

BTS Rail Mass Transit Growth Infrastructure Fund  
Review report and interim financial information  
For the three-month period ended  
30 June 2022

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Unitholders of BTS Rail Mass Transit Growth Infrastructure Fund

I have reviewed the accompanying the statement of financial position, and the details of investments of BTS Rail Mass Transit Growth Infrastructure Fund as at 30 June 2022, the related statements of comprehensive income, changes in net assets and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). The Fund's management is responsible for the preparation and presentation of this interim financial information in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand.

**Emphasis of Matter**

I draw attention to Note 1.2 to the interim financial statements regarding the COVID-19 pandemic. The Fund's management assessed the financial impact in respect of the fair value of investment in the Net Revenue Purchase and Transfer Agreement and the Fund has recorded the impact. My conclusion is not modified in respect of this matter.

Sumesa Tangyoosuk

Certified Public Accountant (Thailand) No. 7627

EY Office Limited

Bangkok: 10 August 2022

**BTS Rail Mass Transit Growth Infrastructure Fund****Statement of financial position****As at 30 June 2022**

(Unit: Thousand Baht)

	Note	30 June 2022 (Unaudited but reviewed)	31 March 2022 (Audited)
<b>Assets</b>			
Investment in the Net Revenue Purchase and Transfer Agreement at fair value			
(at cost: Baht 61,725 million (31 March 2022: Baht 61,725 million))	4	37,970,000	38,740,000
Investments in securities at fair value			
(at cost: Baht 625 million (31 March 2022: Baht 589 million))	5	624,673	589,580
Cash and cash equivalents	6	14,578	17,465
Account receivable from the Net Revenue Purchase and Transfer Agreement	10	198,211	32,158
Accrued interest		-	4
Other assets		2,278	3,909
<b>Total assets</b>		<b>38,809,740</b>	<b>39,383,116</b>
<b>Liabilities</b>			
Other payables and accrued expenses		15,951	23,060
Other liabilities		12,381	12,365
<b>Total liabilities</b>		<b>28,332</b>	<b>35,425</b>
<b>Net assets</b>		<b>38,781,408</b>	<b>39,347,691</b>
<b>Net assets</b>			
Paid-in capital from unitholders	7	54,939,696	55,298,552
Deficits	8	(16,158,288)	(15,950,861)
<b>Net assets</b>		<b>38,781,408</b>	<b>39,347,691</b>
		-	-
Net asset value per unit		6.7003	6.7981
Number of units issued at the end of period/year (Thousand Units)		5,788,000	5,788,000

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

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(Mr. Winai Hirunpinyopard)

Managing Director

**BTS Rail Mass Transit Growth Infrastructure Fund**  
**Details of investments**  
**As at 30 June 2022**

Details of investments classified by asset classes

				30 June 2022			31 March 2022		
				(Unaudited but reviewed)			(Audited)		
Type of investment				Cost	Fair value	Percentage of investment	Cost	Fair value	Percentage of investment
				(Thousand Baht)	(Thousand Baht)	(Percent)	(Thousand Baht)	(Thousand Baht)	(Percent)
<b>Investment in the infrastructure business (Note 4)</b>									
Investment in the Net Revenue Purchase and Transfer Agreement 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 and Bangkok Mass Transit System Public Company Limited from 17 April 2013 until the expiration of the Concession Agreement (4 December 2029)				61,724,528	37,970,000	98.38	61,724,528	38,740,000	98.50
<b>Total investment in the infrastructure business</b>				<b>61,724,528</b>	<b>37,970,000</b>	<b>98.38</b>	<b>61,724,528</b>	<b>38,740,000</b>	<b>98.50</b>
Type of investment	Maturity date	Yield rate		Par value	Fair value	Percentage of investment	Par value	Fair value	Percentage of investment
		(Percent per annum)		(Thousand Baht)	(Thousand Baht)	(Percent)	(Thousand Baht)	(Thousand Baht)	(Percent)
<b>Investments in securities</b>									
<b>Treasury bills</b>									
Ministry of Finance	TB22608A	8 June 2022	0.4500 - 0.4900	-	-	-	115,000	114,893	0.29
<b>Total investments in Treasury bills</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>115,000</b>	<b>114,893</b>	<b>0.29</b>
Type of investment	Maturity date	Yield rate		Par value	Fair value	Percentage of investment	Par value	Fair value	Percentage of investment
		(Percent per annum)		(Thousand Baht)	(Thousand Baht)	(Percent)	(Thousand Baht)	(Thousand Baht)	(Percent)
<b>Bond</b>									
Bank of Thailand	CB22519A	19 May 2022	0.4200	-	-	-	160,000	159,912	0.41
Bank of Thailand	CB22526A	26 May 2022	0.4100	-	-	-	155,000	154,906	0.39
Bank of Thailand	CB22602B	2 June 2022	0.4150	-	-	-	85,000	84,939	0.22
Bank of Thailand	CB22609A	9 June 2022	0.4200 - 0.4350	-	-	-	25,000	24,980	0.06
Bank of Thailand	CB22616A	16 June 2022	0.4820 - 0.4850	-	-	-	50,000	49,950	0.13
Bank of Thailand	CB22804A	4 August 2022	0.2750	55,000	54,986	0.14	-	-	-
Bank of Thailand	CB22825A	25 August 2022	0.3850	290,000	289,834	0.75	-	-	-
Bank of Thailand	CB22901B	1 September 2022	0.2500 - 0.3050	280,000	279,853	0.73	-	-	-
<b>Total investments in bond</b>				<b>625,000</b>	<b>624,673</b>	<b>1.62</b>	<b>475,000</b>	<b>474,687</b>	<b>1.21</b>
<b>Total investments in securities</b>				<b>625,000</b>	<b>624,673</b>	<b>1.62</b>	<b>590,000</b>	<b>589,580</b>	<b>1.50</b>
<b>Total investments</b>				<b>62,349,528</b>	<b>38,594,673</b>	<b>100.00</b>	<b>62,314,528</b>	<b>39,329,580</b>	<b>100.00</b>

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

.....  
(Mr. Winai Hirunpinyopard)  
Managing Director

(Unaudited but reviewed)

**BTS Rail Mass Transit Growth Infrastructure Fund**

**Statement of comprehensive income**

**For the three-month period ended 30 June 2022**

		(Unit: Thousand Baht)	
	Note	2022	2021
<b>Investment income</b>			
Income from the investment in the Net Revenue Purchase and Transfer Agreement	10	581,949	166,155
Interest income		685	563
<b>Total income</b>		<u>582,634</u>	<u>166,718</u>
<b>Expenses</b>			
Management fee	10	7,869	9,067
Trustee fee		2,098	2,418
Registrar fee		1,067	1,200
Professional fees		4,093	4,040
Tax expense from investment		6	3
Other expenses		<u>4,931</u>	<u>2,586</u>
<b>Total expenses</b>		<u>20,064</u>	<u>19,314</u>
<b>Net investment income</b>		<u>562,570</u>	<u>147,404</u>
<b>Net losses from investments</b>			
Net losses from changes in fair value of investments		<u>(769,997)</u>	<u>(90,010)</u>
<b>Total net losses from investments</b>		<u>(769,997)</u>	<u>(90,010)</u>
<b>Changes in net assets resulting from operations</b>		<u>(207,427)</u>	<u>57,394</u>

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

.....  
(Mr. Winai Hirunpinoyopard)

Managing Director

(Unaudited but reviewed)

**BTS Rail Mass Transit Growth Infrastructure Fund**

**Statement of changes in net assets**

**For the three-month period ended 30 June 2022**

(Unit: Thousand Baht)		
Note	2022	2021
<b>Changes in net assets resulting from operations during the period</b>		
Net investment income	562,570	147,404
Net losses from changes in fair value of investments	(769,997)	(90,010)
<b>Changes in net assets resulting from operations</b>	(207,427)	57,394
Payments of investment unit value from capital reduction during period	7 (358,856)	(283,612)
<b>Changes in net assets during the period</b>	(566,283)	(226,218)
Net assets at the beginning of period	39,347,691	45,321,910
Net assets at the end of period	<u>38,781,408</u>	<u>45,095,692</u>

(Unit: Thousand Unit)

**Changes in investment units**

Investment units as at beginning of the period	5,788,000	5,788,000
Investment units as at end of the period	5,788,000	5,788,000

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

.....  
(Mr. Winai Hirunpinyopard)

Managing Director

(Unaudited but reviewed)

**BTS Rail Mass Transit Growth Infrastructure Fund**

**Statement of cash flows**

**For the three-month period ended 30 June 2022**

(Unit: Thousand Baht)

	2022	2021
<b>Cash flows from operating activities</b>		
Changes in net assets resulting from operations	(207,427)	57,394
Adjustments to reconcile the changes in net assets resulting from operations to net cash provided by operating activities		
Net losses from changes in fair value of investments	769,997	90,010
Purchases of investments in securities	(754,448)	(289,722)
Sales of investments in securities	720,000	605,000
Net purchases and sales of investments in securities	(34,448)	315,278
Increase in account receivable from the Net Revenue Purchase and Transfer Agreement	(166,053)	(107,563)
Decrease in accounts receivable from interest	4	6
Decrease in other assets	1,631	1,976
Decrease in other payables and accrued expenses	(7,109)	(90,835)
Decrease in specific business tax payable	-	(694)
Increase (decrease) in other liabilities	16	(130)
Amortisation of discounts on investments	(642)	(542)
<b>Net cash from operating activities</b>	<b>355,969</b>	<b>264,900</b>
<b>Cash flows from financing activities</b>		
Payments of investment unit value from capital reduction	(358,856)	(283,612)
<b>Net cash used in financing activities</b>	<b>(358,856)</b>	<b>(283,612)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,887)</b>	<b>(18,712)</b>
Cash and cash equivalents at the beginning of period	17,465	67,908
<b>Cash and cash equivalents at the end of period</b>	<b>14,578</b>	<b>49,196</b>
	-	
<b>Supplemental cash flow information</b>		
Non-cash transaction		
Payable from acquisition of investments	-	34,978

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

(Mr. Winai Hirunpinoyopard)

Managing Director



**BTS Rail Mass Transit Growth Infrastructure Fund**

**Notes to interim financial statements**

**For the three-month period ended 30 June 2022**

**1. General information**

**1.1 Description of BTS Rail Mass Transit Growth Infrastructure Fund**

BTS Rail Mass Transit Growth Infrastructure Fund (“the Fund”) is a specified infrastructure business fund with the specific investment project to invest detailed in the Fund’s prospectus. The Fund was established and registered as a closed-end infrastructure 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 kilometers original lines of the BTS SkyTrain System, consisting of the 17.0 kilometers Sukhumvit line from Mo-Chit to On-Nut, and the 6.5 kilometers 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 30 June 2022, the Fund’s major unitholder is BTS Group Holdings Public Company Limited holding 33.33% of the Fund units issued.

## **1.2 Coronavirus disease 2019 pandemic**

In the previous quarter, the Fund's assets reached the end of the two-year period within which the Fund intends to have assets reappraised and there was a new wave of the Coronavirus disease 2019 (COVID-19) pandemic. The Fund therefore engaged an expert to prepare projections of operating performance of the Core BTS SkyTrain System, in which the Fund has invested, that would reflect the impact of the new wave of COVID-19 pandemic and other relevant factors, and to update other assumptions to better reflect the current economic conditions and circumstances, including the postponement of the fare adjustments for the Green Core Line, projections of economic growth, a revised inflation forecast, the postponement of the improvement of Saphan Taksin station, rescheduling of the openings of various train lines and applying a new fare promotion scheme. These factors resulted in a change in the appraisal value as of 31 March 2022, as detailed in the financial information for the year ended 31 March 2022.

## **2. Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand. The Fund has chosen to present condensed interim financial statements in accordance with TAS 34, Interim Financial Reporting. However, the Fund has presented the statement of financial position, details of investments, comprehensive income, changes in net assets, and cash flows in the same format as that will be used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

## **3. Significant accounting policies**

The interim financial statements are prepared under the Accounting Guidance which using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2022.

(Unaudited but reviewed)

#### 4. Investment in the Net Revenue Purchase and Transfer Agreement (“NRTA”) at fair value

Movement of the investment in the NRTA during the three-month period ended 30 June 2022 is summarised below.

	(Unit: Thousand Baht)
Investment in the NRTA at the beginning of period	38,740,000
Add: Gain on valuation of investment during the period	(770,000)
Investment in the NRTA at the end of period	<u>37,970,000</u>

During the period, the investment in the NRTA decreased amounting to Baht 770 million as a result of the assessment of fair value using the income approach by an independent appraiser.

Key assumptions used in the valuation of investment are summarised below:

	30 June 2022	31 March 2022
		(Audited)
Discount rate (% per annum)	6.50	6.00
Farebox revenue (Million Baht per year)	3,784 - 12,545	4,759 - 12,545

#### 5. Investments at fair value through profit and loss (Only investments in securities)

	(Unit: Million Baht)
<b>Balance as at 1 April 2022</b>	590
Purchases of investments	754
Sales of investments	(720)
Interest income	1
<b>Balance as at 30 June 2022</b>	<u>625</u>

#### 6. Cash and cash equivalent

Bank/account type	Principal		Interest rate	
	(Thousand Baht)		(% per annum)	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
		(Audited)		(Audited)
Bangkok Bank Public Company Limited/ Savings account	9,859	10,064	0.125	0.125
Standard Chartered Bank (Thai) Public Company Limited/ Savings account	4,719	7,401	0.150	0.150
Total	<u>14,578</u>	<u>17,465</u>		

(Unaudited but reviewed)

## 7. Registered capital

Movements of the investment units and capital from unitholders during the three-month period ended 30 June 2022 are summarised below.

	Number of units	Value per unit	Registered capital
	(Thousand unit)	(Baht)	(Thousand Baht)
Beginning balance as at 1 April 2022	5,788,000	9.5540	55,298,552
Reduction of investment unit value	-	(0.0620)	(358,856)
Ending balance as at 30 June 2022	5,788,000	9.4920	54,939,696

During the period, the Fund declared the reduction in the value of the investment units without any change in the number of units, in order to decrease excess liquidity from loss on valuation of investment which is non-cash expenses. The details are as follows:

Declared date	Value per unit	Amount
	(Baht)	(Thousand Baht)
30 May 2022	0.0620	358,856
Total	0.0620	358,856

## 8. Deficits

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2022	For the year ended 31 March 2022
Accumulated net investment income	32,165,167	31,290,101
Accumulated net realised gains on investments	2	2
Accumulated net losses on valuation of investments	(22,984,534)	(16,933,994)
Less: Accumulated distributions to unitholders	(25,131,496)	(25,131,496)
Retained deficits at the beginning of the period/year	(15,950,861)	(10,775,387)
Less: Changes in net assets resulting from operations during the period/year	(207,427)	(5,175,474)
Deficits at the end of the period/year	(16,158,288)	(15,950,861)

## 9. Expenses

Management fee, Trustee fee and Registrar fee have details as described in Note 12 to the financial statements for the year ended 2022.

**10. 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. There were no significant changes in the transfer pricing policy of transactions with related parties. Below is a summary of those transactions.

	(Unit: Thousand Baht)	
	For the three-month periods	
	ended 30 June	
	2022	2021
<b>BBL Asset Management Company Limited</b>		
(the Management Company)		
Management fee	7,869	9,067
<b>Bangkok Mass Transit System Public Company Limited</b>		
(a subsidiary of the major unitholder)		
Net fare box revenues received	581,949	166,155
Reserve for incentive fee expense	3,941	-
Reimbursement of the specific business tax	-	35

As at 30 June 2022 and 31 March 2022, the Fund has the following significant outstanding balance with its related companies.

	(Unit: Thousand Baht)	
	30 June 2022	31 March 2022
		(Audited)
<b>BBL Asset Management Company Limited</b>		
Accrued management fee	2,558	2,682
<b>Bangkok Mass Transit System Public Company Limited</b>		
Account receivable from the Net Revenue Purchase and		
Transfer Agreement	198,211	32,158

**11. Investments trading information**

The Fund's investments trading transactions during the three-month period ended 30 June 2022, excluding cash at banks and investments in promissory notes, amounted to approximately Baht 1,474 million, or 3.75% of the average net assets value during the period (2021: Baht 930 million, or 2.05%).

**12. Commitments**

12.1 The Fund is committed to pay expenses and fees to counterparties under the basis and conditions as disclosed in the Note 14 to the financial statements of the year 2022.

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

	<u>30 June 2022</u>	(Unit: Million Baht) <u>31 March 2022</u> (Audited)
Payable:		
In up to 1 year	4	3
In over 1 and up to 5 years	-	2

12.3 The Fund had outstanding bank guarantees amounting to Baht 38 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.

**13. 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 they were 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.

**14. Fair value hierarchy**

As at 30 June 2022, the Fund had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment in the Net Revenue Purchase and Transfer Agreement	-	-	37,970	37,970
Investments in securities	-	625	-	625

During the period, the Fund has not changed measurement in fair value hierarchy.

**15. Approval of interim financial statements**

These interim financial statements were authorised for issue by an authorised person of the Management Company on 10 August 2022.