

QUARTERLY HIGHLIGHTS

2Q 2023/24 EXECUTIVE SUMMARY

In 2Q 2023/24, BTS Group Holdings PCL (BTS Group or the Company) recorded **Total Reported (consolidated) Revenue** of THB 6,052mn, increasing 2.4% or THB 140mn YoY. The growth was attributed to (i) higher interest income of THB 446mn, (predominantly derived from the mass transit related interest income), (ii) an increase in other income (largely from a gain on disposal of investment in Rabbit LINE Pay Co., Ltd. or RLP (through RabbitPay System Co., Ltd., a subsidiary of VGI)) of THB 537mn, and (iii) an increase in service income and sales of THB 107mn, mainly driven by farebox revenue of the Yellow Line. However, the increase was partly offset by (iv) lower revenue from contracting works of THB 717mn, primarily due to no record of Yellow Line's construction revenue.

Total Reported (consolidated) Expenses decreased 7.9% YoY to THB 3,763mn primarily from lower recognition of cost related to contracting works.

BTS Group recorded **Recurring EBITDA** of THB 2,000mn, an increase of 18.9% or THB 318mn YoY, largely from a stronger recurring EBITDA from MOVE and MATCH businesses. For MOVE business, the improved recurring EBITDA was due to higher mass transit-related interest income and a higher share of profit from investment in BTSGIF. The recognition of share of profit from investment in TNL also drove a recovery in MATCH business. However, this was partially offset with a softer performance from MIX business, mainly from a narrowed share of profit from investment in JMART and higher share of loss from investment in KEX.

Reported Net Profit Attributable to The Company was THB 257mn, a decline of 45.8% or THB 217mn YoY. Despite the improved recurring EBITDA and the recorded aforementioned gain on disposal of investment in RLP, net profit was impacted by higher finance costs and income tax. The **Net Profit Margin** was 4.2%, decreasing from 8.0% in 2Q 2022/23.

Total Assets as of 30 September 2023 were THB 275,938mn, an increase of 1.8% or THB 5,010mn from 31 March 2023. Receivables from government authorities and provision of Electrical & Mechanical works (E&M) increased by THB 3,445mn from 31 March 2023.

STOCK INFORMATION *(as of 14 November 2023)*

Ticker:	BTS TB Equity
Closing Share Price:	7.30
52-week High:	9.00
52-week Low:	5.40
Shares Outstanding (mn shares):	13,167.6
Market Cap (THB mn):	96,124
Market Cap (USD mn*):	2,653
*THB/USD = 36.2334	

1H 2023/24 P&L SNAPSHOT

Total Reported (consolidated) Revenue of 1H 2023/24 stood at THB 12,804mn, an increase of 14.4% or THB 1,611mn YoY. The increase in revenue was due to (i) higher interest income of THB 873mn, (ii) an increase in service income and sales of THB 303mn following Digital Services revenue growth under MIX business and a resilient revenue from O&M contracts under MOVE business, (iii) an increase in revenues from contracting works of THB 236mn from the development of new rail lines, and (iv) higher gain on sales and changes in status of investments in associates and joint ventures of THB 217mn.

The group **Recurring EBITDA** in 1H 2023/24 was THB 3,653mn, increasing THB 84mn or 2.4% YoY and attributable to MOVE business. The recurring EBITDA from MOVE business has continued to expand owing to higher interest income and a higher share of profit from investment in BTSGIF. Yet, 1H 2023/24 MIX and MATCH performances were sluggish mainly from (i) a recognition of share of loss from JMART (1H 2022/23: share of profit from JMART was recognised) and a higher share of loss from KEX, (ii) higher SG&A expenses under MIX business, and (iii) a share of loss from investment in Rabbit Holdings under MATCH business. Recurring EBITDA margin was 40.4% (compared to 42.1% in 1H 2022/23).

Overall, the Group recorded **Reported Net Loss Attributable to The Company** of THB 515mn primarily due to (i) a recognition of an impairment loss on Rabbit Holding's investment in SINGER in 1Q 2023/24 (ii) aforementioned share of loss from investments in JMART, KEX and Rabbit Holdings and (iii) higher finance costs. However, if excluding non-recurring items (which covers aforesaid impairment), the Company reported the narrowed core net loss of THB 93mn and **Net Loss Margin** (before non-recurring items after NCI) was 0.8%.

SIGNIFICANT EVENTS & KEY DEVELOPMENTS IN 2Q 2023/24

BTS GROUP

26 September 2023: BTSG's Debentures Issuance of THB 600mn

BTS Group issued THB 600mn unsubordinated and unsecured debentures to high-net-worth investors. The debentures are 1-year fixed-rate bonds at 3.25% per annum (rated "A-", "stable" outlook by TRIS Rating Co., Ltd. or TRIS). The proceeds will be used for debt repayment.

2 November 2023: The Issuance of THB 15,057mn BTSG's Debentures

BTS Group issued unsubordinated and unsecured debentures valued at THB 15,057mn (rated "A-", "stable" outlook by TRIS) to the institutional and public investors. The debentures consist of 4 tranches due in 2025, 2028, 2033 and 2035 with an average coupon rate of 4.25%. The proceeds will be used for debt repayment.

MOVE

3 July 2023: Yellow Line Commercial Operation

The Yellow Line Monorail (Lat Phrao – Samrong stations) began commercial operations. The monorail covers a total distance of 30.4km with 23 stations and fares ranging from THB 15 – 45. This line improves accessibility to facilitate the expansion of socio-economic opportunities to peri-urban areas utilising low-carbon mobility.

3 November 2023: Establishment of Smart EV Bike – the e-motorcycle taxi to serve BTS passengers

BTS Group has incorporated Smart EV Bike Co., Ltd. (Smart EV Bike) as a new joint venture in which the Company will hold 66.7% of its shares (33.3% hold by Winnonie Co., Ltd.). Smart EV Bike operates EV-bikes hire purchase business for registered motorbike drivers within 2.5km of BTS Stations. This investment will help expand BTS Group's door-to-door services through first & last mile journeys for BTS passengers and enhance urban sustainable mobility network with an annual 50% reduction in carbon footprint (compared to conventional diesel-powered motorcycles).

MIX

DIGITAL SERVICES

31 August 2023: Disposal of Rabbit LINE Pay

RabbitPay System Co., Ltd., a subsidiary of VGI PCL or VGI, entered into a share sale and purchase agreement for the disposition of all ordinary shares in RLP. The transaction was completed on 31 August 2023. Following the disposition, VGI will continually develop its e-payment infrastructure to fortify VGI's close-loop payment business and meet the evolving needs of its clients.

September 2023: RCare's New Business Acquisition in EasyCompare – insurance brokerage

Rabbit Care Co., Ltd. (RCare), a subsidiary of VGI, took a significant step towards broadening its presence in the 'car' insurance brokerage sector. It has successfully acquired Easy Compare (Thailand) Co., Ltd.'s (EasyCompare) broker business. This transaction will provide RCare access to a customer base of over 30,000 active clients and at least 400,000 users.

DISTRIBUTION

September 2023: Expanding Turtle's Business across BTS Stations

Super Turtle PCL (TURTLE), a subsidiary of VGI, has continued to expand its Turtle and SuperRich Turtle shops across the BTS network. In addition, TURTLE also made a progress on the refurbishment of the merchandising spaces. Currently, there are 16 Turtle shops, 5 branches of SuperRich Turtle and 20 refurbished merchandising spaces across BTS stations, making it even more convenient for customers travelling by BTS SkyTrain.

MATCH

FINANCIAL SERVICES

4 October 2023: Rabbit Holdings' Investment in Metha – fund management company

RBH Ventures Co., Ltd., a subsidiary of Rabbit Holdings PCL (Rabbit Holdings), has entered into a share subscription agreement with Metha Asset Management Co., Ltd. (Metha), a private fund management company. The total purchase price is THB 70mn and the investment is equivalent to 50.0% of the total issued shares. The purpose of the investment is to foster the further growth and expansion of its financial services business. The transaction is expected to be completed by 30 November 2023.

27 October 2023: TNL's Debentures Issuance

Thanulux PCL (TNL), BTS Group's joint venture, issued 2-year fixed-rate bonds of THB 500mn at 6.10% per annum to institutional and high net worth investors. The interest will be paid on a quarterly basis throughout the bond's terms, in which the final redemption is scheduled in 2025. The proceeds are intended for business expansion, particularly in secured lending and management of NPLs/NPAs businesses.

SUSTAINABILITY AT BTS GROUP

31 October 2023: “Excellent” Corporate Governance from the Thai Institute of Directors Association (IOD)

BTS Group was assessed as “Excellent” in Corporate Governance Scoring for the 12th consecutive year, by Thai Institute Directors Association (IOD) with support from the Stock Exchange of Thailand (SET). The recognition highlights BTS Group’s efforts to ensure zero tolerance for corruption and good corporate governance, which are the cornerstones of the Company’s sustainable growth.

6 November 2023: 5th Consecutive Year Inclusion in SET ESG Ratings

BTS Group has been included in the SET ESG Ratings 2023 (previously known as Thailand Sustainability Investment) for the 5th consecutive year, receiving an “AA” rating in the Services sector. This recognition reflects the Company’s commitment to enhancing its ESG practices, integral to its operational identity.

OPERATIONAL PERFORMANCE

	Contribution	Operating Revenue (THB mn)			GP margin (%)	
	2Q 2023/24	2Q 2023/24	2Q 2022/23	YoY	2Q 2023/24	2Q 2022/23
MOVE	67%	2,619	3,107	(15.7)%	40.2%	37.3%
MIX	30%	1,176	1,284	(8.4)%	25.9%	27.6%
MATCH	3%	140	142	(1.7)%	(4.6)%	(9.9)%
Total	100%	3,935	4,533	(13.2)%	34.3%	33.0%

In 2Q 2023/24, **Total Operating Revenues** were THB 3,935mn, decreasing by 13.2% or THB 598mn YoY. Revenues from MOVE, MIX and MATCH businesses accounted for 67%, 30% and 3%, respectively of total operating revenues (as opposed to 69%, 28% and 3%, respectively within the same period last year).

The decrease in operating revenue was largely attributed to a reduction in revenue from MOVE and MIX businesses. Within **MOVE**, total revenue was THB 2,619mn, decreasing by 15.7% or THB 488mn YoY resulting from construction revenue from the Pink and Yellow Lines which significantly decreased by 45.0% or THB 609mn YoY to THB 745mn. This was mainly due to no recognition of Yellow Line’s construction revenue following its commercial launch on 3 July 2023. However, the decline in MOVE revenue was partially compensated by (i) a first recognition of farebox revenue from the Yellow Line of THB 120mn, and (ii) a resilient and steady growth in O&M revenue, increasing 5.0% or THB 83mn YoY to THB 1,744mn.

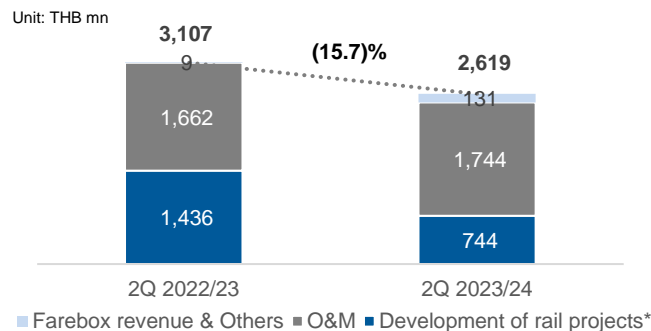
For **MIX** business, despite the YoY improved revenue from advertising and digital services businesses, total MIX revenue dropped by 8.4% or THB 108mn YoY to THB 1,176mn mainly from the decrease in revenue from Distribution business.

Total Operating Costs were THB 2,584mn, a decrease of 14.9% or THB 452mn YoY, primarily from lower costs related to the development of the Pink and Yellow lines.

As a result, BTS Group recorded **Operating Gross Profit** of THB 1,351mn, a decrease of 9.8% YoY and **Operating Gross Profit Margin** of 34.3%, comparing to 33.0% in 2Q 2022/23.

SEGMENTAL PERFORMANCE

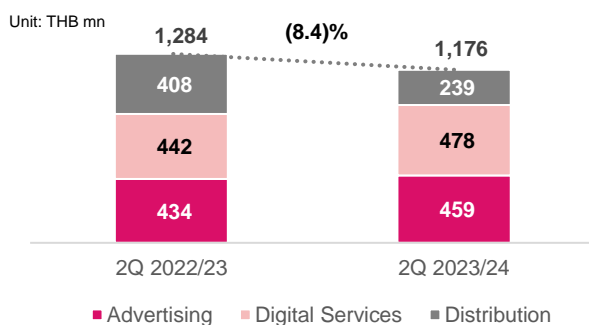
MOVE BUSINESS



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

Total **MOVE Revenue** was THB 2,619mn, decreasing by 15.7% or THB 488mn YoY. The decrease in MOVE revenue on a YoY basis was mainly due to (i) no recognition of Yellow Line's construction revenue after the commencement of its commercial operations, and (ii) a lower recognition of construction revenue from the Pink Line, as development reaches the tail-end, decreasing 17.6% YoY or THB 159mn to THB 745mn. Though, the decrease in revenue was partly offset by farebox revenue from the Yellow Line of THB 120mn and an increase in O&M revenue of THB 83mn.

MIX BUSINESS



Total **MIX Revenue** in 2Q 2023/24 was THB 1,176mn, decreasing by 8.4% or THB 108mn YoY, resulting from the revenue decline in Distribution business, partially offset by a higher revenue from Advertising and Digital Services businesses.

- **Advertising Revenue** was THB 459mn, increasing by 5.7% or THB 25mn YoY. The growth was from higher revenue from both Transit media and Office and Other media, which resulted from the increase in number of eyeballs in the BTS network and more people in the office building network. In 2Q 2023/24, the utilisation rate reached 44% from 41% in the same period last year.
- **Digital Services Revenue** was THB 478mn, increasing by 8.2% or THB 36mn YoY, mainly driven

Gross Margin of MOVE business improved to 40.2% in 2Q 2023/24, comparing to 37.3% in 2Q 2022/23, due to reduced recognition of the construction revenue for the Pink and Yellow Lines which has lower margins.

Mass Transit Related Interest Income was THB 1,350mn, increasing 42.4% or THB 402mn YoY, in relation with a recognition of higher receivables related to the delayed O&M of the Green Line (extension 1 and 2) as well as Pink and Yellow projects.

In this quarter, the Company recognised **Share of Profit from Investments** in BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) of THB 182mn, a substantial increase of 84.9% or THB 83mn from 2Q 2022/23. BTSGIF's farebox revenue on the Core Line Network, increased 30.3% YoY, propelled by a ridership growth of 23.6% YoY to 49.7mn trips, indicating the resumption of social-economic activities. The average fare increased 5.4% YoY to 34.1 per trip.

More commentary on the Core Network performance can be found in 2Q 2023/24 BTSGIF management discussion and analysis: <https://weblink.set.or.th/dat/news/202311/1126NWS131120231723060143E.pdf>

by higher revenue from a project management fees. However, the increase was partially offset by a lower lead generation from RCare.

- **Distribution Revenue** was THB 239mn, decreasing by 41.4% or THB 169mn YoY resulting from the change in product mix as Fanslink Communication PCL (Fanslink) shifting its focus to high margin products, partly offset by an increase in revenue from retail business of TURTLE. In 2Q 2023/24, there were 16 Turtle shops on BTS stations, compared to 3 Turtle shops in 2Q 2022/23.

The **Gross Margin of MIX business** decreased to 25.9% in this quarter, compared to 27.6% in the same quarter of last year. In addition, SG&A expenses under MIX business sharply grew YoY from the expansion of Turtle shops.

In 2Q 2023/24, BTS Group recorded a Share of Loss of THB 196mn from Investments in Kerry Express (Thailand) PCL (KEX). In addition, BTS Group recognised Share of Profit from Investment in Jaymart Group Holdings PCL (JMART) of THB 17mn based on a gradual recovery in its operational performance.

More commentary on VGI can be found in 2Q 2023/24 VGI's management discussion and analysis: <https://weblink.set.or.th/dat/news/202311/1102NWS101120231917350647E.pdf>

MATCH BUSINESS

Total MATCH revenue in 2Q 2023/24 was THB 140mn, decreasing 1.7% or THB 2mn YoY, due to lower construction revenue of THB 14mn from HHT Construction Co., Ltd., partially compensated by an increase in rental and services revenue of THB 12mn from the operation of Thana City Golf & Sports Club.

In 2Q 2023/24, the Company recorded a Share of Loss from Investments in Rabbit Holdings of THB 210mn, comparing to share of loss of THB 130mn in 2Q 2022/23. The higher losses were driven by a recognition of impairments of hotel assets in Europe and unrealised losses on exchange rate.

More commentary on Rabbit Holdings can be found in 3Q 2023 Rabbit Holdings' management discussion and analysis:
<https://weblink.set.or.th/dat/news/202311/0329NWS141120231912440207E.pdf>

However, BTS Group recognised Share of Profit from Investments in TNL of THB 115mn as a result of its business expansion and the recognition of one-off gain from the disposition of TNL Alliance Co., Ltd.'s ordinary shares of two JVs, to PROUD Real Estate PCL.

More commentary on TNL can be found in 3Q 2023 TNL's management discussion and analysis:
<https://weblink.set.or.th/dat/news/202311/0089NWS101120232057120939E.pdf>

BALANCE SHEET

Total assets as of 30 September 2023 stood at THB 275,938mn, an increase of 1.8% or THB 5,010mn from 31 March 2023, due to an increase in:

- Net receivables from government authorities and provision of E&M work of THB 3,445mn
- Elevated train project costs of THB 2,880mn recognised from the construction of the Pink and Yellow Lines
- Investment properties of THB 1,453mn

The increase in total assets was partially offset by a decrease in:

- Cash and cash equivalents of THB 2,586mn
- Investment in associates of THB 1,006mn

Total liabilities as of 30 September 2023 stood at THB 199,584mn, an increase of 5.3% or THB 9,978mn from 31 March 2023. The increase was mainly from an increase in:

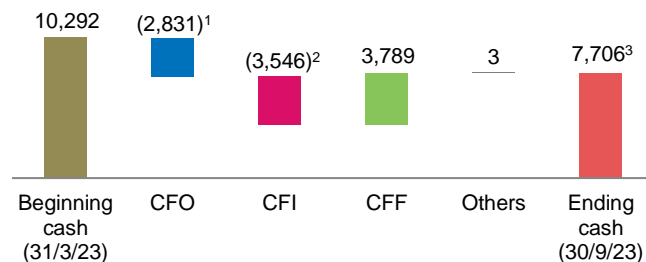
- Short-term loans from financial institutions and bills of exchange payable of THB 6,979mn
- Long-term loans from financial institutions of THB 1,654mn chiefly from the drawdown of a syndicated loan for the Pink & Yellow Lines
- Short-term loans from related parties of THB 910mn

- **Total equity** as of 30 September 2023 was THB 76,354mn, a decrease of 6.1% or THB 4,968mn from 31 March 2023. The decrease was primarily attributed to (i) a decrease in retained earnings of THB 3,161mn mainly due to FY 2022/23 final dividend payment in August 2023 and (ii) a decrease in non-controlling interest of the subsidiaries of THB 2,336mn, chiefly from an additional investment of 894mn ordinary shares in VGI, resulting in BTS Group's stake reaching 60.4%.

As of 30 September 2023, issued and fully paid-up shares of BTS Group stood at 13,167.6mn shares (13,167.6mn shares as of 31 March 2023).

CASH FLOW

(THB mn)


¹CFO after

- Net corporate income tax of THB 850mn
- Net interest expenses of THB 2,982mn
- An increase in a receivable under agreements with government authority of THB 4.3bn 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 0.6bn

²CFI included net investment for construction of the Pink and Yellow Lines of THB 1.8bn

³Excluding liquid investments of THB 11.1bn

As of 30 September 2023, **cash and cash equivalents** stood at THB 7,706mn, a decrease of 25.1% or THB 2,586mn from 31 March 2023. Cash flow from operating activities was THB 1,001mn (versus cash used in operating activities of THB 1,920mn in 6M 2022/23). This was derived from a profit before tax of THB 366mn, being supplemented by non-cash reconciling items of THB 1,169mn, albeit partially offset by decrease in net working capital of THB 534mn. After deducting cash paid for interest expense of THB 2,982mn (6M 2022/23: THB 2,200mn) and net cash paid for corporate income tax of THB 850mn (6M 2022/23: THB 553mn), **net cash used in operating activities** was THB 2,831mn.

Net cash used in investing activities was THB 3,546mn. The key components were (i) net investment in construction of the Pink and Yellow Lines of THB 1,825mn, (ii) net cash paid for acquisitions of investments in associates of THB 1,357mn, particularly U-Tapao International Aviation Co., Ltd., (iii) cash paid for purchases of investment properties of THB 1,120mn, and (iv) net cash paid for purchases of property, plant and equipment of THB 380mn. These were partially offset by (v) cash received from return of capital of associate of THB 693mn, and (vi) net cash received from sales of investments in joint venture of THB 417mn.

Net cash from financing activities was THB 3,789mn. The key components were (i) net cash received in short-term loan from financial institutions and bills of exchange payables of THB 6,795mn (ii) cash received from long-term loans from financial institutions of THB 1,624mn. These were partially offset by (iii) cash paid from purchases of investments in subsidiaries, particularly VGI, of THB 2,821mn, and (iv) dividend payment of THB 2,101mn in August 2023.

BTS GROUP FINANCIAL SUMMARY (CONSOLIDATED)

STATEMENT OF COMPREHENSIVE INCOME (THB mn)	2Q 2023/24	2Q 2022/23	% YoY
Service and sales income	3,090	2,983	3.6%
Revenues from contracting works	808	1,526	(47.0)%
Interest income	1,458	1,012	44.1%
Other income ¹	695	390	45.2%
Reported revenues	6,052	5,911	2.4%
Expenses ²	2,665	3,093	(13.8)%
SG&A expenses	1,098	874	25.6%
Other expenses	0	119	(100)%
Reported expenses	3,763	4,086	(7.9)%
Share of profit/ (loss) from investments in associates / JVs	50	(116)	n/a
Finance cost	(1,459)	(936)	55.9%
Profit before income tax expenses	778	773	0.7%
Income tax	(478)	(301)	58.6%
Profit for the period	300	472	(36.3)%
Reported net profit attributable to the company³	257	474	(45.8)%

¹ Other income includes rental income, dividend income and other income stated in audited financial statement

² Expenses include cost of services and sales and cost of contracting works

³ After adjusting non-controlling interests of the subsidiaries

STATEMENT OF FINANCIAL POSITION (THB mn)	30-Sep-23	31-Mar-23	% Change
Current assets	23,181	22,707	2.1%
Non-current assets	252,756	248,220	1.8%
Total assets	275,938	270,927	1.8%
Current liabilities	53,302	40,835	30.5%
Non-current liabilities	146,282	148,770	(1.7)%
Total liabilities	199,584	189,605	5.3%
Issued and fully paid capital	52,671	52,671	0.0%
Retained earnings	(12,470)	(9,310)	34.0%
Other items in shareholders' equity ⁴	13,241	12,712	4.2%
Non-controlling interest of the subsidiaries	22,913	25,248	(9.3)%
Total shareholders' equity	76,354	81,322	(6.1)%
Total liabilities and shareholders' equity	275,938	270,927	1.8%

⁴ Other items in shareholders' equity includes all items that apart from Issued and fully paid capital and retained earnings

DEBT INFORMATION (THB mn)	30-Sep-23	31-Mar-23	% Change
Gross interest-bearing debt	180,814	171,569	5.4%
Adjusted net debt ⁵	162,001	150,614	7.6%

⁵ Calculated based on interest bearing debt - cash and cash equivalent and liquid investment

CASH FLOW STATEMENT (THB mn)	1H 2023/24	1H 2022/23	% YoY
Earnings Before Tax	366	1,709	(78.6)%
Cash from (used in) operating activities	1,001	(1,920)	(152.1)%
Cash paid for interest expenses	(2,982)	(2,200)	35.5%
Cash paid for corporate income tax	(1,023)	(563)	81.5%
Cash received for corporate income tax	172	10	1600%
Net cash from operating activities	(2,831)	(4,674)	(39.4)%
Net cash from investing activities	(3,546)	(4,235)	(16.3)%
Net cash from financial activities	3,789	5,708	(33.6)%
Net changes in cash and cash equivalents	(2,589)	(3,201)	(19.1)%
Others ⁶	3	6,720	(100)%
Cash and cash equivalents at beginning of the year	10,292	4,094	151.4%
Cash and cash equivalents at end of the year	7,706	7,613	1.2%

⁶ Others include effect of exchange rate for cash and cash equivalents

KEY FINANCIAL RATIOS

	2Q 2023/24	2Q 2022/23	1Q 2023/24
Profitability ratios			
Gross operating profit margin (%)	34.3%	33.0%	31.1%
Recurring net profit margin (%) ^A	0.6%	6.6%	(2.1)%
Net profit margin (%) ^B	4.2%	8.0%	(11.4)%
ROA (%) ^C	0.0%	1.2%	0.1%
ROE (%) ^D	0.0%	3.5%	0.2%
Liquidity ratio			
Current ratio (times)	0.43x	0.36x	0.44x
Leverage ratios			
Interest bearing debt to equity (times)	2.37x	1.76x	2.29x
Adjusted net debt ^E to equity (times)	2.12x	1.54x	2.04x
Interest coverage (times) ^F	1.37x	1.80x	1.40x
Per share ratios^G			
Basic earnings per share (THB)	0.02	0.04	(0.06)
Book value per share (THB)	5.80	6.61	5.86

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

The trajectory of Thailand's economic growth and inflation within 2023 remains a challenge due to the softer-than-expected exports and tourism activities. This signaled the Bank of Thailand to downgrade its 2023 projection Thailand's GDP from 3.6% to 2.8% and inflation from 2.5% to 1.6%¹, respectively. Notwithstanding the slower growth, the Thai economy continues its path of recovery, primarily propelled by tourism, private consumption and the successful formation of Thailand's new government. These aforementioned factors will collectively support overall business environment including our 3M businesses: MOVE, MIX, and MATCH.

In **MOVE Business**, the development of our new lines demonstrates favourable progress. After Yellow Line's commercial operations in July 2023, EBM² (BTS Group's subsidiary) has already received the first government subsidy instalment of THB 2.5bn in mid-August 2023. Whereas the construction of the Pink Line is now 98% completion, it is anticipated to offer free public trial rides in November 2023, with commercial operations expected by the end of 2023. These two new lines offer long-term farebox revenue (under 30-year concession contracts) and government subsidies totalling THB 47bn for the first 10 years, thereby bolstering the Company's liquidity.

In regard to the outstanding E&M debt for Green Line (extension 2) from the BMA (totalling THB 23bn), which is currently in the process of budget proposal to the Ministry of Interior, we expect to receive E&M debt repayment in early 2024.

For **MIX Business**, VGI has faced a challenging task for FY 2023/24 due to the unfavourable market conditions and operations of VGI's associates and joint ventures. To reflect this situation, VGI adjusted its full-year revenue target guideline to THB 5,000 – 5,500mn (from THB 6,000 – 6,500mn). However, VGI's advertising business has demonstrated a consistent improvement. We expect to see VGI's performances to recover across all of its business units, mainly with the Advertising business, which stands to benefit from the launch of our Pink and Yellow Lines.

Under **MATCH business**, Rabbit Holdings, our associate, will continue to divest its real estate portfolios as planned to utilise the capital towards its expansion in financial services sector. In line with the business direction, Rabbit Holdings has announced its intention to invest in a private fund management enterprise through Metha Asset Management Co., Ltd., with the deal expected to conclude by the end of this year.

Separately, the success of TNL's first issued debentures reflected investors' confidence in its financial position and its new business direction towards financial services. Furthermore, we foresee further growth in TNL's secured lending and management of NPLs/NPAs businesses which will continue to be the key drivers to drive TNL's performance.

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Rangsin Kritalug
(Executive Director and Chief Operating Officer)

(1) The Bank of Thailand

(2) EBM is the Yellow Line's concessionaire