

Significant events in the first quarter of the year 2020

1. The outbreak of Corona Virus Disease 2019 (COVID-19)

Since the end of February 2020, the government and private companies allowed the employees to work at home to prevent the further spread of the virus, comprising with the government's measures such as closed the risk-prone areas, no activity in crowded places and imposed the curfew from 10 p.m. to 4 a.m. starting from April 3, 2020 until present in order to limit the movement of people, therefore, it resulted to the decrease in revenue from main business which affected in the traveling trips especially in April 2020. However, on May 3, 2020, the government relief measures for flexible living routine such as the opening of the shops, restaurants and beauty salons which affected to increase in traveling trips. The Company expects that the traveling trips and revenue will return to normal after this situation is resolved and government relief more measures.

2. The postponement of the 2020 Annual General Meeting and interim dividend payment

According to the COVID-19 outbreak and the social distancing policy from the government which to prevent the wide spread of the virus, the Company postponed the 2020 Annual General Meeting on April 24, 2020 until the situation is well. Moreover, in order to reduce the effect on the shareholders from the postponement of the 2020 Annual General Meeting, the Board of Directors Meeting on April 9, 2020 had a resolution to approve the interim payment instead of the annual dividend payment at a rate of Baht 0.09 per share. The dividend payment date is on May 8, 2020.

3. The extension of the periods of Concession Agreements

On February 20, 2020, the Company/the subsidiary and EXAT signed the Second Stage Expressway Agreement (Amendment) and the Bang Pa-in - Pak Kret Expressway Agreement (Amendment) which extend the concession to end in October 2035. However, the Company/the subsidiary is entitled to full renewal of existing concession agreements after October 2035. In addition, the Company/the subsidiary is eligible for fixed toll revision every 10 years in accordance to the concession which revenue sharing remained as current proportion.

4. The Completion Commercial Operation of MRT Blue Line Project

On March 30, 2020, the Company has fully commercial operated MRT Blue Line Project for the total distance of 48 kilometers and 38 stations which connects as circle line for center of Bangkok. Moreover, MRT Blue Line also connects with other rail lines such as Green Line, Purple Line, Orange Line, Red Line and Airport Rail Link which is convenience for the passengers.

(Translation)

Overview Operational Results Between the first quarter of the year 2020 and 2019

(Unit: Million Baht)

Description	1 st Quarter		Changes	
	2020	2019	Amount	%
Revenue from expressway business	2,300	2,581	(281)	-10.9
Revenue from rail business	1,293	1,211	82	6.8
Revenue from commercial development business	204	179	25	14.0
Total revenue from main business	3,797	3,971	(174)	-4.4
<i>Interest income from the MRT Purple Line Project</i>	80	99	(19)	-19.2
Other income	12	55	(43)	-78.2
Total revenues	3,889	4,125	(236)	-5.7
Cost of service	2,495	2,451	44	1.8
Selling and administrative expenses	305	312	(7)	-2.2
Total expenses	2,800	2,763	37	1.3
Profit from operating activities	1,089	1,362	(273)	-20.0
Finance cost	379	305	74	24.3
<i>Interest expense from the MRT Purple Line Project *</i>	76	99	(23)	-23.2
Profit before income tax expenses	634	958	(324)	-33.8
Income tax expenses	123	196	(73)	-37.2
Profit before share of profit from associates and NCI	511	762	(251)	-32.9
Share of profit from investments in associates, net	-	106	(106)	-100.0
NCI	(3)	(9)	6	66.7
Profit attributable to Equity holders of the Company	508	859	(351)	-40.9
Basic earnings per share (Baht)	0.03	0.06	(0.03)	

* According to the adoption of Thai Financial Reporting Standard No.9 Financial Instruments since January 1, 2020, the Company reclassified loan from financial institution for the MRT Purple Line Project (the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement) to financial liabilities which measured at amortized cost with effective interest rate. The Company recorded interest expense from the MRT Purple Line Project in the first quarter of the year 2020 in the amount of Baht 76 Million whereas recorded interest income as actual receipt in the amount of Baht 80 Million.

In the first quarter of the year 2020, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 508 Million representing a decrease from the same quarter of the previous year by Baht 351 Million or 40.9 percent from the effect of COVID-19 outbreak also the change in recording revenue from TTW Public Company Limited (TTW) from share of profit to dividend income.

(Translation)

Cost of service increased from the same quarter of the previous year by Baht 44 Million or 1.8 percent mainly from the expenses related to the operation of the MRT Blue Line Extension Section 2 Hua Lamphong Station - Lak Song Station on September 29, 2019. However, amortization expense decreased due to cost of rights to operated expressway sectors of Sri Rat Expressway Sector A, B, C was fully amortized in this quarter. Selling and administrative expenses slightly decreased from the same quarter of the previous year

Finance cost, after the operation of the MRT Blue Line Extension Section 2 Hua Lamphong Station - Lak Song Station, the Company recorded interest cost of the project, which formerly recorded as cost of construction, as interest expenses in the income statement according to accounting standard, resulting to the increase of interest expense from the same quarter of the previous year.

In this quarter, the Company had no amount of share of profit from investments in associates but recorded dividend income instead of share of profit from investment in associates after the reclassification of the investments in TTW from investment in associate to investment in available-for-sale security in accordance with Accounting Standard.

Segmental performance

1. Expressway business

The Company had revenue from Expressway business of Baht 2,300 Million, representing a decrease from the same quarter of the previous year by Baht 281 Million or 10.9 percent. Toll revenue decreased in all sectors due to limited traveling trips and work from home since the end of February, comprising with the government's measures to prevent further spread of COVID-19 such as closed the risk-prone areas, no activity in crowded places which effected to the significant decreased in traffic volume especially in March 2020.

Cost of service for operation of Expressway business consisted of costs of toll, amortization on rights to operate completed expressway sectors and compensation for site acquisition cost. For the first quarter of the year 2020, the cost was at Baht 1,209 Million, representing a decrease from the same quarter of the previous year by Baht 274 Million or 18.5 percent mainly from the decrease in amortization due to cost of right to operate expressway sector A, B, C was fully amortized in this quarter.

(Translation)

2. Rail business

The Company had revenue from Rail business of Baht 1,293 Million, representing an increase from the previous year by Baht 82 Million or 6.8 percent, mainly from farebox revenue as the ridership which continued to increase consecutively and including the operation of commercial service in MRT Blue Line, Hua Lamphong Station - Lak Song Station on September 29, 2019 resulting to the increase in the number of stations and average farebox revenue per trip. According to the COVID-19 outbreak, most people work from home resulting to the decrease of ridership in March. The average ridership of the MRT Blue Line in the first quarter of the year 2020 was at 331,060 trips/day representing an increase from the same quarter of the previous year by 2.5 percent.

Cost of Rail business consisted of costs of farebox, O&M cost and amortization on intangible asset under concession agreement of the MRT Blue Line Project. For the first quarter of the year 2020, the cost was at Baht 1,217 Million, representing an increase from the previous year by Baht 309 Million or 34 percent from repair and maintenance expense and expenses related to the operation of the MRT Blue Line Extension, Hua Lamphong Station - Lak Song Station.

3. Commercial Development Business

In the first quarter of the year 2020, total commercial development revenue was Baht 204 Million, representing an increase from the same quarter of the previous year by Baht 25 Million or 14 percent, mainly from the increase in advertising and telecommunication revenue in aligned with the increase in ridership and service area.

Cost of Commercial Development business for the first quarter of the year 2020 was at Baht 69 Million, representing an increase from the same quarter of the previous year by 9 Million or 15 percent in accordance with an increase in revenue.

(Translation)

Financial Position

(Unit: Million Baht)

Description	31 Mar 20	31 Dec 19	Changes	
			Amount	%
Total assets	115,219	111,697	3,522	3.2
Total liabilities	78,735	72,874	5,861	8.0
Total shareholders' equity	36,484	38,823	(2,339)	-6.0

As at March 31, 2020, the Company and its subsidiaries had total assets amounted to Baht 115,219 Million, representing an increase by Baht 3,522 Million or 3.2 percent when compared with total assets as at December 31, 2019 mainly from the increase in construction in process of the Blue Line Extension Project which was completed and operated in full commercial service on March 30, 2020. Total liabilities amounted to Baht 78,735 Million, representing an increase from the previous year by Baht 5,861 Million or 8 percent from the withdrawal of loan for the Blue Line Extension Project. Total shareholders' equity amounted to Baht 36,484 Million, representing a decrease from the previous year by Baht 2,339 Million or 6 percent when compared to the end of the year 2019 resulted from loss on fair value adjustment of long-term investments in financial assets.

Cash Flows

As at March 31, 2020, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 6,484 Million, representing an increase from the end of the previous year by Baht 5,780 Million.

(Unit: Million Baht)

Description	1 st Quarter 2020
Net cash flows operating activities	1,902
Net cash flows investing activities	(1,706)
Net cash flows financing activities	5,584
Net increase in cash and cash equivalents	5,780
Cash and cash equivalents at beginning of period	704
Cash and cash equivalents at end of period	6,484

(Translation)

Cash used in investing activities mainly resulted from payment for the M&E equipment of the MRT Blue Line Extension Project in the amount of Baht 1,867 Million, payment for constructions of the Si Rat-Outer Ring Road Expressway and fixed asset for the operation in the amount of Baht 104 Million, investment and receipt from sale of investment in the net amount of Baht 265 Million.

Cash from financing activities resulted from the withdrawal of long-term and short-term loan in the net amount of Baht 5,808 Million for liquidity management during COVID-19 situation and payment of interest and finance cost in the amount of Baht 208 Million.

Significant Financial Ratios*

Description	Unit	1 st Quarter	
		2020	2019
Net Profit Margin ratio	%	13.33	21.33
Return on Equity ratio	%	7.60	10.09
Return on Total Assets ratio	%	2.79	3.87
Debt to Equity ratio	Time	1.89	1.59
Net Interest Bearing Debt to Equity ratio	Time	1.48	1.35

Traffic volume, ridership and revenue of the Company decreased resulting from the COVID-19 outbreak, whereas the expense increased from the operation of the MRT Blue Line Extension and the record of interest expense of such project to the income statement resulted to the decrease in financial ratio related to the profit.

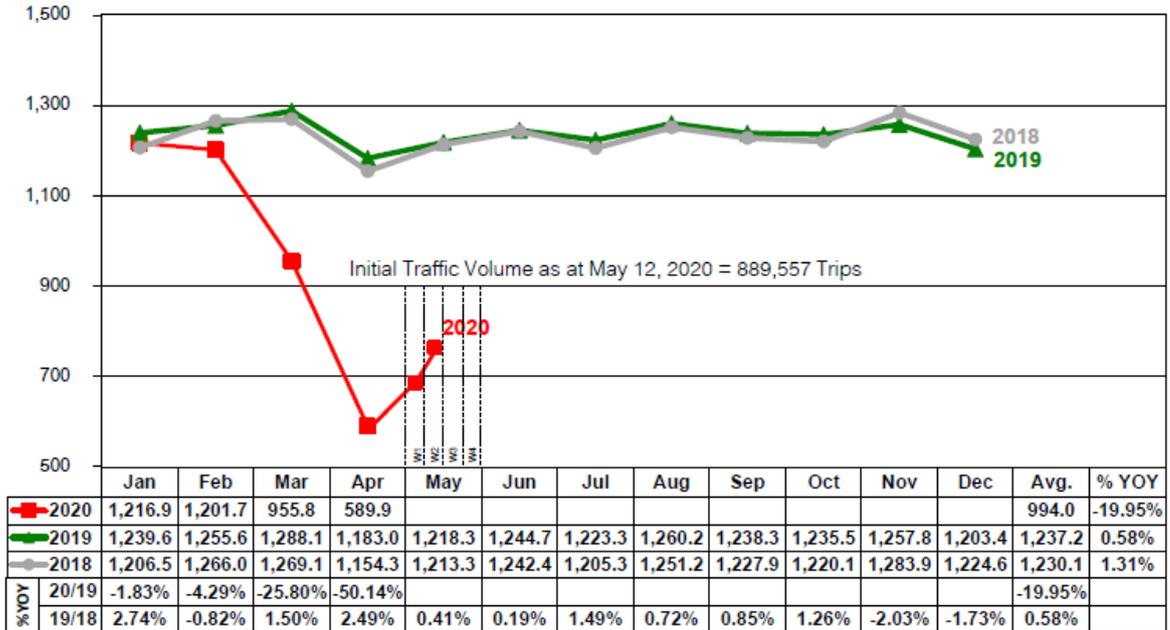
* The operational results were calculated based on the consolidated financial statements which consist of the Expressway Business, Rail Business, Commercial Development Business, and return on investment in other companies. Therefore, there was no similar type of business in the industry that can be used as a benchmark for comparison.

Not include transaction related to the novation of the M&E systems under the concession agreement of the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement and gain on fair value adjustment of investment.

(Translation)

Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Thousand Trips / Day)



Average Daily Ridership for Blue Line

(Thousand Trips / Day)

