

Significant events in the year 2020

February 20, 2020 : the Company/the subsidiary and Expressway Authority of Thailand (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 the concession as stated in the previous agreements after October 2035. In addition, the Company/the subsidiary is eligible for fixed toll revision every 10 years in accordance with the concession which revenue sharing remained as current proportion.

The Company/the subsidiary has cooperated to waive the toll fees on annual public holidays as announced by the Office of the Prime Minister in 3 expressways, the First Stage Expressway, the Second Stage Expressway and the Bang Pa-In - Pak Kret Expressway.

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 a circle line for center of Bangkok and connects with Thonburi side with 35 additional trains from 19 to 54. 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.

The effect of the Corona Virus Disease 2019 outbreak (COVID-19)

The COVID-19 outbreak affected the domestic and international travelling which resulted to revenue from main business of the Company due to the government and private companies allowed the employees to work at home to prevent the further spread of the virus, together with other government's measures such as the restriction of international trip, closing the risk-prone areas, no activity in crowded places, curfew and social distancing resulted in the decrease in traveling trips starting from February and the lowest was in April with the average traffic volume at 589,900 trips/day and the average ridership at 78,500 trips/day which was decreased from the previous year by 50 percent and 74 percent, respectively. After the government relaxed measures in May, the traveling trips continued to increase but the recovery of ridership was slower than that of traffic volume due to the social distancing measures in the MRT and the anxiety to use public transport.

Since the international travel has not opened up to normal as before the COVID-19 outbreak in Thailand, the current traveling trips were from the local only which gradually increased from the lowest in April. Compared to April 2020's, the traffic volume and ridership numbers in December 2020 increased by 88 percent and 243 percent, respectively. However, when compared to December 2019, the traffic volume was at 92 percent and the ridership numbers were at 75 percent.

Overview Operational Results Between the year 2020 and 2019

In the year 2020, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 2,051 Million, representing a decrease from the previous year by Baht 3,384 Million or 62.3 percent mainly from one time gain on reclassification of investment in TTW Public Company Limited (TTW) in the year 2019 at the net amount of Baht 2,334 Million but there was no such transaction in this year. Comparing with the net profit of the year 2019 excluded the one time gain, the Company has net profit decreased by Baht 1,050 Million or 33.9 percent mainly from the effect of COVID-19 outbreak in the year 2020 resulting to the decrease in toll revenue and farebox revenue whereas there was an increase in expenses related to the operation of the MRT Blue Line which was operated in full commercial service on March 30, 2020.

The Company had revenue from main business of Baht 13,490 Million representing a decrease from the previous year by Baht 2,617 Million or 16.2 percent. Toll revenue decreased by Baht 2,157 Million, revenue from Rail business decreased by Baht 502 Million whereas revenue from Commercial Development business increased by Baht 42 Million. Other revenue of Baht 833 Million representing a decrease from the previous year by Baht 55 Million or 6.2 percent due to no gain on sale of investment in this year. Moreover, the Company recorded dividend income from TTW instead of share of profit from investment in associates after the reclassification of the investments in the second quarter of the year 2019.

Cost of service amounted to Baht 8,426 Million representing a decrease from the previous year by Baht 1,885 Million or 18.3 percent mainly from the decrease in amortization expense as cost of rights to operate expressway sectors of Si Rat Expressway Sector A, B, C were fully amortized in the first quarter of the year 2020 whereas there was an increase in expenses related to the operation of the MRT Blue Line which was operated in full commercial service on March 30, 2020. Although the Company had expenses related to the anti-COVID-19 measures, selling and administrative expenses slightly increased from the previous year due to efficient cost management.

Finance cost, after the full operation in commercial service of the MRT Blue Line, the Company recorded interest cost of the project, which formerly recorded as cost of construction, as interest expenses in the income statement in accordance to accounting standard, resulting to the increase of interest expense from the previous year.

(Translation)

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(Unit: Million Baht)

Description	2020	2019	2020 vs. 2019 % Change	2018	2019 vs. 2018 % Change
Revenue from expressway business	8,145	10,302	-20.9	10,174	1.3
Revenue from rail business	4,520	5,022	-10.0	4,736	6.0
Revenue from commercial development business	825	783	5.4	705	11.1
Total revenue from main business	13,490	16,107	-16.2	15,615	3.2
<i>Interest income from the MRT Purple Line Project</i>	277	380	-27.1	435	-12.6
Gains on sale of investments	4	181	-97.8	499	-63.7
Gain on reclassification of investment	-	3,409	-100.0	2,496	36.6
Other income	552	327	68.8	43	660.5
Total revenues	14,323	20,404	-29.8	19,088	6.9
Cost of service	8,426	10,311	-18.3	9,775	5.5
Selling and administrative expenses	1,347	1,336	0.8	1,364	-2.1
Total expenses	9,773	11,647	-16.1	11,139	4.6
Profit before finance cost and tax expenses	4,550	8,757	-48.0	7,949	10.2
Finance cost	1,820	1,343	35.5	1,422	-5.6
<i>Interest expense from the MRT Purple Line Project *</i>	293	380	-22.9	435	-12.6
Profit before income tax expenses	2,437	7,034	-65.4	6,092	15.5
Income tax (revenue) expenses	382	1,755	-78.2	1,189	47.6
Profit before share of profit from associates and NCI	2,055	5,279	-61.1	4,903	7.7
Share of profit from investments in associates, net	-	173	-100.0	433	-60.0
NCI	(4)	(17)	76.5	(19)	10.5
Profit attributable to Equity holders of the Company	2,051	5,435	-62.3	5,317	2.2
Basic earnings per share (Baht)	0.13	0.36		0.35	

* 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 year 2020 in the amount of Baht 293 Million whereas recorded interest income as actual receipt in the amount of Baht 277 Million.

Segmental performance

1. Expressway business

The Company had revenue from Expressway business of Baht 8,145 Million, representing a decrease from the previous year by Baht 2,157 Million or 20.9 percent mainly from 3 factors, 1) the Company is responsible for value-added tax for motorists after the extension periods of concession agreements starting from March 1, 2020 amounted to Baht 322 Million for the year 2020, 2) the Company cooperated to waive the toll fee on official holiday, amounted to Baht 305 Million for the year 2020 and 3) the effect of the COVID-19 outbreak amounted to Baht 1,530 Million, since there was the limited traveling trips and work from home starting from March 2020 and the government's measures according to the Emergency Decree on Public Administration in Emergency Situations B.E.2548 (2005) such as closing the risk-prone areas, no activity in crowded places and EXAT limited service time on expressway from 10 p.m. to 4 a.m. starting from April 3 to June 14, 2020 resulting to the major decrease in traffic volume especially in April 2020. However, after the government relaxed measures in May and cancelled the curfew in June, the traffic volume continued to increase. Therefore, the average traffic volume for the year 2020 was at 1,050,000 trips/day representing a decrease from the previous year by 15 percent.

Cost of service for operation of Expressway business consisted of costs of toll and amortization on rights to operate completed expressway sectors. For the year 2020, the cost was at Baht 3,128 Million, representing a decrease from the previous year by Baht 2,912 Million or 48.2 percent mainly from the decrease in amortization due to cost of right to operate expressway sector A, B, C were fully amortized in the first quarter of the year 2020 and amortization of sector D, the Si Rat-Outer Ring Road Expressway (SOE) and the Udon Rattaya Expressway (C+) decreased in line with traffic volume regarding to the COVID-19 effect, as well as efficient cost management which suitable for the situation resulted to the decrease in cost of service.

2. Rail business

The Company had revenue from Rail business of Baht 4,520 Million, representing a decrease from the previous year by Baht 502 Million or 10 percent. Revenue from O&M services of the Purple Line Project was as stated in the agreement. Although the Company has fully commercial operated MRT Blue Line Project, farebox revenue from the MRT Blue Line Project decreased significantly from the COVID-19 effect, work from home and social distancing measure resulted to the decrease in ridership especially in April and gradually increased after the government eased measures. Therefore, average ridership for the year 2020 was at 260,500 trips/day representing a decrease from the previous year by 23 percent and the average ridership per working day was at 308,800 trips/day representing a decrease by 21 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 year 2020, the cost was at Baht 5,009 Million, representing an increase from the previous year by Baht 1,001 Million or 25 percent mainly from expenses related to the full operation of the MRT Blue Line Extension on March 30, 2020.

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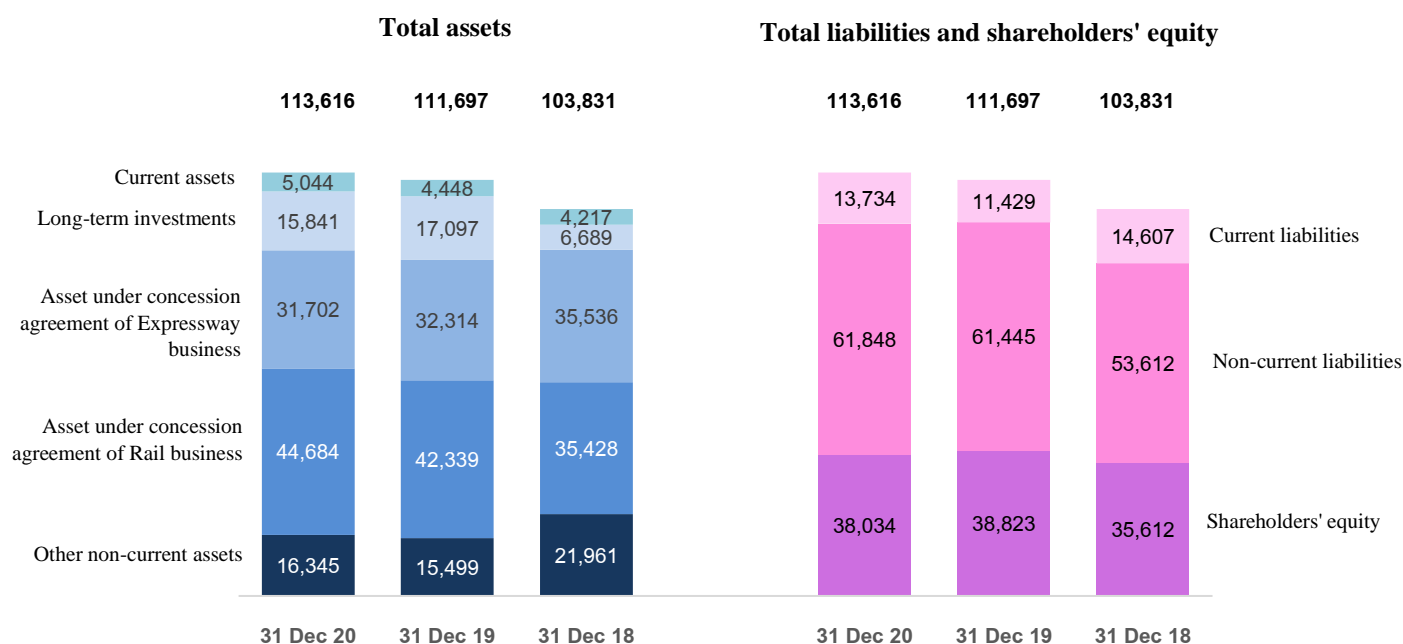


3. Commercial Development business

In the year 2020, total Commercial Development revenue was at Baht 825 Million, representing an increase from the previous year by Baht 42 Million or 5.4 percent, mainly from the increase in telecommunication and advertising revenue from the operation of the MRT Blue Line Extension Project. Cost of Commercial Development business was at Baht 289 Million representing an increase from the previous year by Baht 26 Million or 10 percent.

Financial Position

(Unit: Million Baht)



As at December 31, 2020, the Company and its subsidiaries had total assets amounted to Baht 113,616 Million, representing an increase by Baht 1,919 Million or 1.7 percent when compared with total assets as at December 31, 2019 mainly from the increase in the construction of the Blue Line Extension Project which was completed and operated in full commercial service on March 30, 2020. Total liabilities amounted to Baht 75,582 Million, representing an increase from the previous year by Baht 2,708 Million or 3.7 percent from the withdrawal of loan for the Blue Line Extension Project. Total shareholders' equity amounted to Baht 38,304 Million, representing a decrease from the previous year by Baht 789 Million or 2 percent when compared to the end of the year 2019 mainly from fair value adjustment of long-term investments in financial assets in accordance with the current stock market.

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Cash Flows

As at December 31, 2020, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 1,614 Million, representing an increase from the end of the previous year by Baht 910 Million.

(Unit: Million Baht)

Description	2020	2019	2018
Net cash flows operating activities	5,351	7,741	8,067
Net cash flows investing activities	(3,724)	(7,562)	(7,353)
Net cash flows financing activities	(717)	(1)	(2,815)
Net increase in cash and cash equivalents	910	178	(2,101)
Cash and cash equivalents at beginning of the year	704	526	2,627
Cash and cash equivalents at end of the year	1,614	704	526

In the year 2020, cash from operating activities decreased when compared to the previous year according to the decrease in revenue from COVID-19.

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 3,117 Million, payment for constructions of the expressway and fixed asset for the operation in the amount of Baht 967 Million, additional investment in the net amount of Baht 123 Million and dividend receipt in the amount of Baht 483 Million.

Cash from financing activities resulted from the issuance of debenture and the withdrawal of loan in the net amount of Baht 2,696 Million, interest payment and financial cost in the amount of Baht 2,037 Million and dividend payment in the amount of Baht 1,376 Million.

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Significant Financial Ratios*

Description	Unit	2020	2019	2018
Net Profit Margin ratio (NPM)	%	14.60	18.66	20.35
Return on Equity ratio (ROE)	%	5.35	8.38	9.90
Return on Total Assets ratio (ROA)	%	2.00	3.24	3.76
Debt to Equity ratio (D/E)	Time	1.76	1.62	1.59
Net Interest Bearing Debt to Equity ratio (Net IBD/E)	Time	1.50	1.37	1.34

Net Profit Margin ratio, ROE and ROA decreased from the previous year as a result from the decrease in net profit which affected from the COVID-19. D/E ratio increased from the withdrawal of loan for the Blue Line Extension Project but lower than 2.5 times as stated in loan and debenture agreement.

* 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.

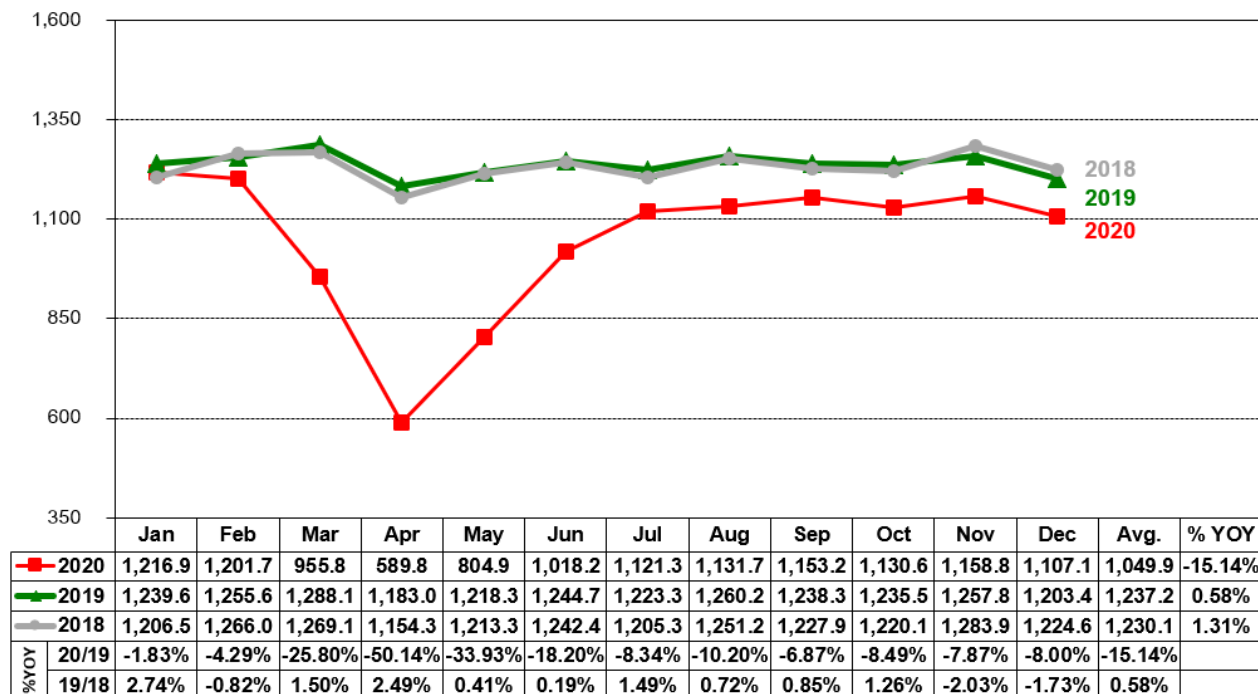
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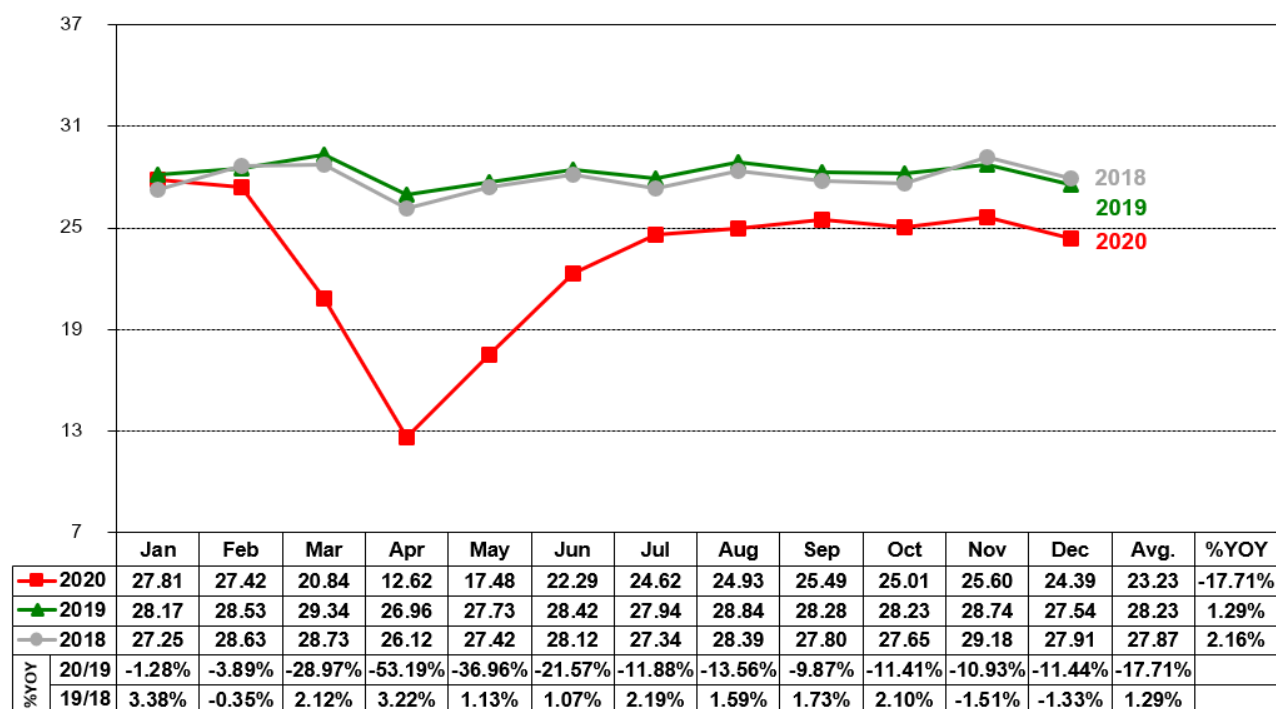
Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Thousand Trips / Day)



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

(Million Baht / Day)



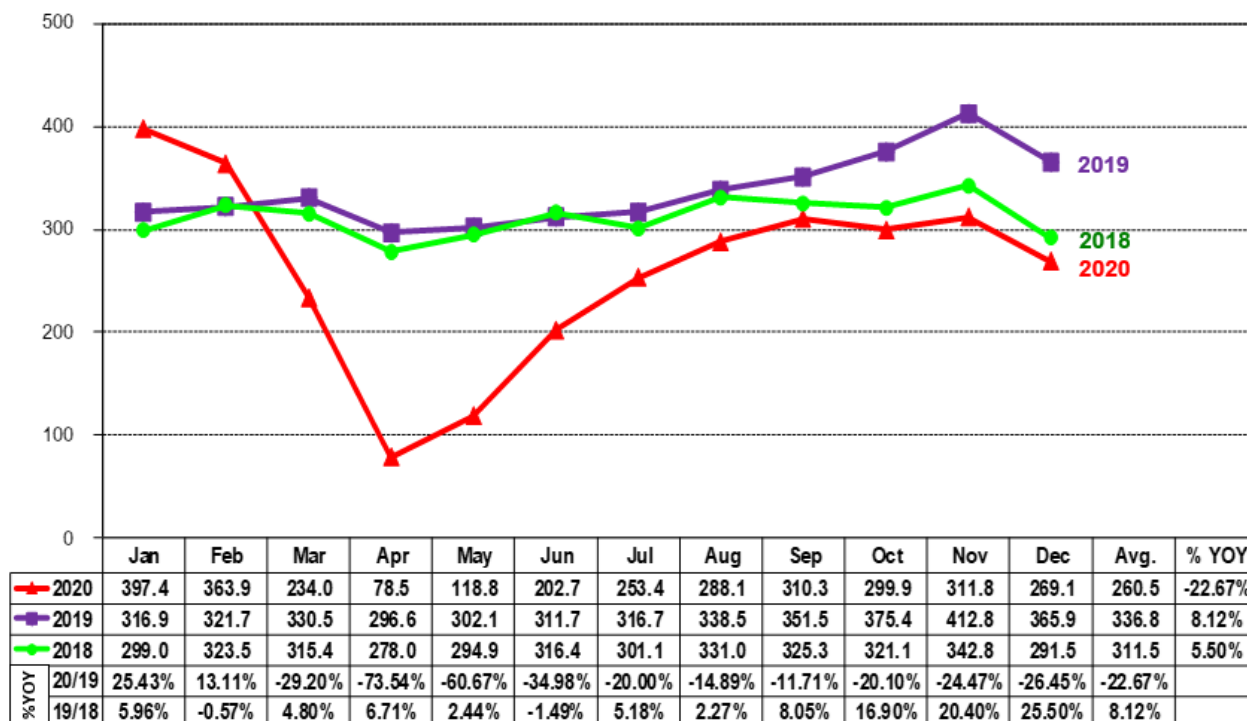
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Average Daily Ridership for Blue Line

(Thousand Trips / Day)



Average Daily Farebox Revenue for Blue Line

(Million Baht / Day)

