

(Translation)

Bangkok Expressway and Metro Public Company Limited
Management Discussion and Analysis for the Quarter Ended on March 31, 2021



Significant events

March 1, 2021 : The Company cooperated with the Mass Rapid Transit Authority of Thailand (MRTA) have launched a promotion price for traveling of the unlimited travel distance trip such as BL Adult Pass for traveling in the MRT Blue Line and ML Adult Pass for traveling between the MRT Blue Line and Purple Line. Moreover, the student still receive 10 percent discount while children and the elder receive 50 percent discount in every trip.

April 28, 2021 : The Company has issued the sustainability debentures for the first time for a private company in Thailand and the first company in transportation sector in Southeast Asia. The sustainability debentures were reviewed by independent specialist, DNV GL Business Assurance Australia Pty Ltd, in accordance to international standards, and was assigned the rating of “A-” by Tris Rating Co., Ltd. The Company offered the debentures to Institutional and High Net Worth investors in total of 4 series with amount of Baht 6 Billion, maturity date in 3 - 10 years with the interest rate of 1.56% - 3.33%.

Overview Operational Results

(Unit: Million Baht)

Description	1 st Quarter		Changes	
	2021	2020	Amount	%
Revenue from expressway business	1,873	2,300	(427)	-18.6
Revenue from rail business	1,023	1,293	(270)	-20.9
Revenue from commercial development business	215	204	11	5.4
Total revenue from main business	3,111	3,797	(686)	-18.1
<i>Interest income from the MRT Purple Line Project</i>	58	80	(22)	-27.5
Other income	16	12	4	33.3
Total revenues	3,185	3,889	(704)	-18.1
Cost of service	1,956	2,495	(539)	-21.6
Selling and administrative expenses	315	305	10	3.3
Total expenses	2,271	2,800	(529)	-18.9
Profit before finance cost and income tax expenses	914	1,089	(175)	-16.1
Finance cost	469	379	90	23.7
<i>Interest expense from the MRT Purple Line Project</i>	63	76	(13)	-17.1
Profit before income tax expenses	382	634	(252)	-39.7
Income tax expenses	76	123	(47)	-38.2
Profit before NCI	306	511	(205)	-40.1
NCI	(1)	(3)	2	66.7
Profit attributable to Equity holders of the Company	305	508	(203)	-40.0
Basic earnings per share (Baht)	0.02	0.03	(0.01)	

(Translation)

In the first quarter of the year 2021, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 305 Million, representing a decrease from the first quarter of the previous year by Baht 203 Million or 40 percent mainly from the effect of COVID-19 outbreak resulting to the decrease in revenue.

The Company had revenue from main business of Baht 3,111 Million representing a decrease from the first quarter of the previous year by Baht 686 Million or 18.1 percent. Toll revenue decreased by Baht 427 Million, revenue from Rail business decreased by Baht 270 Million whereas revenue from Commercial Development business increased by Baht 11 Million.

Cost of service amounted to Baht 1,956 Million representing a decrease from the first quarter of the previous year by Baht 539 Million or 21.6 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 February 2020. Selling and administrative expenses slightly increased from the same quarter of the previous year from the full commercial service of the MRT Blue Line.

Finance cost increased from the first quarter of the year 2020 by Baht 90 Million, related to the full operation in commercial service of the MRT Blue Line on March 30, 2020. Therefore, 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.

Segmental performance

1. Expressway business

The Company had revenue from Expressway business of Baht 1,873 Million, representing a decrease from the same quarter of the previous year by Baht 427 Million or 18.6 percent mainly from 3 factors, 1) the Company is responsible for value-added tax (VAT) for motorists after the extension periods of concession agreements starting from March 1, 2020 amounted to Baht 45 Million, 2) the Company cooperated to waive the toll fee on official holidays, amounted to Baht 33 Million and 3) the effect of another COVID-19 outbreak amounted to Baht 349 Million since December 2020. Therefore, the average traffic volume for the first quarter of the year 2021 was at 972,600 trips/day representing a decrease from the same quarter of the previous year by 13.4 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 first quarter of the year 2021, the cost was at Baht 614 Million, representing a decrease from the same quarter of the previous year by Baht 595 Million or 49.2 percent mainly from the decrease in amortization due to cost of right to operate expressway sectors A, B, C were fully amortized in February 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 from the effect of COVID-19, as well as efficient cost management during the situation resulted to the decrease in cost of service.

(Translation)

2. Rail business

The Company had revenue from Rail business of Baht 1,023 Million, representing a decrease from the first quarter of the previous year by Baht 270 Million or 20.9 percent. Revenue from O&M services of the Purple Line Project was as stated in the agreement. Comparing with revenue of the same quarter of the previous year, farebox revenue from the MRT Blue Line Project decreased significantly from the COVID-19 effect and work from home measure resulted to the decrease in ridership. As a result, average ridership for the first quarter of the year 2021 was at 213,700 trips per day representing a decrease by 35.5 percent and the average ridership per working day was at 249,200 trips per day representing a decrease by 34.4 percent. The average daily farebox revenue was at Baht 5.9 Million, representing a decrease by 33.0 percent.

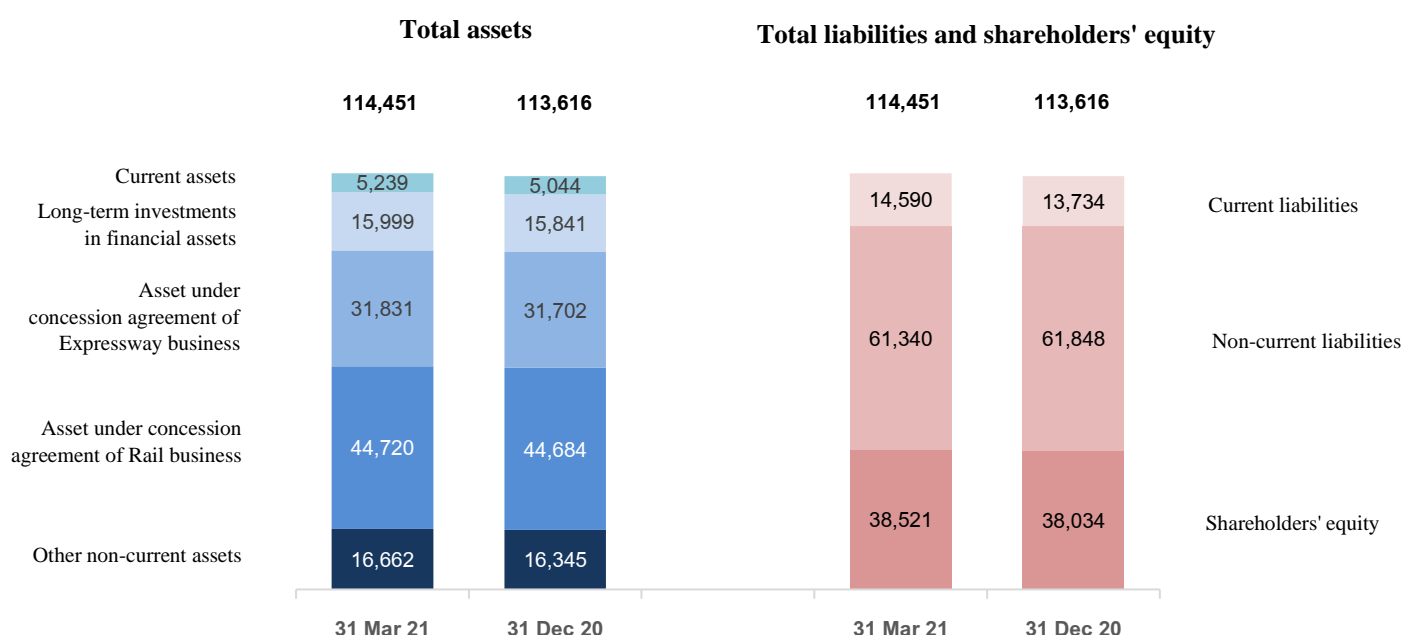
Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under concession agreement of the MRT Blue Line Project. For the first quarter of the year 2021, the cost was at Baht 1,273 Million, representing an increase from the same quarter of the previous year by Baht 56 Million or 4.6 percent mainly from expenses related to the full operation of the MRT Blue Line Extension on March 30, 2020.

3. Commercial Development business

Commercial Development revenue was at Baht 215 Million, representing an increase from the first quarter of the year 2020 by Baht 11 Million or 5.4 percent, mainly from the increase in telecommunication and advertising revenue. Cost of Commercial Development business was at Baht 69 Million which was nearly to the previous year.

Financial Position

(Unit: Million Baht)



(Translation)

As at March 31, 2021, the Company and its subsidiaries had total assets amounted to Baht 114,451 Million, representing an increase by Baht 835 Million or 0.7 percent when compared with total assets as at December 31, 2020 mainly from the increase in the improvement of the Blue Line Project, the improvement of the expressway, and the fair value adjustment of long-term investments in accordance with the market. Total liabilities amounted to Baht 75,930 Million, representing an increase by Baht 348 Million or 0.5 percent from the accrued interest expense of loans and debentures which are undue. Total shareholders' equity amounted to Baht 38,521 Million, representing an increase by Baht 487 Million or 1.3 percent from net profit and the fair value adjustment of long-term investments.

Cash Flows

As at March 31, 2021, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 1,846 Million, representing an increase from the end of the previous year by Baht 232 Million.

(Unit: Million Baht)

Description	1 st Quarter	
	2021	2020
Net cash flows operating activities	1,075	1,902
Net cash flows investing activities	(521)	(1,706)
Net cash flows financing activities	(322)	5,584
Net increase in cash and cash equivalents	232	5,780
Cash and cash equivalents at beginning of the period	1,614	704
Cash and cash equivalents at end of the period	1,846	6,484

In the first quarter of the year 2021, cash from operating activities was at Baht 1,075 Million, representing a decrease from the first quarter of the previous year, due to revenue decline from COVID-19.

Cash used in investing activities mainly resulted from payment for improvement of the M&E equipment of the MRT Blue Line Project in the amount of Baht 269 Million, payment for improvement of the expressway in the amount of Baht 234 Million and payment for fixed assets for the operation in the amount of Baht 18 Million.

Cash used in financing activities resulted from the repayment of loans from financial institutions in the net amount of Baht 42 Million and interest payment and financial fee in the amount of Baht 280 Million.

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Significant Financial Ratios

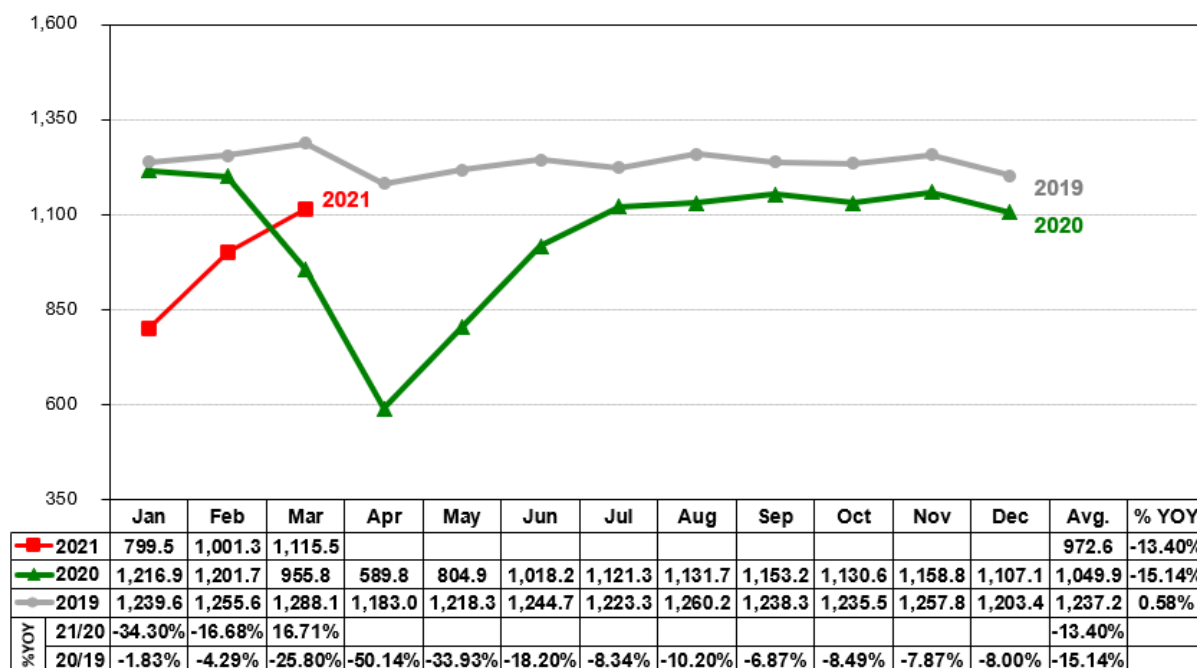
Description	Unit	1 st Quarter	
		2021	2020
Net Profit Margin ratio (NPM)	%	9.77	13.33
Return on Equity ratio (ROE)	%	4.93	7.60
Return on Total Assets ratio (ROA)	%	1.76	2.79
Debt to Equity ratio (D/E)	Time	1.76	1.89
Net Interest Bearing Debt to Equity ratio (Net IBD/E)	Time	1.49	1.48

Net Profit Margin ratio, ROE and ROA decreased from the first quarter of the previous year resulted from the decrease in net profit which affected from the COVID-19. D/E ratio decreased from an increase of shareholders' equity from net profit.

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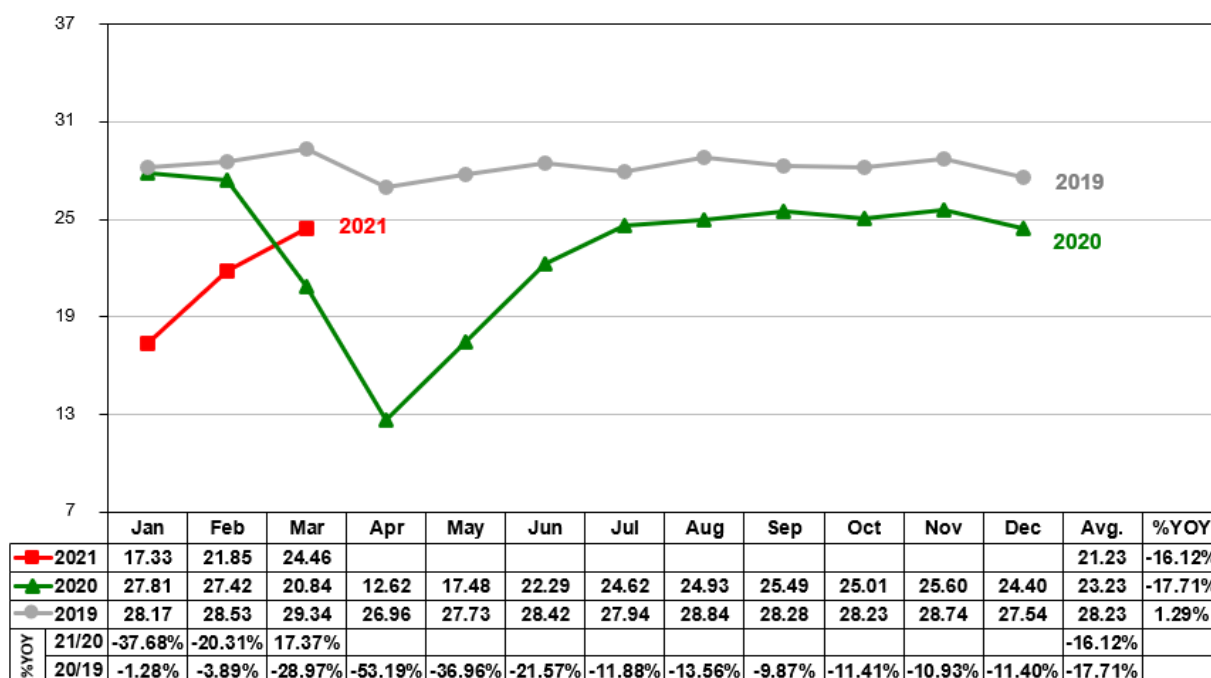
Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(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)

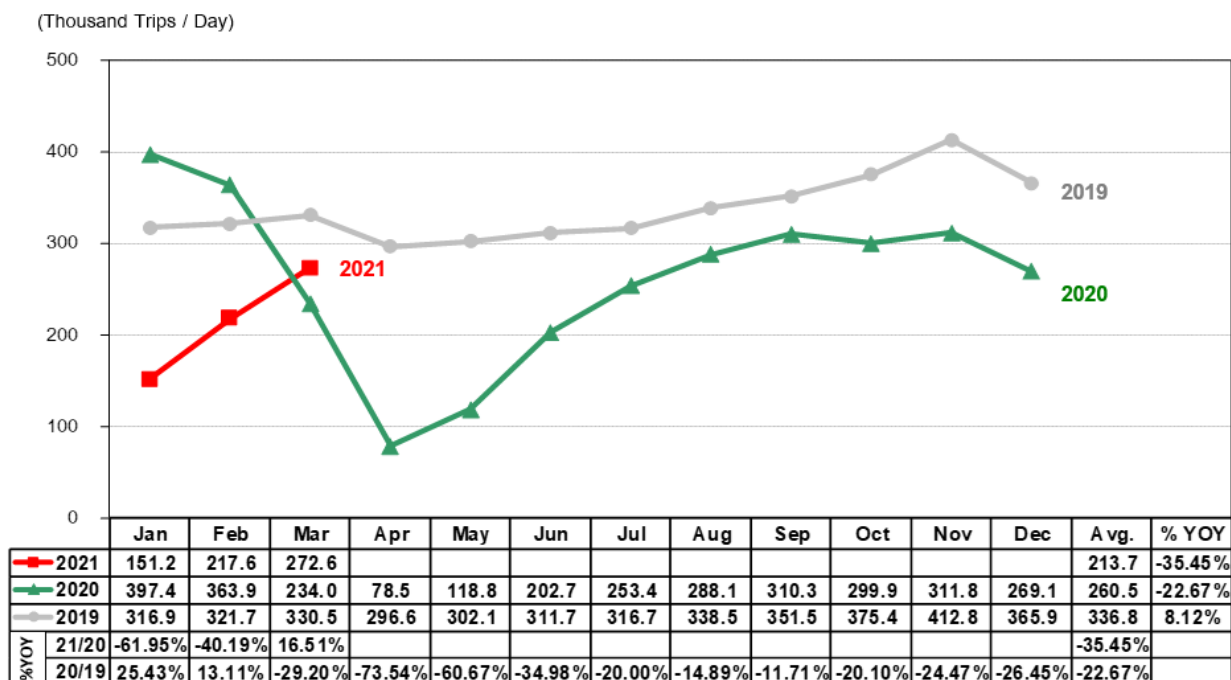


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Average Daily Ridership for Blue Line



Average Daily Farebox Revenue for Blue Line

