

BEM was selected as “Thailand Sustainability Investment” for five consecutive years

The Company was selected as 1 of 146 listed companies in the stock market for Thailand Sustainability Investment (THIS) of the Year 2021 for five consecutive years as a transportation full-service provider with sustainable development.

Overview Operational Results for the Three-month and Nine-month Periods Ended September 30, 2021

The Coronavirus disease 2019 pandemic has become more severe situation in July 2021. The government announced lockdown and curfew measures in Bangkok and the perimeter started on July 12, 2021 and requested government and private sectors for 100% work from home resulted to the negative impact on traveling and led to a decrease in the number of the expressway users and the Metro passengers, pushing the monthly average traffic and ridership volume to the lowest number in August 2021. The traffic volume was at 593,900 trips per day and the ridership volume was at 62,400 trips per day. However, the travelling increased significantly when the government relaxed the measures, the traffic volume of Expressway increased to over 1 million trips per day at the end of October 2021. Moreover, traffic and ridership volume will recover significantly in November 2021 due to the government policy for reopening the country.

Although the Company’s revenue was adversely affected from the COVID-19 pandemic, with well cost management together with dividend income from the investment in other companies, the Company’s net profit attributable to equity holders of the Company for the third quarter of the year 2021 was in the amount of Baht 108 Million, representing a decrease from the same quarter of the previous year by Baht 714 Million or 86.9 percent.

The Company had revenue from main business of Baht 2,154 Million representing a decrease from the same quarter of the previous year by Baht 1,418 Million or 39.7 percent. Toll revenue decreased by Baht 869 Million, revenue from Rail business decreased by Baht 510 Million and revenue from Commercial Development business decreased by Baht 39 Million.

Cost of service amounted to Baht 1,537 Million and Administrative expenses amounted to Baht 264 Million, representing a decrease from the same quarter of the previous year by Baht 489 Million or 24.1 percent and by Baht 45 Million or 14.6 percent respectively, mainly from the efficiency in cost management during the current situation.

Finance cost decreased from the same quarter of the previous year by Baht 10 Million or 1.8 percent, mainly from a decrease in long-term loans for the MRT Purple Line.

For the nine-month period of the year 2021, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 614 Million representing a decrease from the nine-month period of the year 2020 by Baht 868 Million or 58.6 percent, from the effect of COVID-19 epidemic which led to a decrease in traffic and ridership volume resulting to the revenue decline. Cost of service including Selling and Administrative expenses amounted to Baht 6,079 Million, representing a decrease from the same period of the previous year by Baht 1,218 Million or 16.7 percent. Finance cost amounted to Baht 1,631 Million representing an increase from the same period of the previous year by Baht 68 Million or 4.4 percent due to partial interest was still recorded as a cost of MRT Blue Line project.

(Translation)

Bangkok Expressway and Metro Public Company Limited
Management Discussion and Analysis for the Third Quarter of the Year 2021



(Unit: Million Baht)

Description	3 rd Quarter		Changes %	For the 9 months		Changes %
	2021	2020		2021	2020	
Revenue from expressway business	1,278	2,147	-40.5	4,554	5,953	-23.5
Revenue from rail business	700	1,210	-42.1	2,524	3,319	-24.0
Revenue from commercial development business	176	215	-18.1	590	586	0.7
Total revenue from main business	2,154	3,572	-39.7	7,668	9,858	-22.2
<i>Interest income from the MRT Purple Line Project</i>	53	65	-18.5	167	215	-22.3
Other income	225	230	-2.2	524	516	1.6
Total revenues	2,432	3,867	-37.1	8,359	10,589	-21.1
Cost of service	1,537	2,026	-24.1	5,217	6,342	-17.7
Selling and administrative expenses	264	309	-14.6	862	955	-9.7
Total expenses	1,801	2,335	-22.9	6,079	7,297	-16.7
Profit before finance cost and tax expenses	631	1,532	-58.8	2,280	3,292	-30.7
Finance cost	491	487	0.8	1,449	1,339	8.2
<i>Interest expense from the MRT Purple Line Project</i>	59	73	-19.2	182	224	-18.8
Profit before income tax expenses	81	972	-91.7	649	1,729	-62.5
Income tax (revenue) expenses	(27)	148	-118.2	34	242	-86.0
Profit before NCI	108	824	-86.9	615	1,487	-58.6
NCI	-	2	-100.0	1	5	-80.0
Profit attributable to Equity holders of the Company	108	822	-86.9	614	1,482	-58.6
Basic earnings per share (Baht)	0.01	0.05		0.04	0.10	

Segmental Performance

1. Expressway business

The revenue from Expressway business amounted of Baht 1,278 Million representing a decrease from the third quarter of the year 2020 by Baht 869 Million or 40.5 percent mainly from the effect of COVID-19 pandemic which was more intense since June 2021. Therefore, the government announced lockdown measures in Bangkok and the perimeter started in the beginning of July 2021, resulting to a decrease in the number of the expressway users, especially in August 2021 with the lowest traffic volume at 593,900 trips per day, representing a decrease by 47.5 percent YOY. However, the government has relaxed lockdown measures, the traffic volume significantly increased to 783,900 trips per day in September 2021 representing an increase from August by 32.0 percent, and the traffic volume in October 2021 continued to rise at 898,700 trips per day.

Cost of service for operation of Expressway business consisted of costs of toll and amortization on rights to operate completed expressway sectors. For the third quarter of the year 2021, the cost was at Baht 473 Million, representing a decrease from the same quarter of the previous year by Baht 174 Million or 26.9 percent, mainly from a decrease in amortization on rights to operate completed expressway sectors which related to the traffic volume and the cost management in line with the situation.

2. Rail business

The Company had revenue from Rail business of Baht 700 Million, representing a decrease from the third quarter of the year 2020 by Baht 510 Million or 42.1 percent. Revenue from O&M services of the Purple Line Project was as stated in the agreement. Farebox revenue from the MRT Blue Line Project decreased from the COVID-19 outbreak which had more impact in this quarter, as well as the announcement of measures from the government. As a result, average ridership in August was at 62,400 trips per day. However, after the government has relaxed measures in September, the average ridership significantly recovered to 100,100 trips per day representing an increase from August by 60.0 percent. The ridership also increased gradually with the average ridership at 135,900 trips per day in October 2021.

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. The cost was at Baht 998 Million, representing a decrease from the same quarter of the previous year by Baht 314 Million or 23.9 percent.

3. Commercial Development business

Commercial Development revenue was at Baht 176 Million, representing a decrease from the third quarter of the year 2020 by Baht 39 Million or 18.1 percent from the effect of COVID-19 and the Company's measures to support the business partners. Cost of Commercial Development business was at Baht 66 Million which was nearly to the same quarter of the previous year.

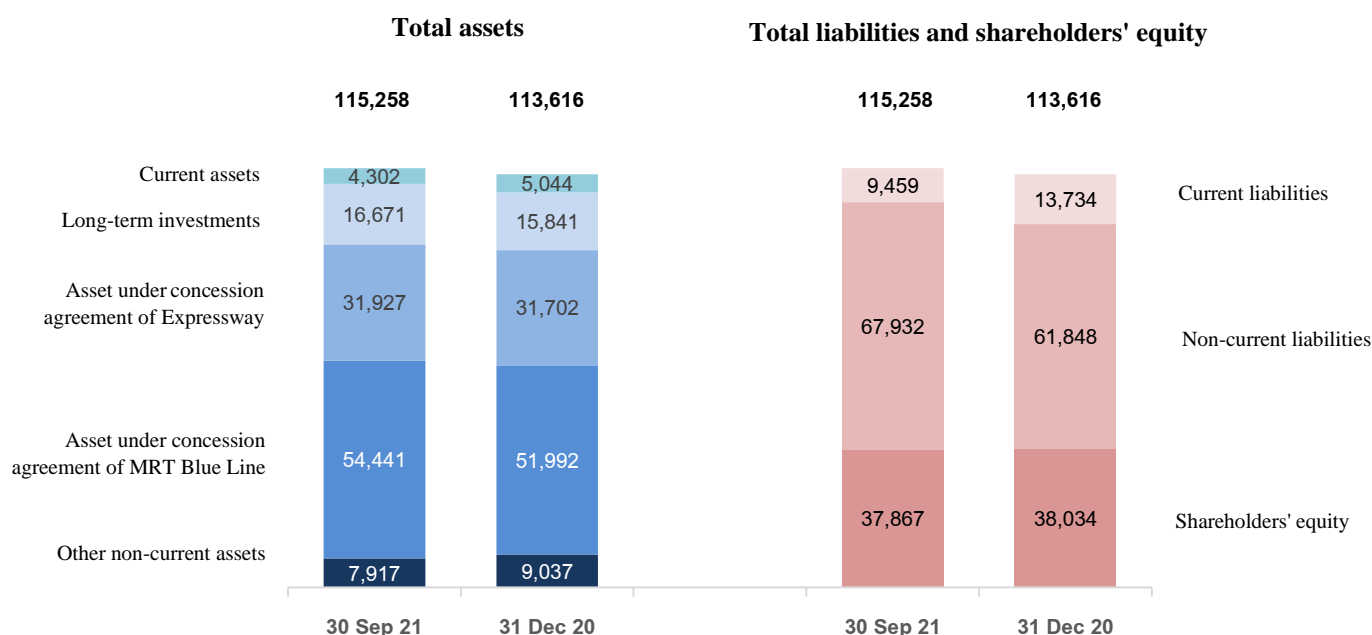
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Financial Position

(Unit: Million Baht)



As at September 30, 2021, the Company and its subsidiaries had total assets amounted to Baht 115,258 Million, representing an increase by Baht 1,642 Million or 1.4 percent when compared with total assets as at December 31, 2020, mainly from an increase in asset under concession agreements of Expressway and MRT Blue Line, substantially from prepaid project remuneration in accordance to the concession agreement, and an increase from the fair value adjustment of long-term investments. Total liabilities amounted to Baht 77,391 Million, representing an increase by Baht 1,809 Million or 2.4 percent from the issuance of debentures and the withdrawal of loans. Total shareholders' equity amounted to Baht 37,867 Million, representing a net decrease by Baht 167 Million or 0.4 percent mainly from the dividend payment amounted to Baht 1,529 Million in May 2021, whereas, for the nine-month period of the year 2021, net profit was at Baht 614 Million and the fair value adjustment of long-term investments increased by Baht 664 Million.

Cash Flows

(Unit: Million Baht)

Description	For the 9 months	
	2021	2020
Net cash flows operating activities	1,913	4,065
Net cash flows investing activities	(1,413)	(3,096)
Net cash flows financing activities	(1,201)	610

For the nine-month period of the year 2021, cash from operating activities was at Baht 1,913 Million, representing a decrease from the same period of the previous year due to revenue declined from the effect of COVID-19.

Cash used in investing activities resulted from payment for improvement of the M&E equipment of the MRT Blue Line Project in the amount of Baht 1,066 Million, payment for improvement of the expressway in the amount of Baht 645 Million, payment for fixed assets in the net amount of Baht 71 Million, investment in subsidiary in the amount of Baht 123 Million, and dividend income in the amount of Baht 492 Million.

Cash used in financing activities resulted from the issuance of debentures and the withdrawal of loans in the net amount of Baht 1,617 Million, interest payment and financial fees in the amount of Baht 1,289 Million, and dividend payment in the amount of Baht 1,529 Million.

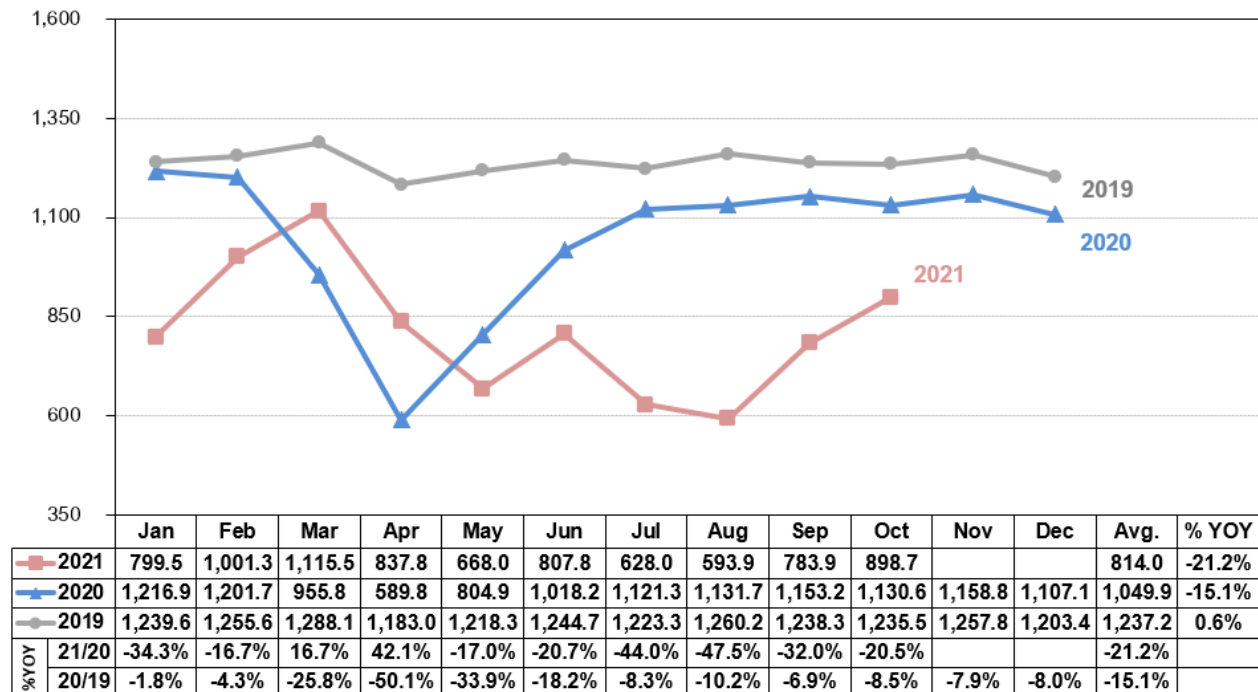
Significant Financial Ratios

Description	Unit	3 rd Quarter	
		2021	2020
Net Profit Margin ratio (NPM)	%	4.56	21.61
Return on Equity ratio (ROE)	%	3.07	5.13
Return on Total Assets ratio (ROA)	%	1.11	1.94
Debt to Equity ratio (D/E)	Time	1.85	1.73
Net Interest Bearing Debt to Equity ratio (Net IBD/E)	Time	1.60	1.44

The COVID-19 pandemic affected to the Company's profit, resulting to a decrease in Net Profit Margin ratio, ROE and ROA when compared with the same quarter of the previous year. D/E ratio increased from the issuance of debentures and the withdrawal of loans, but still lower than 2.5 times as stated in loan and debenture agreement.

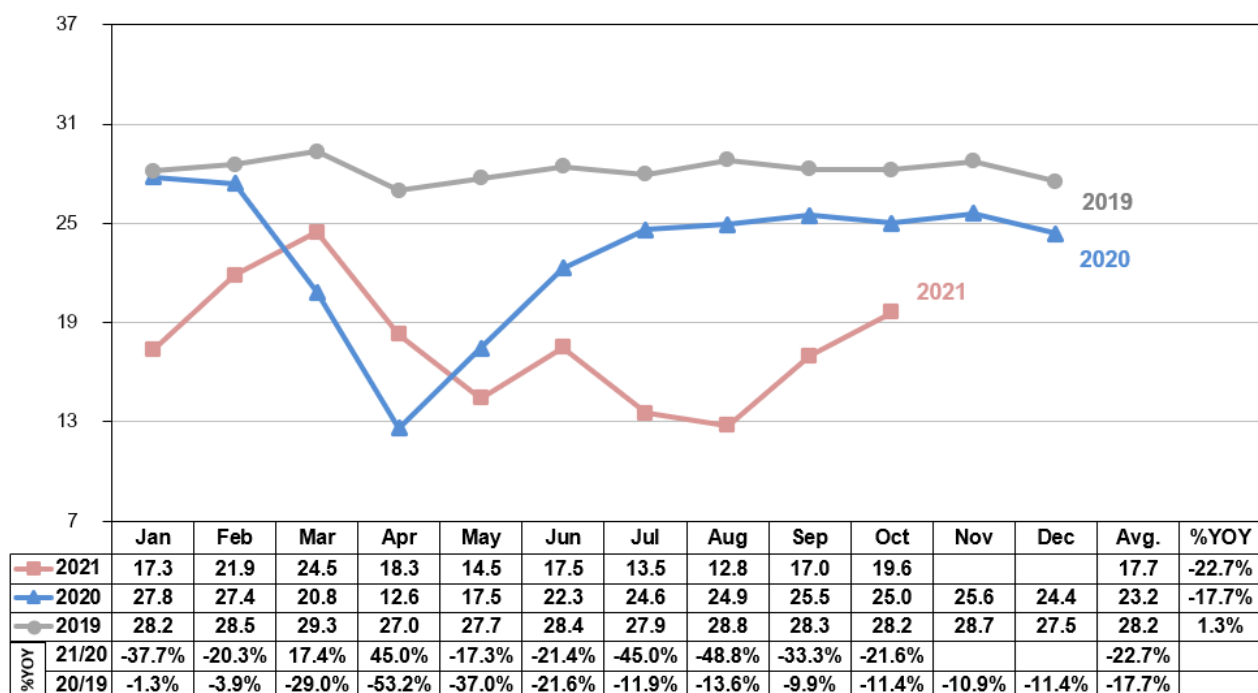
Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Thousand Trips / Day)



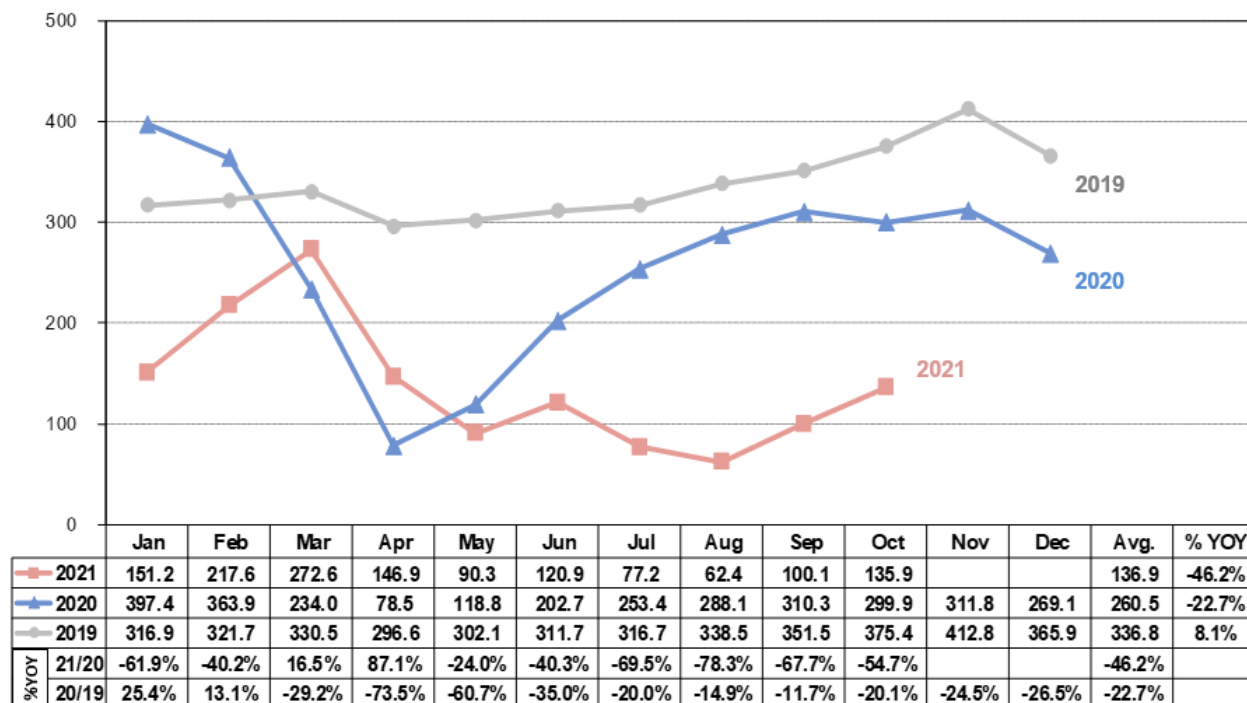
Average Daily Toll Revenue for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Million Baht / Day)



Average Daily Ridership for Blue Line

(Thousand Trips / Day)



Average Daily Farebox Revenue for Blue Line

(Million Baht / Day)

