in deposits and advances received.

Total Equity stood at THB 38,290mn at the end of March 2023, decreasing by THB 2,723mn, or 6.6%, from THB 41,014mn at the end of 2022. The decrease was chiefly from (i) a decrease in other components of shareholders' equity from mark-to-market on the financial investment portfolio and (ii) lower retained earnings resulting from a net loss in 1Q 2023. In this quarter, the Company has completed its capital reduction resulting in a decrease in issued and fully paid-up ordinary shares and preferred shares due to the par value reduction from 3.20 baht per share to 1.40 baht per share, offset by a decrease in share discount on preferred share and an increase in share premium on ordinary shares.

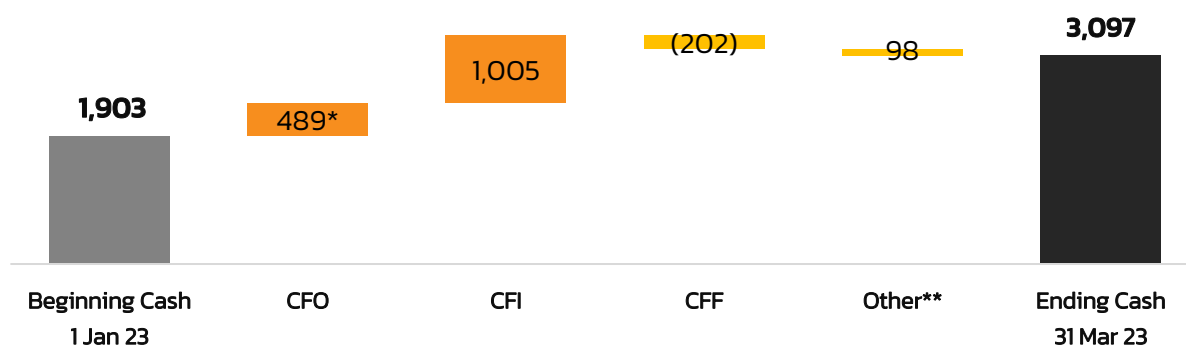
CAPITAL STRUCTURE

As of 31 March 2023, Rabbit Holdings' total interest-bearing debt was THB 18,273mn, net decreasing by THB 135mn from THB 18,408mn at the end of 2022. The net decrease resulted from the partial repayment of long-term loans from financial institutions. The interest-bearing debt to equity ratio was 0.48x, an increase from 0.45x at the end of 2022.

In 1Q 2023, the Company spent THB 1,054mn on capital expenditures and investments, primarily for purchases in investment properties, long-term financial assets, and property, plant, and equipment, as well as other investments.

CASH FLOW

THB mn



*CFO before income tax and net interest expenses was THB 683mn.

**Includes translation adjustment.

As of 31 March 2023, cash and cash equivalents were THB 3,097mn, increasing THB 1,194mn from THB 1,903mn at the beginning of the year.

Cash from operating activities before income tax and net interest expenses was THB 683mn. This was derived from a loss before tax of THB (370)mn, being supplemented by non-cash reconciling items of THB 461mn and net increase in working capital of THB 592mn. After deducting net cash paid for interest expenses of THB 187mn and net cash paid for income tax of THB 7mn, **net cash from operating activities** was THB 489mn.

Net cash from investing activities was THB 1,005mn. The key activities were: (i) decrease in long-term loans to related parties of THB 1,243mn mainly from aforementioned Thanulux's loan repayments, (ii) net cash received from sales of investments in financial assets of THB 452mn and (iii) cash received from the interest of THB 97mn, partly offset with (iv) cash paid for investment properties of THB 552mn, largely due to an investment in The Unicorn and (v) cash paid for purchases of property, plant and equipment of THB 131mn.

Net cash used in financing activities was THB 202mn. The key component was the net repayment of long-term loans from financial institutions of THB 195mn.

BUSINESS PLAN AND OUTLOOK

Approaching the first quarter of 2023, the Office of the National Economic and Social Development Council (NESDC) has forecasted a positive outlook for Thailand's GDP growth, with an expected range of 2.7–3.7%¹, showing an increase compared to the growth of 2.6% in 2022. This recovery can be attributed mainly to the revival of tourism, as Thailand has welcomed over 6.5 million arrivals within the first quarter of 2023, surpassing the government's expectations of 6 million arrivals². This surge in tourism has injected a boost to economic activities, driving the economy towards a path of strong growth.

Despite concerns regarding global inflation and rising interest rates, Rabbit Holdings sees this as a growth opportunity for our financial service businesses. Our insurance arm, Rabbit Life, is expected to benefit from the hike in interest rates by providing better and more attractive returns to policyholders. We are also planning to offer special insurance packages and programs to a wider audience group, which is projected to result in a stronger performance compared to the previous year.

In line with our long-term business plan, we recently announced our intention to invest in Prime Zone Asset Management ("Prime Zone"). We recognize the significant potential of the Asset Management Company ("AMC") market in Thailand, as household indebtedness in the country accounts for 86.8% of the country's GDP, or THB 14.9 trillion³, with more non-performing loans (NPLs) expected to be released into the markets. We are confident that our strong capital strength and leveraging of BTS Group's extensive network through synergy and talent attraction will be key supporting factors for the growth of Prime Zone in the future. This strategic investment is expected to be completed in the second half of 2023, positioning Rabbit Holdings for further expansion and success in the financial sector.

On the real estate side, we anticipate that The Unicorn, a 51-level, mixed-use building comprising retail, hotels, and offices, is scheduled for a soft opening launch in May 2023 and will greatly benefit from the economic recovery. The timing of the launch aligns perfectly with the expected higher travel demand and increased economic activities, positioning it for great success. We are confident that The Unicorn will be well-received by the market and contribute significantly to our company's growth during this period of economic recovery.

This year and going forward, we will continue to pursue our real estate divestments as planned and are committed to strengthening the growth of our financial services for the benefit of our Company and shareholders.

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(Ms. Soraya Satiangoset)

Director, Executive Director, Acting Chief Executive Officer,
and Chief Financial Officer

¹ Thai Economic Performance in Q4 of 2022 and the Outlook for 2023, Office of National Economic and Social Development Council

² TAT shows the number of foreign tourists traveling to Thailand in 1Q 2023 of 6.5 million people, National News Bureau of Thailand

³ Thailand's household debt continues to increase, near 15 trillion baht, The Nation Thailand.