



# BORDERLESS TRANSFORM SOLUTIONS

## Press Release

BTS Group to offer the first-ever in Thailand 'Sustainability-Linked Bonds (SLB)' to general public. With the issue credit rating of "A", the subscription period for the SLB is expected to take place at the end of November 2022. The SLB will serve as an alternative investment for investors who seek to find attractive investment and to provide support on sustainability development. BTS Group together with 5 leading financial institutions as joint lead arrangers for this offering.

BANGKOK, 20 October, 2022 – BTS Group Holdings Public Company Limited or BTS Group is preparing to offer sustainability-linked bonds (SLB) under the placement of Public Offering (PO) for the first time in Thailand. The offering consists of 4 tranches with the tenors ranging from approximately 2 years, 4 years 6 months, 7 years 6 months, and to 10 years. Interest payment for SLB will be paid semi-annually until the SLB's maturity. The final coupon rate for each SLB tranche will be announced later. The SLB were rated "A" by TRIS Rating on September 19, 2022. The rating reflects the strength of the business. BTS Group appoints 5 leading financial institutions, including Bangkok Bank, Krung Thai Bank, Kasikornbank, Siam Commercial Bank, and CIMB Thai Bank, as joint lead arrangers. The subscription period for SLB is expected to be at the end of November. BTS Group is confident that "Sustainability-linked Bonds" will receive warm welcome from a general public, following previous BTS Group's SLB offering to high-net-worth and institutional investors at the beginning of this year. In addition to the return on investment and the acceptable risk level, SLB is also an important alternative investment instrument that gives investors the opportunity to contribute to the sustainability development together with the company. This is expected to be the major trend for future investment.

Mr. Surayut Thavikulwat, Chief Financial Officer, BTS Group Holdings Public Company Limited, the issuer of the first-ever public offering sustainability-linked bond in Thailand, revealed that the Company is in the process of filing a registration statement ( filing) for the offering of named, unsubordinated, unsecured, with debentureholders' representative Sustainability-Linked Bonds to the Securities and Exchange Commission of Thailand (SEC). The 4 tranches of SLB consist of bond tenor around 2- 10 years. Interest payment term will be on semi-annual basis. The final interest rate will be announced later. Subscription period is expected to be at the end of November with a minimum subscription of 100,000 baht and a multiple of 100,000 baht.

"The sustainability issue is no longer a matter of one person, but it is related to everyone. The company has a determination to introduce SLB to a wide range of investors. Therefore, this time, we intend to offer SLB through a public offering, which is considered to be the first-ever in Thailand for SLB to be offered to retail investors.

BTS Group Holdings PCL

15/F, TST Tower, 21 Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Thailand

Tel. +66 2273 8511-5 Fax. +66 2273 8516



## BORDERLESS TRANSFORM SOLUTIONS

Previously, the company has issued SLB for high-net-worth and institutional investors, which was very successful. Hence, we believe this SLB will be well-received by retail investors as well. Investing in SLB provides more than just monetary return from investment, but also gives investors the opportunity to participate in building sustainability along with the company.” said BTS Group Chief Financial Officer.

Sustainability-linked bonds (SLB) are debentures that tie the issuer to certain conditions, depending on the achievement of the predetermined targets, i.e. Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs). Such targets are required to be ambitious and material to the issuer as well as to have a positive impact on the environment and/or society.

For BTS Group, there are 2 KPIs and SPTs that the company uses as reference for this SLB issuance:

1) Improvement in energy efficiency in green line network (which is currently the main network); BTS Group has a target to reduce electricity consumption by 8% from business-as-usual operations within 9 years or by 2031, and 2) Production and/or procurement of Electricity consumption from renewable energy sources; the company has target to use electricity from renewable energy sources at least 10% each year of total electricity used in the operation of the green line network. Further details of KPIs and SPTs can be found in the registration statement and the draft prospectus (Filing).

In terms of SLB evaluation, the longest tenor of approximately 10-Year SLB, will be evaluated 4 times whether BTS Group has achieved the predetermined targets. The evaluation dates are at the end of selected fiscal year of the company i.e. 31 March 2024, 31 March 2026, 31 March 2028 and 31 March 2031. For shorter-tenor SLB, the number of evaluation will be less, depending on the tenor. If BTS Group fails to meet the predetermined sustainability goals, the Company will be required to purchase Renewable Energy Credits (RECs) – a certification that certifies that the source of electricity is from renewable energy source – from agencies and/or organizations that are well-recognized nationally and/or internationally. The amount of such Renewable Energy Credits (RECs) purchase will depend on how many predetermined sustainability goal is not achieved; if the company fails both of sustainability goals, BTS Group will be obliged to purchase an equivalent amount of 0.10% per annum of the offering value of the debentures, whereas if the company fails only one of sustainability goal, BTS Group will be obliged to purchase an equivalent amount of 0.05% per annum of the offering value of the debentures. Such obligation portrays the company’s commitment on sustainability and environmental issues.

BTS Group Chief Financial Officer, also stated that the issuance of BTS Group’s SLB is in line with the company’s long-term Climate Strategy, that is to maintain Carbon Neutral status and to commit in increasing the use of electricity generated from renewable energy to at least 10% of total energy used for its operations. Currently,



## BORDERLESS TRANSFORM SOLUTIONS

the company is well-recognized for its sustainable business practices both nationally and internationally. The company has been included into the Dow Jones Sustainability Indices (DJSI) for 4 consecutive years (2018-2021) and ranked first globally in the DJSI Transportation and Transportation Infrastructure (TRA) Sector for 2 consecutive years (2020-2021). Recently, it was selected to be the first and only rail transportation company in the world to be certified as a Carbon Neutral Transportation Company from Thailand Greenhouse Gas Management Organization.

BTS Group's core business consists of 3M. First, MOVE business, which is a door-to-door transportation service provider for passengers with various modes of travel, whether by rail, road, water or air. Also, the company is the pioneer of sky train operator for more than 20 years. Second, MIX business or marketing comprehensive service provider in the form of O2O solutions, that covers the advertising media business, payment service business and distribution business. And lastly, MATCH business seeks new business opportunities and cooperation through the company's platform sharing to the group of companies and business partners.

Currently, the Company is in the process of filing the registration statement and the draft prospectus, which are not yet effective. Investors who are interested to invest in the Sustainable-Link Bond of BTS Group may find out more information and details in the prospectus on SEC's website ([www.sec.or.th](http://www.sec.or.th)) or may contact the followings 5 financial institutions:

1. Bangkok Bank Public Company Limited (except Micro Branches) Tel. 1333, or book online via Bualuang mBanking application (<https://www.bangkokbank.com/th-TH/Personal/Digital-Banking/Bualuang-mBanking/>).
2. Krung Thai Bank Public Company Limited, or book online via Krungthai Next application or via Money Connect by Krungthai (<https://moneyconnect.krungthai.com/>)
3. KASIKORNBANK Public Company Limited (Retail investors can subscribe via online online channel (<https://www.kasikornbank.com/kmyinvest>), non-residents can subscribe at head office and branches) Tel. 02-888-8888 press 819, including KSecurities Public Company Limited, as a sales unit of KASIKORNBANK Public Company Limited, Tel. 02-796-0000 or 02-796-0011
4. The Siam Commercial Bank Public Company Limited Tel. 02-777-6784, or book online through the SCB EASY application.
5. CIMB Thai Bank Public Company Limited Tel. 02-626-7000, or book online through the CIMB Thai Digital Banking application



**BORDERLESS  
TRANSFORM  
SOLUTIONS**

\*\*\*\*\*

For more information, please contact:

Maneenin Wanichpijit (PR Manager) Tel. 090 945 4050 email: [mina.wanit@gmail.com](mailto:mina.wanit@gmail.com)

i2C Communications Co., Ltd. (on behalf of BTS Group Holdings Public Company Limited)

#### About BTS Group Holdings PCL (BTS Group)

BTS Group Holdings PCL (BTS Group) is a privately owned, multi-industry conglomerate that operates across 3 business platforms; MOVE, MIX and MATCH. Listed on the Stock Exchange of Thailand (SET), BTS Group is a constituent member of the SET50 “Bluechip” Index, Thailand Sustainability Investment (THSI), MSCI Asia Pacific Index, FTSE4Good Index and Dow Jones Sustainability Index (DJSI). BTS Group is one of the largest companies in Thailand and also the world’s first and only carbon neutral rail transportation company. The Company’s decarbonisation efforts, in line with its commitment towards sustainability, has allowed it to evolve to become the world’s most sustainable transportation company by DJSI.