

Bangkok Expressway and Metro Public Company Limited
and its subsidiaries

Review report and interim financial information

For the three-month period ended 31 March 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Expressway and Metro Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries (the Group) as at 31 March 2020, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Bangkok Expressway and Metro Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matter

I draw attention to the following matters.

- a) As described in Note 29 to the interim consolidated financial statements, on 18 February 2020 the Cabinet passed a resolution to amend the concession agreements in order to settle all disputes between the Group and Expressway Authority of Thailand (EXAT). The Group and EXAT have agreed to settle all disputes and to cancel enforcement in accordance with the judgment of the Supreme Administrative Court described in Note 29.1.11 to the interim consolidated financial statements. On 20 February 2020, the Group and EXAT signed the Second Stage Expressway Agreement (Amendment) and the Bang Pa-In - Pak Kret Expressway Project Agreement (Amendment).

In the current quarter, the Group and EXAT have completed settlement of all disputes and the subsidiary has cancelled enforcement in accordance with the judgment of The Supreme Administrative Court, in line with the above resolution.

- b) As described in Notes 1.2 and 1.5 to the interim consolidated financial statements, due to the impact of the COVID-19 pandemic, in preparing the interim financial information for the three-month period ended 31 March 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions.

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation significantly affects the Group's business activities in terms of commuter numbers and this is significantly impacting the Group's revenue while opening hours are reduced and organisations are supporting work from home policies. However, the impact cannot be reasonably estimated at this stage. The Group's management has continuously monitored ongoing developments and assessed the financial impact as the situation has changed.

My conclusion is not modified in respect of these matters.

Other Matter

Due to the impact of COVID-19 outbreak situation, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Company for the accounting period of 2020 yet. However, the Board of Director of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Company for the accounting period of 2020. I therefore have conducted my review on the interim financial information for first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisory Board (CMSB) No. TorChor. 28/2563 dated 27 March 2020.

Israporn Wisutthiyan
Certified Public Accountant (Thailand) No. 7480

EY Office Limited
Bangkok: 14 May 2020

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	6,484,125	703,750	6,366,206	608,706
Short-term investments in financial assets		758,396	-	758,176	-
Current investments	2	-	1,157,746	-	1,136,558
Bank deposit for unearned fare box revenue	5	219,638	205,697	219,638	205,697
Trade and other receivables	6	436,457	481,787	438,215	474,296
Current portion of long-term loans to related party	3	-	-	32,500	18,000
Current portion of receivable under the concession agreement	7	1,649,683	1,649,683	1,649,683	1,649,683
Current tax assets		21,032	128,149	21,032	128,149
Other current assets					
Prepaid expenses		86,743	83,600	77,105	78,383
Others		29,610	37,166	26,146	34,989
Total current assets		9,685,684	4,447,578	9,588,701	4,334,461
Non-current assets					
Long-term loans to related party, net of current portion	3	-	-	-	19,000
Receivable under the concession agreement, net of current portion	7	8,798,311	9,210,732	8,798,311	9,210,732
Long-term investments in financial assets	8	13,735,045	-	13,735,045	-
Investments in subsidiaries	9	-	-	633,110	633,110
Other long-term investments	2	-	17,096,827	-	17,096,827
Investment properties		120,357	120,357	120,357	120,357
Building and equipment	11	305,573	311,377	268,542	269,338
Right-of-use assets	12	94,211	-	51,564	-
Rights to operate expressway sectors	13	31,578,297	32,253,367	26,680,589	27,248,648
Rights to use sites for expressway construction	14	-	61,467	-	61,467
Intangible asset under concession agreement of the MRT Blue Line Project	15	44,403,884	42,338,899	44,071,101	41,998,706
Project cost of the MRT Chalong Ratchadham Line	16	652,710	644,951	652,710	644,951
Prepaid project remuneration	3	5,604,241	5,086,368	5,604,241	5,086,368
Other intangible assets	17	71,076	74,027	65,057	69,273
Deferred tax assets		6,712	6,952	-	-
Other non-current assets		162,731	43,868	134,303	12,630
Total non-current assets		105,533,148	107,249,192	100,814,930	102,471,407
Total assets		115,218,832	111,696,770	110,403,631	106,805,868

The accompanying notes are an integral part of the financial statements.

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions		4,300,000	3,250,000	4,300,000	3,250,000
Trade and other payables	18	2,479,918	1,938,482	2,507,839	1,906,801
Current portion of long-term loans from financial institutions	20	3,180,640	3,166,120	2,541,760	2,541,760
Current portion of lease liabilities	19	40,698	-	21,470	-
Current portion of debentures	21	2,500,000	2,500,000	2,500,000	2,500,000
Unearned fare box revenue	5	221,191	212,234	221,191	212,234
Deposits on stored value ticket		82,884	79,947	82,884	79,947
Income tax payable		41,844	25,468	-	-
Other current financial liabilities		62,717	56,228	58,191	51,920
Other current liabilities					
Value added tax payable		52,839	61,238	42,435	50,202
Withholding tax deducted at source payable		29,416	99,118	28,179	95,264
Others		57,928	40,072	54,616	36,164
Total current liabilities		13,050,075	11,428,907	12,358,565	10,724,292
Non-current liabilities					
Long-term loans from financial institutions, net of current portion	20	26,468,774	21,745,561	23,637,008	18,739,921
Lease liabilities, net of current portion	19	52,028	-	29,008	-
Debentures, net of current portion	21	35,671,383	35,670,827	35,671,383	35,670,827
Derivative liabilities		172,696	112,685	172,696	112,685
Unearned revenue from advertising management rights	22	-	-	10,305	10,617
Provision for long-term employee benefits	23	916,463	886,390	891,948	862,915
Deferred tax liabilities		2,400,839	3,025,460	2,402,100	3,026,721
Other non-current liabilities		2,208	3,759	-	248
Total non-current liabilities		65,684,391	61,444,682	62,814,448	58,423,934
Total liabilities		78,734,466	72,873,589	75,173,013	69,148,226

The accompanying notes are an integral part of the financial statements.

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>31 March 2020</u>	<u>31 December 2019</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
15,285,000,000 ordinary shares of Baht 1 each	<u>15,285,000</u>	<u>15,285,000</u>	<u>15,285,000</u>	<u>15,285,000</u>
Issued and paid-up				
15,285,000,000 ordinary shares of Baht 1 each	15,285,000	15,285,000	15,285,000	15,285,000
Premium on ordinary shares	5,816,938	5,816,938	5,816,938	5,816,938
Capital deficit from change in shareholding in subsidiary	(256,943)	(256,943)	-	-
Retained earnings				
Appropriated - statutory reserve	1,379,090	1,379,090	1,379,090	1,379,090
Unappropriated	15,487,249	15,052,069	7,833,267	7,501,047
Other components of shareholders' equity	<u>(1,272,065)</u>	<u>1,504,565</u>	<u>4,916,323</u>	<u>7,675,567</u>
Equity attributable to shareholders of the Company	36,439,269	38,780,719	35,230,618	37,657,642
Non-controlling interests of the subsidiaries	<u>45,097</u>	<u>42,462</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>36,484,366</u>	<u>38,823,181</u>	<u>35,230,618</u>	<u>37,657,642</u>
Total liabilities and shareholders' equity	<u>115,218,832</u>	<u>111,696,770</u>	<u>110,403,631</u>	<u>106,805,868</u>

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 31 March 2020**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues					
Revenue from expressway business		2,299,638	2,581,567	1,981,541	2,218,119
Revenue from rail business		1,293,442	1,210,949	1,293,442	1,210,949
Revenue from commercial development business	24	203,613	179,171	186,403	166,710
Other income					
Gains on sale of investments	8, 10	3,419	47,013	3,254	81,533
Interest income		81,722	99,858	82,023	117,866
Others		6,350	7,137	54,225	53,445
Total revenues		3,888,184	4,125,695	3,600,888	3,848,622
Expenses					
Cost of expressway business		448,406	477,253	392,004	424,625
Cost of rail business		1,133,980	870,737	1,133,980	870,737
Cost of commercial development business		53,233	48,367	110,003	109,732
Amortisation on rights to operate completed expressway sectors					
and compensation for site acquisition cost	13, 14	760,535	1,006,397	653,524	856,099
Amortisation on intangible asset under concession agreement of					
the MRT Blue Line Project	15	98,880	48,601	87,042	38,657
Selling expenses		25,488	28,134	13,006	17,400
Administrative expenses		279,599	285,406	257,744	263,217
Total expenses		2,800,121	2,764,895	2,647,303	2,580,467
Profit from operating activities		1,088,063	1,360,800	953,585	1,268,155
Share of profit from investments in associate		-	106,332	-	-
Finance cost		(454,886)	(403,704)	(429,348)	(389,850)
Profit before income tax expenses		633,177	1,063,428	524,237	878,305
Income tax expenses	25	(122,951)	(195,695)	(101,583)	(173,774)
Profit for the period		510,226	867,733	422,654	704,531
Profit attributable to:					
Equity holders of the Company		507,591	858,984	422,654	704,531
Non-controlling interests of the subsidiaries		2,635	8,749		
		510,226	867,733		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	26	0.03	0.06	0.03	0.05

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the period	<u>510,226</u>	<u>867,733</u>	<u>422,654</u>	<u>704,531</u>
Other comprehensive income				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Losses from cash flow hedges, net of income tax	(48,009)	(3,522)	(48,009)	(3,522)
Losses on valuation of available-for-sale securities, net of income tax	-	(47,390)	-	(47,390)
Share of other comprehensive income from associate	-	(1,675)	-	-
Other comprehensive income to be reclassified to profit or loss				
in subsequent periods, net of income tax	<u>(48,009)</u>	<u>(52,587)</u>	<u>(48,009)</u>	<u>(50,912)</u>
<i>Other comprehensive income not to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Losses on investments in equity designated at fair value				
through other comprehensive income, net of income tax	<u>(2,736,891)</u>	<u>-</u>	<u>(2,736,891)</u>	<u>-</u>
Other comprehensive income not to be reclassified				
to profit or loss in subsequent periods, net of income tax	<u>(2,736,891)</u>	<u>-</u>	<u>(2,736,891)</u>	<u>-</u>
Other comprehensive income for the period	<u>(2,784,900)</u>	<u>(52,587)</u>	<u>(2,784,900)</u>	<u>(50,912)</u>
Total comprehensive income for the period	<u>(2,274,674)</u>	<u>815,146</u>	<u>(2,362,246)</u>	<u>653,619</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(2,277,309)	806,397	<u>(2,362,246)</u>	<u>653,619</u>
Non-controlling interests of the subsidiaries	<u>2,635</u>	<u>8,749</u>		
	<u>(2,274,674)</u>	<u>815,146</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements											
	Equity attributable to the shareholders of the Company											
						Other components of shareholders' equity						
						Other comprehensive income						
	Issued and		Capital deficit	Retained earnings			Surplus (deficit)	Share of other	Total other	Total equity	Equity attributable	
	paid-up	Premium on	from change in	Appropriated -		Losses from	on changes in	comprehensive	components of	attributable to	to non-controlling	Total
	share capital	ordinary shares	in subsidiaries	statutory reserve	Unappropriated	cash flow hedges	valuation of	income from	shareholders' equity	of the Company	the subsidiaries	shareholders' equity
Balance as at 1 January 2019	15,285,000	5,816,938	(75,771)	1,232,890	12,133,781	(17,447)	1,112,426	10,949	1,105,928	35,498,766	113,260	35,612,026
Profit for the period	-	-	-	-	858,984	-	-	-	-	858,984	8,749	867,733
Other comprehensive income for the period	-	-	-	-	-	(3,522)	(47,390)	(1,675)	(52,587)	(52,587)	-	(52,587)
Total comprehensive income for the period	-	-	-	-	858,984	(3,522)	(47,390)	(1,675)	(52,587)	806,397	8,749	815,146
Investment in subsidiary (Note 9)	-	-	(181,172)	-	-	-	-	-	-	(181,172)	(88,068)	(269,240)
Balance as at 31 March 2019	<u>15,285,000</u>	<u>5,816,938</u>	<u>(256,943)</u>	<u>1,232,890</u>	<u>12,992,765</u>	<u>(20,969)</u>	<u>1,065,036</u>	<u>9,274</u>	<u>1,053,341</u>	<u>36,123,991</u>	<u>33,941</u>	<u>36,157,932</u>
Balance as at 1 January 2020	15,285,000	5,816,938	(256,943)	1,379,090	15,052,069	(90,148)	1,594,713	-	1,504,565	38,780,719	42,462	38,823,181
Cumulative effect of change in accounting policy (Note 2)	-	-	-	-	(72,411)	-	8,270	-	8,270	(64,141)	-	(64,141)
Balance as at 1 January 2020 - as restated	15,285,000	5,816,938	(256,943)	1,379,090	14,979,658	(90,148)	1,602,983	-	1,512,835	38,716,578	42,462	38,759,040
Profit for the period	-	-	-	-	507,591	-	-	-	-	507,591	2,635	510,226
Other comprehensive income for the period	-	-	-	-	-	(48,009)	(2,736,891)	-	(2,784,900)	(2,784,900)	-	(2,784,900)
Total comprehensive income for the period	-	-	-	-	507,591	(48,009)	(2,736,891)	-	(2,784,900)	(2,277,309)	2,635	(2,274,674)
Balance as at 31 March 2020	<u>15,285,000</u>	<u>5,816,938</u>	<u>(256,943)</u>	<u>1,379,090</u>	<u>15,487,249</u>	<u>(138,157)</u>	<u>(1,133,908)</u>	<u>-</u>	<u>(1,272,065)</u>	<u>36,439,269</u>	<u>45,097</u>	<u>36,484,366</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Separate financial statements							
					Other components of shareholders' equity			
					Other comprehensive income			
	Retained earnings				Surplus (deficit) on		Total other	
	Issued and paid-up	Premium on	Appropriated -		Losses from	changes in valuation of	Total other	Total
	share capital	ordinary shares	statutory reserve	Unappropriated	cash flow hedges	financial assets	shareholders' equity	shareholders' equity
Balance as at 1 January 2019	15,285,000	5,816,938	1,232,890	7,095,892	(17,447)	2,981,387	2,963,940	32,394,660
Profit for the period	-	-	-	704,531	-	-	-	704,531
Other comprehensive income for the period	-	-	-	-	(3,522)	(47,390)	(50,912)	(50,912)
Total comprehensive income for the period	-	-	-	704,531	(3,522)	(47,390)	(50,912)	653,619
Balance as at 31 March 2019	<u>15,285,000</u>	<u>5,816,938</u>	<u>1,232,890</u>	<u>7,800,423</u>	<u>(20,969)</u>	<u>2,933,997</u>	<u>2,913,028</u>	<u>33,048,279</u>
Balance as at 1 January 2020	15,285,000	5,816,938	1,379,090	7,501,047	(90,148)	7,765,715	7,675,567	37,657,642
Cumulative effect of change in accounting policy (Note 2)	-	-	-	(90,434)	-	25,656	25,656	(64,778)
Balance as at 1 January 2020 - as restated	15,285,000	5,816,938	1,379,090	7,410,613	(90,148)	7,791,371	7,701,223	37,592,864
Profit for the period	-	-	-	422,654	-	-	-	422,654
Other comprehensive income for the period	-	-	-	-	(48,009)	(2,736,891)	(2,784,900)	(2,784,900)
Total comprehensive income for the period	-	-	-	422,654	(48,009)	(2,736,891)	(2,784,900)	(2,362,246)
Balance as at 31 March 2020	<u>15,285,000</u>	<u>5,816,938</u>	<u>1,379,090</u>	<u>7,833,267</u>	<u>(138,157)</u>	<u>5,054,480</u>	<u>4,916,323</u>	<u>35,230,618</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit before tax	633,177	1,063,428	524,237	878,305
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Amortisation and depreciation	844,674	984,006	716,754	819,553
Reversal of allowance for expected credit losses	(938)	-	-	-
Revenue recognition of unearned revenue from advertising management rights	-	-	(312)	(312)
Gains on sale of investments	(3,419)	(47,013)	(3,254)	(81,533)
Gains on investment at fair value through profit or loss	(4,639)	(3,887)	(4,526)	(3,877)
Gains on disposal of equipment	(3)	(435)	(3)	(435)
Project remuneration expense	108,549	92,474	108,549	92,474
Compensation for site acquisition cost	61,467	99,523	61,467	99,523
Provision for long-term employee benefits	27,883	23,316	26,843	22,357
Share of profit from investments in associate	-	(106,332)	-	-
Unrealised loss on exchange rate	1,550	126	1,550	126
Interest income	(81,722)	(99,858)	(82,023)	(117,866)
Interest expenses	441,225	386,169	415,903	373,290
Profit from operating activities before changes in operating assets and liabilities	2,027,804	2,391,517	1,765,185	2,081,605
Operating assets (increase) decrease				
Bank deposit for unearned fare box revenue	(13,941)	(6,990)	(13,941)	(6,990)
Trade and other receivables	46,268	(18,920)	36,081	(8,884)
Receivable under the concession agreement	412,421	412,421	412,421	412,421
Other current assets	7,827	(94,278)	13,527	(89,362)
Other non-current assets	9,286	(2,246)	6,476	(39)
Cash paid for project remuneration	(631,272)	(360,401)	(631,272)	(360,401)
Operating liabilities increase (decrease)				
Trade payables and other payables	45,308	244,879	102,706	235,243
Unearned fare box revenue	8,957	9,549	8,957	9,549
Deposits on stored value ticket	2,937	2,786	2,937	2,786
Other current liabilities	(52,558)	(41,059)	(49,399)	(40,420)
Other non-current liabilities	(11)	(541)	-	(189)
Cash paid for long-term employee benefits	(1,035)	(1,848)	(1,035)	(1,848)
Cash paid for compensation for site acquisition cost	-	(808,000)	-	(808,000)
Net cash flows from operating activities	1,861,991	1,726,869	1,652,643	1,425,471
Cash received from interest income	81,317	99,552	81,316	99,552
Cash paid for income tax	(41,216)	(38,537)	(36,305)	(38,252)
Net cash flows from operating activities	1,902,092	1,787,884	1,697,654	1,486,771

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the three-month period ended 31 March 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Cash received from sales of short-term investments in financial assets	3,897,604	-	3,548,007	-
Cash paid for purchase of short-term investments in financial assets	(3,492,504)	-	(3,164,155)	-
Cash received from sales of current investments	-	4,148,500	-	3,765,500
Cash paid for purchase of current investments	-	(3,941,082)	-	(3,557,382)
Cash received from sales of long-term investments in financial assets	2,310	-	2,310	-
Cash paid for purchase of long-term investments in financial assets	(142,029)	-	(142,029)	-
Cash paid for purchase of investments in subsidiary	-	(269,240)	-	(269,240)
Cash received from sales of investments in associate	-	145,965	-	145,965
Cash received from long-term loans to related party	-	-	4,500	444,836
Cash received from disposal of equipment	3	443	3	443
Purchase of equipment	(16,036)	(5,038)	(14,705)	(458)
Cash received from interest income	-	-	309	109,678
Cash paid for project cost of the MRT Chalong Ratchadham Line	(15,272)	-	(15,272)	-
Cash paid for intangible asset under concession agreement of the MRT Blue Line Project	(1,772,718)	(1,938,485)	(1,768,290)	(1,926,525)
Cash paid for expressway construction	(83,156)	(186,544)	(81,322)	(186,544)
Interest expenses capitalised as cost of projects	(79,401)	(55,086)	(79,401)	(55,086)
Increase in other intangible assets	(4,726)	(81)	(3,343)	(81)
Net cash flows used in investing activities	<u>(1,705,925)</u>	<u>(2,100,648)</u>	<u>(1,713,388)</u>	<u>(1,528,894)</u>
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	4,300,000	816,000	4,300,000	816,000
Repayment of short-term loans from financial institutions	(3,250,000)	(816,000)	(3,250,000)	(816,000)
Cash received from long-term loans from financial institutions	5,299,998	1,200,000	5,299,998	900,000
Repayment of long-term loans from financial institutions	(541,530)	(385,440)	(385,440)	(385,440)
Cash payment for lease liabilities	(15,856)	-	(10,792)	-
Cash paid for financial fees	(4,077)	(3,852)	(4,077)	(3,852)
Interest paid	(204,327)	(188,085)	(176,455)	(175,155)
Net cash flows from financing activities	<u>5,584,208</u>	<u>622,623</u>	<u>5,773,234</u>	<u>335,553</u>
Net increase in cash and cash equivalents	<u>5,780,375</u>	<u>309,859</u>	<u>5,757,500</u>	<u>293,430</u>
Cash and cash equivalents at beginning of period	<u>703,750</u>	<u>526,200</u>	<u>608,706</u>	<u>423,687</u>
Cash and cash equivalents at end of period	<u><u>6,484,125</u></u>	<u><u>836,059</u></u>	<u><u>6,366,206</u></u>	<u><u>717,117</u></u>

Supplemental cash flows information

Non-cash items consist of:

Increase in payable from expressway construction	-	56,553	-	56,553
Increase in payable from intangible asset under concession agreement of the MRT Blue Line Project	334,702	-	334,702	-

The accompanying notes are an integral part of the financial statements.

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Notes to the interim consolidated financial statements

For the three-month period ended 31 March 2020

1. General information

1.1 Corporate information

Bangkok Expressway and Metro Public Company Limited (“the Company”) is a public company from amalgamation under Thai law on 30 December 2015 and domiciled in Thailand. The Company’s major shareholder is CH. Karnchang Public Company Limited, which was a public company incorporated in Thailand. The Company is principally engaged in the construction and management of expressways, the operation of metro services and commercial development. Its registered office of the Company is at 587 Sutthisarn Road, Ratchadaphisek Subdistrict, Dindaeng District, Bangkok. The Company has four branches.

The MRT Blue Line Project

On 30 March 2020, the Company officially commenced commercial operation of the MRT Blue Line Project: Tao Poon Station-Tha Phra Station. As a result, the Company commenced operation and revenue-generating service of the Through Operation systems of the MRT Blue Line Project in accordance with the MRT Blue Line Concession Agreement. The MRT Blue Line Concession Agreement has a term of 30 years from the commencement date of the revenue-generating service on all sectors (30 March 2020).

The signing of the Expressway Concession Agreement

On 18 February 2020, the Cabinet passed a resolution to amend the concession agreements in order to settle all disputes between the Group and Expressway Authority of Thailand (EXAT). The Group and EXAT have agreed to settle all disputes and to cancel enforcement in accordance with the judgment of the Supreme Administrative Court, as described in Note 29 to the interim consolidated financial statements.

On 20 February 2020, the Group and EXAT signed the Second Stage Expressway Agreement (Amendment) and the Bang Pa-In - Pak Kret Expressway Project Agreement (Amendment), of which the substance are as follows:

- a) The Si Rat Expressway under the Second Stage Expressway agreement (Sector A, Sector B and Sector C) and the Extension of the Second Stage Expressway agreement (Sector D).

The Company was granted extensions to 31 October 2035 of the terms of the existing agreements for both The Si Rat Expressway under the Second Stage Expressway agreement (Sector A, Sector B and Sector C), which was to end on 29 February 2020, and the Extension of the Second Stage Expressway agreement (Sector D), which was to end on 21 April 2027.

In addition, the Company retains all rights to extend the concessions specified in the existing agreements. The remaining periods of the existing agreements are 4 years and 4 months for the Second Stage Expressway agreement and 11 years and 6 months for the Extension of the Second Stage Expressway agreement (Sector D), commencing from the end of the amended agreements. The toll rates are to be increased every 10 years by fixed amounts specified in the agreements, commencing from 1 September 2018.

- b) The Udon Rattaya Expressway Project under the Bang Pa-In - Pak Kret Expressway Agreement of a subsidiary.

The Subsidiary received an extension of the term of the existing agreement, which was to end on 26 September 2026, to 31 October 2035. The Subsidiary retains all rights to extend the concession specified in the existing agreement, of which the remaining period is 10 years and 11 months commencing from the end of the amended agreements. The toll rates are to be increased every 10 years by fixed amounts specified in the agreements, commencing from 1 November 2018.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation significantly affects the Group's business activities in terms of commuter numbers and this is significantly impacting the Group's revenue while opening hours are reduced and organisations are supporting work from home policies. However, the impact cannot be reasonably estimated at this stage. The Group's management has continuously monitored ongoing developments and assessed the financial impact as the situation has changed.

1.3 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.4 Basis of consolidation

These interim consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019, with no changes in shareholding structure of subsidiaries during the period.

1.5 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Classification and measurement of investments in available-for-sale equity securities - The Group's available-for-sale investments in listed equity securities are measured at fair value through other comprehensive income.
- Classification and measurement of investments in equity instruments of non-listed companies - The Group measures investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value through other comprehensive income.
- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim consolidated financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim consolidated financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss. In certain cases, the Group makes an election to measure them at fair value through other comprehensive income, with no subsequent recycling to profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied to the derivative contracts.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

Hedge Accounting

If hedge accounting criteria are met, recognition is as follows:

For cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognised in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognised in profit or loss.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.5 to the interim consolidated financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
		The impacts of		
		Financial reporting		
		standards related		
	31 December	to financial		1 January
	2019	instruments	TFRS 16	2020
Statement of financial position				
Assets				
Current assets				
Short-term investments in financial assets	-	1,157,746	-	1,157,746
Current investments	1,157,746	(1,157,746)	-	-
Non-current assets				
Long-term investments in financial assets	-	17,014,130	-	17,014,130
Other long-term investments	17,096,827	(17,096,827)	-	-
Building and equipment (Note 11)	311,377	-	(4,568)	306,809
Right-of-use assets (Note 12)	-	-	98,439	98,439

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements				
	31 December 2019	The impacts of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities (Note 19)	-	-	44,870	44,870
Other current liabilities	40,072	-	(1,222)	38,850
Non-current liabilities				
Long-term loans from financial institutions, net of current portion	21,745,561	(2,893)	-	21,742,668
Lease liabilities, net of current portion (Note 19)	-	-	51,762	51,762
Debentures, net of current portion	35,670,827	(1,116)	-	35,669,711
Deferred tax liabilities	3,025,460	(14,547)	-	3,010,913
Other non-current liabilities	3,759	-	(1,539)	2,220
Shareholders' equity				
Retained earnings - unappropriated	15,052,069	(72,411)	-	14,979,658
Other components of shareholders' equity	1,504,565	8,270	-	1,512,835

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
		Financial reporting standards related		
	31 December	to financial		1 January
	2019	instruments	TFRS 16	2020
Statement of financial position				
Assets				
Current assets				
Short-term investments in financial assets	-	1,136,558	-	1,136,558
Current investments	1,136,558	(1,136,558)	-	-
Non-current assets				
Long-term investments in financial assets	-	17,014,130	-	17,014,130
Other long-term investments	17,096,827	(17,096,827)	-	-
Building and equipment (Note 11)	269,338	-	(2,255)	267,083
Right-of-use assets (Note 12)	-	-	53,313	53,313
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities (Note 19)	-	-	26,309	26,309
Other current liabilities	36,164	-	(752)	35,412
Non-current liabilities				
Long-term loans from financial institutions, net of current portion	18,739,921	(2,097)	-	18,737,824
Lease liabilities, net of current portion (Note 19)	-	-	25,749	25,749
Debentures, net of current portion	35,670,827	(1,116)	-	35,669,711
Deferred tax liabilities	3,026,721	(14,706)	-	3,012,015
Other non-current liabilities	248	-	(248)	-
Shareholders' equity				
Retained earnings - unappropriated	7,501,047	(90,434)	-	7,410,613
Other components of shareholders' equity	7,675,567	25,656	-	7,701,223

2.1 Financial instruments

The Company recognised the classification of derivatives at fair value through profit or loss, which impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments in the consolidated financial statements amounted to Baht 72 million (the separate financial statements: Baht 90 million).

(Unaudited but reviewed)

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

Consolidated financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through other		Amortised cost	Total
		Fair value through profit or loss	comprehensive income		
Financial assets as at 1 January 2020					
Cash and cash equivalents	703,750	-	-	703,750	703,750
Short-term investments in financial assets	1,157,746	1,157,746	-	-	1,157,746
Bank deposit for unearned fare box revenue	205,697	-	-	205,697	205,697
Trade and other receivables	481,787	-	-	481,787	481,787
Receivable under the concession agreement	10,860,415	-	-	10,860,415	10,860,415
Long-term investments in financial assets	17,014,130	-	17,014,130	-	17,014,130
Total financial assets	30,423,525	1,157,746	17,014,130	12,251,649	30,423,525

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through other		Amortised cost	Total
		Fair value through profit or loss	comprehensive income		
Financial assets as at 1 January 2020					
Cash and cash equivalents	608,706	-	-	608,706	608,706
Short-term investments in financial assets	1,136,558	1,136,558	-	-	1,136,558
Bank deposit for unearned fare box revenue	205,697	-	-	205,697	205,697
Trade and other receivables	474,296	-	-	474,296	474,296
Long-term loans to related party	37,000	-	-	37,000	37,000
Receivable under the concession agreement	10,860,415	-	-	10,860,415	10,860,415
Long-term investments in financial assets	17,014,130	-	17,014,130	-	17,014,130
Total financial assets	30,336,802	1,136,558	17,014,130	12,186,114	30,336,802

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

2.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at 31 December 2019	64,150	44,704
Less: Short-term leases and leases of low-value assets	(17,982)	(17,862)
Add: Others	51,124	26,329
Less: Deferred interest expenses	(3,421)	(2,113)
Increase in lease liabilities due to initial TFRS 16 adoption	93,871	51,058
Liabilities under finance lease agreements as at 31 December 2019	2,761	1,000
Lease liabilities as at 1 January 2020	<u>96,632</u>	<u>52,058</u>
Comprise of:		
Current lease liabilities	44,870	26,309
Non-current lease liabilities	51,762	25,749
	<u>96,632</u>	<u>52,058</u>

The adjustments to right-of-use assets due to initial TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Buildings and equipment	54,805	11,992
Motor vehicles	43,634	41,321
Total right-of-use assets	<u>98,439</u>	<u>53,313</u>

3. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

The relationship between the Company and the related parties which have transactions with during the three-month period ended 31 March 2020 and 2019 are summarised below.

Name of related parties	Relationship with the Company
CH. Karnchang Public Company Limited	Major shareholders
Mass Rapid Transit Authority of Thailand	Shareholders
Northern Bangkok Expressway Company Limited	Subsidiary company
Bangkok Metro Networks Limited	Subsidiary company
TTW Public Company Limited	Related company through common directors of the Company
CK Power Public Company Limited	Related company through common directors of the Company
Bangpa-in Land Development Company Limited	Related company through common directors of the Company

Such significant transactions and pricing policy are summarised below.

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with major shareholder</u>					
Cost of rail projects	1,768	1,592	1,768	1,592	Base on contracts
Cost of expressway construction	24	243	24	243	Base on contracts
Expressway and civil works maintenance expenses	133	146	133	146	Base on contracts
Office rental and service expenses	2	2	-	-	Base on contracts
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Commercial development revenue	-	-	1	-	Base on contracts
Interest income from long-term loans	-	-	-	18	Base on contracts
Project management income	-	-	49	47	Based on contract
Commercial development management fee	-	-	90	90	Based on contract

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with related companies</u>					
Interest income from M&E Systems	80	99	80	99	FDR plus stipulated margins per annum
Costs of commercial development	3	2	-	-	Agreed between the parties
Remuneration from fare box (Inclusive of VAT)	104	88	104	88	Concession agreement
Remuneration from commercial development	5	4	5	4	Concession agreement
Property tax	4	4	4	4	At the rates charged by Bangkok Metropolitan Administration
Utility expenses	1	1	1	1	Based on contract

As at 31 March 2020 and 31 December 2019, the balances of the accounts between the Group and related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		(Audited)		(Audited)
<u>Trade and other receivables (Note 6)</u>				
<u>Trade receivables</u>				
Bangkok Metro Networks Limited	-	-	998	4,226
Mass Rapid Transit Authority of Thailand	336,846	337,040	336,846	337,040
Total	<u>336,846</u>	<u>337,040</u>	<u>337,844</u>	<u>341,266</u>
<u>Other receivables</u>				
Northern Bangkok Expressway Company Limited	-	-	17,409	16,585
CH. Karnchang Public Company Limited	-	111	-	111
Total	<u>-</u>	<u>111</u>	<u>17,409</u>	<u>16,696</u>
<u>Advance payment under service contract</u>				
CH. Karnchang Public Company Limited	<u>6,176</u>	<u>12,224</u>	<u>6,176</u>	<u>12,224</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Long-term loans to related party</u>				
Bangkok Metro Networks Limited	-	-	32,500	37,000
Less: Current portion	-	-	(32,500)	(18,000)
Long-term loans to related party, net of current portion	-	-	-	19,000
<u>Receivable under the concession agreement (Note 7)</u>				
Mass Rapid Transit Authority of Thailand	10,447,994	10,860,415	10,447,994	10,860,415
<u>Prepaid project remuneration</u>				
Mass Rapid Transit Authority of Thailand	5,604,241	5,086,368	5,604,241	5,086,368
<u>Trade and other payables (Note 18)</u>				
Bangkok Metro Networks Limited	-	-	96,300	32,603
CH. Karnchang Public Company Limited	892,719	753,448	892,593	753,347
Mass Rapid Transit Authority of Thailand	211,761	213,221	211,761	213,210
Others	337	339	320	320
Total	1,104,817	967,008	1,200,974	999,480
<u>Retention guarantees</u>				
CH. Karnchang Public Company Limited	50,446	44,252	50,446	44,252
<u>Guarantees for rental</u>				
Bangkok Metro Networks Limited	-	-	800	800
<u>Unearned revenue from advertising management rights (Note 22)</u>				
Bangkok Metro Networks Limited	-	-	11,554	11,866

During the current period, movements in long-term loans to and interest receivable from related party in the separate financial statement were as follow:

(Unit: Thousand Baht)

	1 January 2020	Increase during the period	Decrease during the period	31 March 2020
Bangkok Metro Networks Limited				
Long-term loan	37,000	-	(4,500)	32,500
Interest receivable	-	309	(309)	-
Total	37,000	309	(4,809)	32,500

(Unaudited but reviewed)

Directors and management benefits

During the three-month period ended 31 March 2020 and 2019, the Group had employee benefit expenses of their directors and managements as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	45,904	43,902	41,314	39,098
Post-employment benefits	3,166	2,357	2,889	2,079
Total	49,070	46,259	44,203	41,177

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	(Audited)		(Audited)	
Cash	48,127	46,526	45,105	43,609
Bank deposits	6,435,998	657,224	6,321,101	565,097
Total	6,484,125	703,750	6,366,206	608,706

The Company has pledged the bank accounts used to deposit moneys received for work on the MRT Chalong Ratchadham Line Project, and transferred rights to debit or withdraw from the deposit accounts used to make payment of loans and related financial fees to a group of lenders to secure the Company's loan, as described in Note 20 to the interim consolidated financial statements.

As at 31 March 2020, the balance of the pledged bank account amounted to Baht 1,026 (31 December 2019: Baht 1,026).

5. Bank deposit for unearned fare box revenue

This bank account is a reserve account set aside in compliance with the Notification of the Bank of Thailand applicable to electronic card businesses. These funds cannot be used for any purpose other than making payment for fare box revenue.

(Unaudited but reviewed)

6. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade receivables</u>				
Trade receivables				
- Related parties (Note 3)	336,846	337,040	337,844	341,266
- Unrelated parties	89,984	137,513	74,519	109,798
Less: Allowance for doubtful debts	-	(938)	-	-
Total trade receivables - net	426,830	473,615	412,363	451,064
<u>Other receivables</u>				
Other receivables				
- Related parties (Note 3)	-	111	17,409	16,696
- Unrelated parties	5,703	3,308	4,673	2,616
Accrued income	3,924	4,753	3,770	3,920
Total other receivables	9,627	8,172	25,852	23,232
Trade and other receivables - net	436,457	481,787	438,215	474,296

7. Receivable under the concession agreement

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2020	10,860,415
Collection	(412,421)
Net book value as at 31 March 2020	10,447,994
Current	1,649,683
Non-current	8,798,311
Total receivable under the concession agreement	10,447,994

(Unaudited but reviewed)

Receivable under the concession agreement is a receivable for M&E system (Inclusive of VAT) of Phase 1 of the MRT Chalong Ratchadham Line Project. The MRTA will pay the remuneration and interest in the form of monthly installments until 2026. The Company transferred rights to receive cash from receivable under the concession agreement to the group of lenders, in settlement of long-term loans from financial institutions, as described in Note 20 to the interim consolidated financial statements.

Interest income for M&E systems for the three-month period ended 31 March 2020 amounted to Baht 80 Million (2019: Baht 99 million).

8. Long-term investments in financial assets

(Unit: Thousand Baht)		
Consolidated and Separate financial statements		
	31 March 2020	31 December 2019
		(Audited)
Equity instruments designated at fair value through other comprehensive income		
Equity instruments of listed companies		
- CK Power Public Company Limited	3,976,415	-
- TTW Public Company Limited	9,358,630	-
Equity instruments of non-listed company		
- Eastern High-Speed Rail Linking Three Airports Co., Ltd	400,000	-
Derivatives designated at fair value through profit or loss		
Warrants		
- CK Power Public Company Limited	-	-
Total long-term investments in financial assets	13,735,045	-

9. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	31 March 2020	(Unit: Million Baht) 31 December 2019
		(Audited)
Cost		
Northern Bangkok Expressway Company Limited	2,604	2,604
Bangkok Metro Networks Limited	495	495
Total	3,099	3,099
Less: Allowance for impairment of investments	(2,466)	(2,466)
Cost - net	633	633

In March 2019, the Company purchased 5 million ordinary shares of Bangkok Metro Networks Limited (subsidiary company) (equal to 20 percent of its issued and paid-up share capital) from its existing shareholders, for a total of Baht 269 million. As a result of this transaction, its shareholding in the subsidiary changed from 69.67 percent to 89.67 percent.

The purchase transaction of investment in the subsidiary was detailed below.

	(Unit: Thousand Baht) Consolidated financial statements
Purchase price of investment in subsidiary	269,240
Less: Non-controlling interests of subsidiary adjusted	(88,068)
Capital deficit from change in shareholding interest in subsidiary	181,172

10. Investments in associate

In March 2019, the Company sold 12 million ordinary shares of TTW Public Company Limited amounting to Baht 146 million, and recorded gains on sale of investment in this associated company of Baht 45 million and Baht 80 million in profit or loss in the consolidated and separate financial statements, respectively.

11. Building and equipment

A reconciliation of the net book value of the building and equipment during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2019	311,377	269,338
Transfers assets under lease agreements to right-of-use assets	(4,568)	(2,255)
Net book value as at 1 January 2020 (Note 2)	306,809	267,083
Acquisitions during the period - at cost	16,036	14,705
Reclassification	1,511	1,511
Depreciation for the period	(18,783)	(14,757)
Net book value as at 31 March 2020	<u>305,573</u>	<u>268,542</u>

12. Right-of-use assets

A reconciliation of the net book value of the right-of-use assets during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2019	-	-
Adjustment to right-of-use assets due to initial TFRS 16 adoption	98,439	53,313
Net book value as at 1 January 2020 (Note 2)	98,439	53,313
Increase during the period	11,238	8,790
Amortisation for the period	(15,466)	(10,539)
Net book value as at 31 March 2020	<u>94,211</u>	<u>51,564</u>

13. Rights to operate expressway sectors

A reconciliation of the net book value of the rights to operate completed expressway sectors during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	32,253,367	27,248,648
Increase during the period - at cost	23,998	23,998
Amortisation for the period	(699,068)	(592,057)
Net book value as at 31 March 2020	<u>31,578,297</u>	<u>26,680,589</u>

14. Rights to use sites for expressway construction

A reconciliation of the net book value of the rights to use sites for expressway construction during the three-month period ended 31 March 2020 is summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2020	61,467
Amortisation for the period	(61,467)
Net book value as at 31 March 2020	-

The rights to use sites for expressway construction is a part of rights to operate completed expressway sectors.

15. Intangible asset under concession agreement of the MRT Blue Line Project

A reconciliation of the net book value of the intangible asset under concession agreement of the MRT Blue Line Project during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	42,338,899	41,998,706
Increase during the period - at cost	2,104,296	2,099,868
Interest cost	59,569	59,569
Amortisation for the period	(98,880)	(87,042)
Net book value as at 31 March 2020	44,403,884	44,071,101

During the three-month period ended 31 March 2020, the Company has capitalised the borrowing cost as part of the intangible asset under concession agreement of the MRT Blue Line Project. The weighted average rate used to determine the amount of borrowing cost eligible from capitalisation was 2.55 percent.

(Unaudited but reviewed)

16. Project cost of the MRT Chalong Ratchadham Line

A reconciliation of the net book value of the project cost of the MRT Chalong Ratchadham Line during the three-month period ended 31 March 2020 is summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2020	644,951
Increase during the period - at cost	14,272
Amortisation for the period	(6,513)
Net book value as at 31 March 2020	652,710

17. Other intangible assets

A reconciliation of the net book value of other intangible assets for the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	74,027	69,273
Acquisitions during the period - at cost	4,726	3,343
Reclassification	(1,511)	(1,511)
Amortisation for the period	(6,166)	(6,048)
Net book value as at 31 March 2020	71,076	65,057

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Audited)		(Audited)
Trade payables - related parties (Note 3)	417,875	882,909	514,032	915,381
Trade payables - unrelated parties	573,125	432,705	539,888	394,213
Accrued interest - unrelated parties	443,415	205,868	443,161	205,244
Accrued expense - related parties (Note 3)	686,942	84,099	686,942	84,099
Accrued expense - unrelated parties	332,345	304,224	299,031	281,327
Other payables	26,216	28,677	24,785	26,537
Total trade and other payables	2,479,918	1,938,482	2,507,839	1,906,801

(Unaudited but reviewed)

19. Lease liabilities

Movements in the lease liabilities account for the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2019	-	-
Effect of initial adoption of TFRS 16	96,632	52,058
Balance as at 1 January 2020 (Note 2)	96,632	52,058
Addition	11,238	8,790
Accretion of interest	712	422
Payment	(15,856)	(10,792)
Balance as at 31 March 2020	92,726	50,478
Less: Current portion	(40,698)	(21,470)
Lease liabilities - net of current portion	52,028	29,008

20. Long-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
Loans	Credit facility	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	(Million Baht)		(Audited)		(Audited)
1. Long-term loan (Fully drew down)	8,000	2,500,000	2,500,000	2,500,000	2,500,000
2. Tranche A (Fully drew down)	13,557	9,720,088	10,103,776	9,720,088	10,103,776
3. Tranche B (Fully drew down)	62	44,392	46,144	44,392	46,144
4. Long-term loan (Fully drew down)	14,000	13,999,998	8,700,000	13,999,998	8,700,000
5. Long-term loan (Fully drew down)	3,630	3,473,910	3,630,000	-	-
Total	39,249	29,738,388	24,979,920	26,264,478	21,349,920
Less: Current portion of long-term loans		(3,180,640)	(3,166,120)	(2,541,760)	(2,541,760)
Less: Deferred financial fees		(88,974)	(68,239)	(85,710)	(68,239)
Long-term loans - net of current portion		26,468,774	21,745,561	23,637,008	18,739,921

(Unaudited but reviewed)

Movements in the long-term loans account for the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2020	24,979,920	21,349,920
Add: Drawdown during the period	5,299,998	5,299,998
Less: Repayment during the period	(541,530)	(385,440)
Balance as at 31 March 2020	<u>29,738,388</u>	<u>26,264,478</u>

Long-term loan number 1

The Company entered into an interest rate swap agreement to change the interest rate from a floating rate of 6M THBFIX plus a stipulated margins to a fixed rate.

Under the loan agreement, the Company must comply with normal financial covenants relating to various matters, such as the maintenance of debt service coverage ratio and debt to equity ratio.

Long-term loans number 2 and 3

The Company pledged bank accounts used to deposit moneys received for work on the M&E system of Phase 1 of the MRT Chalong Ratchadham Line (Note 4) and transferred rights to receive payments for such work to the group of lenders (Note 7) as collateral to secure these loans. The Company had interest expenses amounting to Baht 80 million on such loans for the three-month period ended 31 March 2020 (2019: Baht 99 million).

Under the Credit Facility Agreement, the Company must comply with normal financial covenants relating to various matters, such as maintenance of debt service coverage ratio and debt to equity ratio, dividend payment and conditions for mandatory prepayment.

Long-term loan number 4

The Company entered into interest rate swap agreements for parts of these loans to change the interest rate from a floating rate of 6M THBFIX plus a stipulated margins to a fixed rate.

Under the loan agreements, the Company must comply with normal financial covenants relating to various matters, such as maintenance of debt service coverage ratio and debt to equity ratio, dividend payment and conditions for mandatory prepayment.

Long-term loan number 5

This is a loan of a subsidiary company. Under the loan agreement, the subsidiary must comply with normal financial covenants relating to various matters, such as the maintenance of debt service coverage ratio and debt to equity ratio, dividend payment and conditions for mandatory prepayment.

21. Debentures

(Unit: Thousand Baht)					
Consolidated and Separate					
financial statements					
Type of debenture	Issuance date	Term	Interest rate	31 March 2020	31 December 2019
		(Years)	(Percent per annum)		(Audited)
1. No. 1/2016	24 June 2016	5 - 12	2.52 - 3.61	9,700,000	9,700,000
2. No. 2/2016	11 August 2016	12	3.61	500,000	500,000
3. No. 3/2016	21 October 2016	4 - 11	2.62 - 3.95	8,000,000	8,000,000
4. No. 1/2017	7 September 2017	5 - 7	2.65 - 3.10	5,000,000	5,000,000
5. No. 1/2018	5 April 2018	3 - 7	2.05 - 3.01	10,000,000	10,000,000
6. No. 1/2019	9 May 2019	3 - 10	2.65 - 3.84	5,000,000	5,000,000
Total				38,200,000	38,200,000
Less: Current portion of debenture				(2,500,000)	(2,500,000)
Less: Deferred debenture issuing cost				(28,617)	(29,173)
Debentures - net of current portion				35,671,383	35,670,827

There are no movements in the debentures account during the three-month period ended 31 March 2020.

All of the Company's debentures are registered debentures, unsubordinated, and unsecured, without a debenture holders' representative, except for the debenture number 6 which has a holders' representative, that pay interest semi-annually. The debentures contain covenants relating to maintenance of interest bearing debt to equity ratio.

22. Unearned revenue from advertising management rights

Movement in unearned revenue from advertising management rights account for the three-month period ended 31 March 2020 in the separate financial statements is summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2020	11,866
Less: Recognise to revenue during the period	(312)
Balance as at 31 March 2020	11,554
Less: Current portion	(1,249)
Unearned revenue from advertising management rights - net of current portion	10,305

23. Provision for long-term employee benefits

Movements in provision for long-term employee benefits account for the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	886,390	862,915
Increase during the period	31,108	30,068
Benefits paid during the period	(1,035)	(1,035)
Balance as at 31 March 2020	916,463	891,948

24. Revenue from commercial development business

Revenue from commercial development business derived from sources of income in the separate financial statements for the three-month period ended 31 March 2020, consisting of revenue on expressway system amounting to Baht 11 million (2019: Baht 11 million) and revenue on rail system amounting to Baht 175 million (2019: Baht 156 million). This included revenue from advertising management rights for the three-month period ended 31 March 2020 amounting to Baht 0.3 million (2019: Baht 0.3 million) (Note 22).

25. Income taxes

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month period ended 31 March 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Interim corporate income tax charge	36,560	96,077	15,273	72,091
Deferred tax:				
Relating to origination and reversal of				
temporary differences	86,391	99,618	86,310	101,683
Tax expenses reported in the income statement	<u>122,951</u>	<u>195,695</u>	<u>101,583</u>	<u>173,774</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month period ended 31 March 2020 and 2019 are as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2020</u>	<u>2019</u>
Deferred tax related to		
- Losses from cash flow hedges	(12,002)	(881)
- Losses on valuation of equity instruments		
designated at fair value through		
other comprehensive income	(684,223)	(11,848)
Total	<u>(696,225)</u>	<u>(12,729)</u>

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

(Unaudited but reviewed)

27. Segment information

Operating segment information is reported in a manner consistent with the reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assets its performance.

Revenue and profit information segments of the Group for the three-month period ended 31 March 2020 and 2019 are as follows:

(Unit: Million Baht)

	Consolidated financial statements													
	Expressway business segment ¹⁾		Rail business segment ²⁾		Commercial development business segment ³⁾		Other segments ⁴⁾		Total segments		Elimination of inter-segment revenues		Consolidation	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from external customers	2,300	2,581	1,293	1,211	204	179	-	-	3,797	3,971	-	-	3,797	3,971
Inter-segment revenues	-	-	-	-	91	90	49	47	140	137	(140)	(137)	-	-
Total revenues	<u>2,300</u>	<u>2,581</u>	<u>1,293</u>	<u>1,211</u>	<u>295</u>	<u>269</u>	<u>49</u>	<u>47</u>	<u>3,937</u>	<u>4,108</u>	<u>(140)</u>	<u>(137)</u>	<u>3,797</u>	<u>3,971</u>
Segment profit	1,091	1,098	76	303	135	119	-	-	1,302	1,520	-	-	1,302	1,520
Unallocated income and expenses:														
Interest income													82	100
Gains on sales of investments													3	47
Other income													7	7
Share of profit from investments in associate													-	106
Selling expenses													(25)	(28)
Administrative expenses													(280)	(284)
Finance cost													(455)	(404)
Income tax expenses													(123)	(196)
Non-controlling interests of the subsidiaries													(3)	(9)
Profit for the period													508	859

¹⁾ The expressway business segment related to the construction and operation of the expressway.

²⁾ The rail business segment related to the operation of the rapid transit system.

³⁾ The commercial development business segment related to the rental of retail space, and the provision of advertising media services and telecommunication services inside and outside underground train stations and on expressway.

⁴⁾ Other segments are segments where the Company is employed to operate the Bang Pa-In - Pak Kret expressway.

28. Commitments and contingent liabilities

28.1 Capital commitments

The Group has capital commitments as follows:

	31 March 2020	31 December 2019
		(Audited)
a) Performance improvement for farebox collection systems	Baht 91 million and USD 2 million	Baht 105 million and USD 2 million
b) Acquisition of equipment	Baht 19 million	Baht 23 million
c) Supply, installation and testing of the M&E Systems of the MRT Blue Line Project	Baht 1,193 million and EUR 3 million	Baht 2,483 million and EUR 4 million
d) Improvement for civil infrastructure of expressway	Baht 28 million	Baht 50 million
e) Improvement of computerised maintenance management system	Baht 3 million	Baht 3 million
f) Other capital commitments	Baht 3 million	Baht 6 million

28.2 Long-term service commitments

The Group has commitments in respect of the Procurement of M&E equipment contract, and the Maintenance of M&E equipment and trackwork and infrastructure and civil works contracts of the M&E Project which were signed in September 2017, October 2017, August 2018, December 2018, February 2019 and March 2019 with six companies. These contracts will expire during 2023 until 2029.

Future minimum service fees payable under these contracts, excluding escalation in accordance with the general consumer price index are as follows:

(Unit: Million)

	Consolidated financial statements									
	31 March 2020					31 December 2019				
						(Audited)				
	<u>Baht</u>	<u>USD</u>	<u>EUR</u>	<u>SGD</u>	<u>YEN</u>	<u>Baht</u>	<u>USD</u>	<u>EUR</u>	<u>SGD</u>	<u>YEN</u>
Payable:										
In up to 1 year	1,556	-	5	-	379	1,712	-	5	-	379
In over 1 year and up to 5 years	5,470	2	18	1	1,518	5,559	2	18	1	1,518
In over 5 years	4,089	2	18	1	506	4,383	2	19	1	601

28.3 Commitments under various service agreements

The Group has commitments under various service agreements as follows:

	31 March 2020	(Unit: Million Baht) 31 December 2019 (Audited)
Payable:		
In up to 1 year	594	497
In over 1 year and up to 5 years	256	362

28.4 Guarantees

There were the following outstanding performance bonds and bank guarantees issued by banks on behalf of the Company.

	31 March 2020	(Unit: Million Baht) 31 December 2019 (Audited)
a) Issued to the MRTA in accordance with the operation of the MRT Blue Line Concession agreement	210	210
b) Issued to MRTA in accordance with the Agreement for the MRT Chalong Ratchadham Project agreement	200	200
c) Issued to the Metropolitan Electricity Authority to guarantee electricity under rail projects	118	118
d) Other guarantees	14	14

28.5 Other commitments

	31 March 2020	(Unit: Million Baht) 31 December 2019 (Audited)
a) Commitments in respect of the uncalled portion of investment Northern Bangkok Expressway Company Limited	750	750
b) Commitment in respect of Expressway inspection, replacement and improvement agreements (paid within one year)	15	27

29. The disputes with Expressway Authority of Thailand (EXAT)

On 21 September 2018, the Supreme Administrative Court ruled to affirm the Judgement of the Administrative Court regarding the dispute over a competing road with Udon Ratthaya Expressway (Note 29.1.11), which enforced the award made by an arbitral tribunal whereby EXAT was to compensate a subsidiary for deficits in revenue compared to projections under the Bang Pa-In - Pak Kret Expressway Agreement for the years 1999 and 2000, totaling Baht 1,790 million, together with interest from 22 March 2001 until payment is made in full. On 2 October 2018, the Council of Ministers' Meeting resolved that in order to alleviate the loss and damages which would occur to the Government and to protect the utmost benefits of the government sector in cases where a government agency has disputes under the Court of Arbitration or is sued in the Administrative Court in one or several cases related to the same or connected issues, the government agency may conduct a negotiation with its disputing party to alleviate the damage to the Government and to ensure justice to the people. As a result, the Group and EXAT entered into a process to negotiate the settlement of all disputes. On 6 January 2020, EXAT and the Group reached agreements to settle all disputes, subject to the approval of the Cabinet. The substance of the agreements was as follows:

- 1) EXAT and the Group agreed to settle all existing disputes and potential future disputes over the same issues in relation to the Concession Agreements, as described in Notes 29.1 to 29.3 to the interim consolidated financial statements.
- 2) The disputes were settled by extending the concessions without requiring investment in and improvement of the Second Stage Expressway, and construction of the Double Deck, with the terms of all three agreements extended until 31 October 2035, as described in Note 1.1 to the interim consolidated financial statements.
- 3) The Group retains all rights to extend the concessions specified in the existing agreements. The remaining periods of the existing agreements are 4 years and 4 months for the Second Stage Expressway agreement, 11 years and 6 months for the Extension of the Second Stage Expressway agreement (Sector D) and 10 years and 11 months for the Bang Pa-In - Pak Kret Expressway Project agreement, commencing from the end of the amended agreements.
- 4) The toll rates are to be increased every 10 years by fixed amounts as specified in the agreements.

Subsequently, on 18 February 2020, the Cabinet passed a resolution to amend the concession agreements in order to settle all disputes for both the Second Stage Expressway Project (The Si Rat Expressway including Sector D) and the Bang Pa-In - Pak Kret Expressway Project (the Udon Ratthaya Expressway). On 20 February 2020, the Group and EXAT signed the Second Stage Expressway Agreement (Amendment) and the Bang Pa-In - Pak Kret Expressway Project Agreement (Amendment), as described in Note 1.1 to the interim consolidated financial statements.

The Group and EXAT completed settlement of all disputes, as described in Notes 29.1 to 29.3 to the interim consolidated financial statements, and the subsidiary cancelled enforcement in accordance with the judgement of the Supreme Administrative Court (Note 29.1.11) in the current quarter. As a result of the above events, the Second Stage Expressway Agreement (Amendment) of the Company and EXAT and the Bang Pa-In - Pak Kret Expressway Project Agreement (Amendment) of a subsidiary and EXAT became effective.

A total of 19 disputes were referred to Panels and Arbitral Tribunals in accordance with the dispute settlement procedures under the relevant agreements and of the Administrative Court. The substance of each dispute was as follows:

29.1 11 disputes submitted by the Group claiming damages totaling approximately Baht 54,503.7 million as of the date of submission of the disputes

- 29.1.1 The Company submitted a statement of claim requiring EXAT to compensate for a deficit in revenue with interest in an amount of Baht 5,021.1 million, due to different opinions as to which date was the Priority Component Opening Date.
- 29.1.2 The Company submitted a statement of claim requiring EXAT to compensate for damages caused by EXAT's issuance of additional variation orders for certain construction work of the Si Rat Expressway in a total amount of Baht 382.5 million.
- 29.1.3 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 4,368 million caused by the revision of toll rates of the Chalem Mahanakorn Expressway and the Si Rat Expressway for 2003, which was not in accordance with the agreement.
- 29.1.4 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 9,091.8 million caused by the revision of toll rates of the Chalem Mahanakorn Expressway and the Si Rat Expressway for the year 2008, which was not in accordance with the agreement, together with interest under the agreement.

- 29.1.5 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 14,662.7 million caused by the revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2013, which was not in accordance with the agreement, together with interest under the agreement.
- 29.1.6 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 1,048.2 million caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2003, which was not in accordance with the agreement.
- 29.1.7 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 4,062.8 million caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2008, which was not in accordance with the agreement, together with interest under the agreement.
- 29.1.8 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 6,936.4 million caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2013, which was not in accordance with the agreement, together with interest under the agreement.
- 29.1.9 The subsidiary submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 908.7 million caused by the revision of toll rates of the Udon Ratthaya Expressway for the year 2003, which was not in accordance with the agreement, together with interest under the agreement.
- 29.1.10 The subsidiary submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 4,724.8 million caused by the revision of toll rates of the Udon Ratthaya Expressway for the years 2008 and 2013, which was not in accordance with the agreement, together with interest under the agreement.
- 29.1.11 The subsidiary submitted a statement of claim requiring EXAT to compensate for deficits in revenue of the years 1999 and 2000, on the grounds that the Government granted permission for construction of the Extension of the Don Muang Tollway Project, from the National Memorial to Rangsit Section, which constituted a competing road under the Agreement, and affected the financial position of the subsidiary, thereby rendering such damages. Up to the date of submission of the dispute (excluding interest) this amounted to Baht 1,790 million.

On 27 November 2008, the Arbitral Tribunal rendered its arbitral award on the dispute requiring EXAT to compensate for the deficient revenue with interest as required by the subsidiary.

On 3 May 2013, The Central Administrative Court issued a judgment to enforce compliance with the arbitral award.

On 21 September 2018, the Supreme Administrative Court ruled to affirm the Judgement of the Administrative Court to enforce the award of the arbitral tribunal to compensate the subsidiary for deficient revenue compared to projections under the Bang Pa-In - Pak Kret Expressway Agreement for the years 1999 and 2000, totaling Baht 1,790 million, which was composed of compensation for the year 1999 of Baht 730.8 million and compensation for the year 2000 of Baht 1,059.2 million, together with interest from 14 June 2000 and 22 March 2001, respectively, until the payment is made in full. EXAT was required to fully comply with the Judgement within 90 days from the date it was issued by the Supreme Administrative Court, which was on 20 December 2018.

29.2 3 disputes submitted by EXAT claiming damages totaling approximately Baht 1,589.2 million up to the date of submission of the disputes

- 29.2.1 EXAT submitted a statement of claim requiring the Company to be responsible for the cost of arrangements of the entrance - exit claimed by complainants, and the cost of free flow drains, in a total amount of Baht 0.4 million.
- 29.2.2 EXAT submitted a statement of claim requiring the subsidiary to construct the Udon Ratthaya Expressway, Phase 2, in accordance with the conditions of the Bang Pa-In - Pak Kret Expressway Agreement, and compensate an amount of Baht 1,587.7 million, together with interest under the Agreement.
- 29.2.3 EXAT submitted a statement of claim requiring the subsidiary to be responsible for costs of utilisation of the Control Center Building (Bang Phun) in an amount of Baht 1.1 million.

29.3 5 disputes submitted by the Group claiming damages under Panel proceedings, with the total amounts of approximately Baht 78,181.9 million up to the date of submission of the disputes

- 29.3.1 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 592.9 million caused by the revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2018, which was not in accordance with the agreement, together with interest under the agreement.
- 29.3.2 The Company submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 289.3 million caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2018, which was not in accordance with the agreement.

- 29.3.3 The subsidiary submitted a statement of claim requiring EXAT to compensate for damages totaling Baht 24.9 million caused by the revision of toll rates of the Udon Ratthaya Expressway for the year 2018, which was not in accordance with the agreement, together with interest under the agreement.
- 29.3.4 The subsidiary requested EXAT compensate for the deficits in revenue compared to projections under the Bang Pa-In - Pak Kret Expressway Agreement due to a competing road for the years 2001 - 2017, totaling Baht 46,300.2 million, together with accumulated interest calculated up to 30 April 2019 totaling Baht 25,925.3 million, and interest on principal totaling Baht 46,300.2 million calculated from 1 May 2019 until EXAT pays the principal together with the interest in the amount of Baht 72,225.5 million in full to the subsidiary.
- 29.3.5 The subsidiary requested EXAT compensate Baht 4,771 million for the deficit in revenue compared to projections due to the competing road for the year 2018, together with accumulated interest calculated until 29 October 2019 totaling Baht 278.3 million, and interest on the principal amount of Baht 4,771 million calculated from 30 October 2019 until EXAT pays the principal together with the interest in the amount of Baht 5,049.3 million in full to the subsidiary.

30. Fair value hierarchy

The Group use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Group endeavor to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorising such inputs into three levels as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

As at 31 March 2020, the Group had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Assets which are measured at fair value through profit or loss</i>				
Short-term investments in financial assets				
- Unit trust	-	758,396	-	758,396
<i>Assets which are measured at fair value through other comprehensive income.</i>				
Long-term investments in financial assets				
- Listed equity	13,335,045	-	-	13,335,045
- Non-listed equity	-	-	400,000	400,000
<i>Derivative which are measured at fair value through profit or loss</i>				
Warrants ⁽¹⁾	-	-	-	-
Financial liability				
Derivative designated as hedge accounting				
Interest rate swap agreements	-	172,696	-	172,696

(Unit: Thousand Baht)

Separate financial statements				
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Assets which are measured at fair value through profit or loss</i>				
Short-term investments in financial assets				
- Unit trust	-	758,176	-	758,176
<i>Assets which are measured at fair value through other comprehensive income.</i>				
Long-term investments in financial assets				
- Listed equity	13,335,045	-	-	13,335,045
- Non-listed equity	-	-	400,000	400,000
<i>Derivative which are measured at fair value through profit or loss</i>				
Warrants ⁽¹⁾	-	-	-	-
Financial liability				
Derivative designated as hedge accounting				
Interest rate swap agreements	-	172,696	-	172,696

⁽¹⁾ Although the warrants to purchase ordinary shares have an active market, the exercise price of those warrants is significantly higher than the market value of ordinary shares, thereby rendering it unprofitable to exercise the warrants or "out of the money". The Group's management considered that buying and selling prices of the warrants in the market do not represent the best fair value. The Group therefore elected to adopt fair value measurement techniques on the basis of the market price of ordinary shares, leading to those warrants being categorised within Level 2 of the fair value hierarchy.

31. Events after the reporting period

Due to the coronavirus disease 2019 outbreak, with the number of cases rising and becoming more widespread, the Company postponed the 2020 Annual General Meeting of shareholders to be held on 24 April 2020 until the situation improves. In order to mitigate the impact of the postponement on the shareholders, on 9 April 2020, a meeting of the Board of Directors passed a resolution to approve an interim dividend payment from the Company's profit as at 31 December 2019, to replace the 2019 annual dividend payment, at a rate of Baht 0.09 per share, amounting to Baht 1,376 million. The dividend will be paid on 8 May 2020.

32. Approval of interim consolidated financial statements

These interim consolidated financial statements were authorised for issue by the Company's authorised directors on 14 May 2020.