

Bangkok Expressway and Metro Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2021

## **Independent Auditor's Report**

To the Shareholders of Bangkok Expressway and Metro Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Bangkok Expressway and Metro Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bangkok Expressway and Metro Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries and of Bangkok Expressway and Metro Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of matter**

I draw attention to Note 1.2 to the consolidated financial statements, the Coronavirus disease 2019 pandemic is adversely impacting various businesses and industries. This situation significantly affects the Group's business activities in terms of commuter numbers on both the expressway and metro systems and this significantly impacts the Group's revenue while opening hours are reduced and organisations are supporting work from home policies. The Group's management has continuously monitored ongoing developments and assessed the financial impact as the situation has changed. My opinion is not modified in respect of this matters.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### *Recognition of toll revenue, toll revenue sharing and fare box revenue*

The Group recognises toll revenue, toll revenue sharing and fare box revenue in accordance with the accounting policy disclosed in Note 4.1 to the consolidated financial statements. The revenue accounts are the most significant amounts in the statement of income. In addition, the Group's service income is derived from numerous transactions and varies in terms of the toll and fare box rates. I have therefore paid attention to the audit of the measurement of the related transactions recorded by the Group.

I have examined the revenue recognition of the Group by assessing and testing the internal controls relevant to the revenue cycle of the Group, including the related information technology systems, by making inquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I have examined the measurement and completeness of the revenue information that the Group used for accounting purposes by performing live audit testing and traffic volume observation. On a sampling basis, I examined documents supporting actual revenue transactions occurring during the year. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

### *Recognition of capital expenditures*

During the year ended 31 December 2021, the Group had capital expenditures amounting to Baht 1,909 million that were recorded as “rights to operate expressway sectors, intangible assets under concession agreement of the MRT Blue Line Project and project cost of the MRT Chalong Ratchadham Line”, as disclosed in Notes 15, 16 and 17 to the consolidated financial statements. I considered the recognition of capital expenditures as assets to be a significant transaction. In addition, management needed to exercise substantial judgment in determining whether the costs were direct costs and could be recognised as costs of acquiring intangible assets if they met the conditions stipulated under financial reporting standards.

I assessed the Group's recognition of capital expenditures during the year by inquiring with management to gain an understanding of the basis applied and judgement exercised by management in capitalising expenses as assets and the disclosures in the notes to the financial statements. I reviewed the minutes of meetings, contracts and documents related to the capital expenditures. I also selected and checked representative samples of supporting documents for expenses recognised as assets during the year to determine whether the recognition met the criteria under financial reporting standards and reviewed the disclosures in the notes to the financial statements.

### *Intangible assets under concession agreement of the MRT Blue Line Project*

As at 31 December 2021, the Company has intangible assets under concession agreement of the MRT Blue Line Project amounting to Baht 45,369 million in the consolidated financial statements, or equal to 39.42 percent of total assets. The Company commenced operation of the Through Operation systems of the MRT Blue Line Project on 30 March 2020 and it has been significantly affected by the Coronavirus disease 2019 pandemic, which has affected commuter numbers on the metro system and significantly impacted the project's revenue while opening hours are reduced and organisations are supporting work from home policies. The assessment of impairment of intangible assets under the concession agreement of the MRT Blue Line Project requires the management to exercise a high degree of judgement in forecasting operating results, estimating the cash inflows that are expected to be generated in the future, and setting an appropriate discount rate, growth rate and other assumptions.

I assessed the impairment assessment performed by management on intangible assets under the concession agreement of the MRT Blue Line Project by gaining an understanding of and evaluating the financial model selected by the management and evaluating the key assumptions applied by the management in preparing plans and projecting the cashflows to be generated from those assets in the future by gaining an understanding of the process through which the figures were derived, comparing the assumptions with external and internal sources of information, and reviewing the cashflow projections in comparison with the actual operating results. I also evaluated the discount rate applied by analysing the weighted average cost of capital and other information and reperforming the calculation of expected future cashflows under the financial model. In addition, I considered the sensitivity of the cashflow projections to key assumptions, especially the discount rate and revenue growth rate.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Isaraporn Wisutthiyan  
Certified Public Accountant (Thailand) No. 7480

EY Office Limited  
Bangkok: 23 February 2022

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	1,131,367,911	1,613,584,108	595,974,028	1,214,091,489
Bank deposit for unearned fare box revenue	8	225,201,031	224,486,696	225,201,031	224,486,696
Trade and other receivables	9	473,252,353	548,903,316	474,835,489	512,750,654
Current portion of receivable under the concession agreement	10	1,649,683,274	1,649,683,274	1,649,683,274	1,649,683,274
Current tax assets		120,971,846	125,377,096	115,868,135	125,377,096
Other current financial assets	11	765,670,719	761,275,133	765,670,719	761,275,133
Other current assets					
Prepaid expenses		92,564,380	90,825,229	88,690,123	85,521,468
Advance payment for service contracts		44,566,316	17,783,816	41,991,312	17,783,816
Spare parts		26,633,266	-	26,633,266	-
Others		10,729,409	11,835,188	5,135,588	6,176,149
Total current assets		4,540,640,505	5,043,753,856	3,989,682,965	4,597,145,775
Non-current assets					
Receivable under the concession agreement, net of current portion	10	5,911,365,066	7,561,048,340	5,911,365,066	7,561,048,340
Other non-current financial assets	11	15,909,924,565	15,840,737,472	15,909,924,565	15,840,737,472
Investments in subsidiaries	12	-	-	767,729,867	644,580,180
Investment properties	13	120,357,493	120,357,493	120,357,493	120,357,493
Building and equipment	14	383,984,663	379,278,437	360,192,223	346,698,738
Right-of-use assets	24	139,696,152	86,514,411	51,763,824	58,433,907
Rights to operate expressway sectors	15	31,920,531,506	31,701,521,503	27,241,674,791	26,965,266,678
Intangible asset under concession agreement of					
the MRT Blue Line Project	16	45,368,623,475	44,683,719,344	45,095,803,584	44,376,999,264
Project cost of the MRT Chalong Ratchadham Line	17	676,752,990	660,436,487	676,752,990	660,436,487
Prepaid project remuneration	6	9,775,518,134	7,307,904,942	9,775,518,134	7,307,904,942
Other intangible assets	18	48,351,411	63,165,051	45,676,244	58,266,063
Deferred tax assets	33	16,310,587	13,651,112	-	-
Other non-current assets		276,442,889	153,669,851	263,911,925	137,144,714
Total non-current assets		110,547,858,931	108,572,004,443	106,220,670,706	104,077,874,278
Total assets		115,088,499,436	113,615,758,299	110,210,353,671	108,675,020,053

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 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	19	2,000,000,000	3,000,000,000	2,000,000,000	3,000,000,000
Trade and other payables	20	1,492,413,420	1,744,651,781	1,422,538,023	1,749,756,519
Current portion of long-term loans from financial institutions	21	3,544,204,069	3,745,161,069	2,861,764,069	3,091,761,069
Current portion of lease liabilities	24	44,749,169	45,512,736	25,374,022	25,670,777
Current portion of debentures	22	3,000,000,000	4,615,000,000	3,000,000,000	4,615,000,000
Unearned fare box revenue	8	221,885,631	228,290,262	221,885,631	228,290,262
Deposits on stored value ticket		86,567,897	87,727,497	86,567,897	87,727,497
Income tax payable		27,693,411	41,623,582	-	-
Current portion of derivative financial liabilities		-	11,860,783	-	11,860,783
Other current financial liabilities		102,555,542	64,602,760	95,813,158	59,707,336
Other current liabilities					
Value added tax payable		52,830,593	64,913,271	36,124,502	49,916,533
Withholding tax deducted at source payable		39,536,369	59,123,553	37,340,349	56,273,728
Others		33,041,963	25,094,642	32,193,082	23,346,096
Total current liabilities		10,645,478,064	13,733,561,936	9,819,600,733	12,999,310,600
Non-current liabilities					
Long-term loans from financial institutions, net of current portion	21	25,609,412,070	23,670,054,666	23,275,884,296	21,002,958,324
Lease liabilities, net of current portion	24	92,659,628	40,912,590	25,628,758	32,841,181
Debentures, net of current portion	22	37,057,371,553	34,057,924,287	37,057,371,553	34,057,924,287
Derivative financial liabilities, net of current portion		95,880,794	173,936,021	95,880,794	173,936,021
Unearned revenue from advertising management rights	23	-	-	8,120,323	9,368,683
Provision for long-term employee benefits	25	770,896,288	932,330,697	744,829,551	904,695,538
Deferred tax liabilities	33	3,108,954,593	2,959,530,701	3,108,954,593	2,959,530,701
Other non-current liabilities		9,014,047	13,782,769	6,348,700	10,966,408
Total non-current liabilities		66,744,188,973	61,848,471,731	64,323,018,568	59,152,221,143
Total liabilities		77,389,667,037	75,582,033,667	74,142,619,301	72,151,531,743

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 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Shareholders' equity					
Share capital					
Registered					
15,285,000,000 ordinary shares of Baht 1 each		15,285,000,000	15,285,000,000	15,285,000,000	15,285,000,000
Issued and fully paid-up					
15,285,000,000 ordinary shares of Baht 1 each		15,285,000,000	15,285,000,000	15,285,000,000	15,285,000,000
Premium on ordinary shares		5,816,938,084	5,816,938,084	5,816,938,084	5,816,938,084
Capital deficit from change in shareholding in subsidiaries		(346,046,294)	(264,641,165)	-	-
Retained earnings					
Appropriated - statutory reserve	26	1,502,600,000	1,464,000,000	1,502,600,000	1,464,000,000
Unappropriated		15,193,997,725	15,572,592,087	7,030,014,932	7,651,651,354
Other components of shareholders' equity		244,792,547	117,510,065	6,433,181,354	6,305,898,872
Equity attributable to shareholders of the Company		37,697,282,062	37,991,399,071	36,067,734,370	36,523,488,310
Non-controlling interests of the subsidiaries		1,550,337	42,325,561	-	-
Total shareholders' equity		37,698,832,399	38,033,724,632	36,067,734,370	36,523,488,310
Total liabilities and shareholders' equity		115,088,499,436	113,615,758,299	110,210,353,671	108,675,020,053

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

Directors

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**
**Income statement**
**For the year ended 31 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Revenues					
Revenue from expressway business		6,450,160,064	8,144,975,668	5,490,299,714	6,942,076,712
Revenue from rail business		3,454,408,377	4,519,840,374	3,454,408,377	4,519,840,374
Revenue from commercial development business	28	822,153,949	824,644,414	745,500,142	723,606,929
Other income					
Gain on sale of investment in financial assets		-	3,530,367	-	3,364,485
Interest income		227,222,451	296,044,829	225,696,287	295,071,557
Dividend income	6	492,182,682	482,715,660	492,182,682	482,715,660
Others		35,461,769	50,809,869	250,713,778	237,817,480
Total revenues		11,481,589,292	14,322,561,181	10,658,800,980	13,204,493,197
Expenses					
Cost of expressway business		1,498,829,128	1,738,365,018	1,310,602,267	1,524,115,580
Cost of rail business		4,335,390,944	4,713,365,429	4,335,390,944	4,713,365,429
Cost of commercial development business		223,855,683	226,069,501	332,797,919	339,672,153
Amortisation on rights to operate completed expressway sectors and compensation for site acquisition cost	15	686,150,894	1,389,661,862	504,626,835	1,119,832,239
Amortisation on intangible asset under concession agreement of the MRT Blue Line Project	16	245,443,987	359,429,944	197,331,449	311,417,441
Selling expenses		91,863,188	169,847,473	37,074,946	95,023,623
Administrative expenses		1,068,048,787	1,176,670,273	993,062,770	1,094,579,751
Total expenses		8,149,582,611	9,773,409,500	7,710,887,130	9,198,006,216
Operating profit		3,332,006,681	4,549,151,681	2,947,913,850	4,006,486,981
Finance cost	31	(2,187,044,061)	(2,112,506,968)	(2,101,847,890)	(2,013,756,901)
Profit before income tax expenses		1,144,962,620	2,436,644,713	846,065,960	1,992,730,080
Income tax expenses	33	(133,911,711)	(381,919,095)	(74,203,093)	(294,796,464)
Profit for the year		1,011,050,909	2,054,725,618	771,862,867	1,697,933,616
Profit attributable to:					
Equity holders of the Company		1,010,097,493	2,051,090,045	771,862,867	1,697,933,616
Non-controlling interests of the subsidiaries		953,416	3,635,573		
		1,011,050,909	2,054,725,618		
Basic earnings per share					
Profit attributable to equity holders of the Company	34	0.07	0.13	0.05	0.11

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

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2021**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Profit for the year</b>		<u>1,011,050,909</u>	<u>2,054,725,618</u>	<u>771,862,867</u>	<u>1,697,933,616</u>
<b>Other comprehensive income</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) from cash flow hedges, net of income tax		<u>71,932,808</u>	<u>(58,489,304)</u>	<u>71,932,808</u>	<u>(58,489,304)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax		<u>71,932,808</u>	<u>(58,489,304)</u>	<u>71,932,808</u>	<u>(58,489,304)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on investments in equity designated at fair value through other comprehensive income, net of income tax		<u>55,349,674</u>	<u>(1,359,788,928)</u>	<u>55,349,674</u>	<u>(1,359,788,928)</u>
Actuarial gain, net of income tax	25	<u>178,424,063</u>	<u>26,618,808</u>	<u>173,600,711</u>	<u>26,618,808</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax		<u>233,773,737</u>	<u>(1,333,170,120)</u>	<u>228,950,385</u>	<u>(1,333,170,120)</u>
<b>Other comprehensive income for the year</b>		<u>305,706,545</u>	<u>(1,391,659,424)</u>	<u>300,883,193</u>	<u>(1,391,659,424)</u>
<b>Total comprehensive income for the year</b>		<u>1,316,757,454</u>	<u>663,066,194</u>	<u>1,072,746,060</u>	<u>306,274,192</u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		<u>1,315,788,120</u>	<u>659,430,621</u>	<u>1,072,746,060</u>	<u>306,274,192</u>
Non-controlling interests of the subsidiaries		<u>969,334</u>	<u>3,635,573</u>		
		<u>1,316,757,454</u>	<u>663,066,194</u>		

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

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to the shareholders of the Company										
						Other components of shareholders' equity					
	Issued and	Premium on	Capital deficit	Retained earnings		Other comprehensive income		Total other	Total equity	Equity attributable	
	paid-up	ordinary shares	from change in	Appropriated -	Unappropriated	Cash flow	Fair value	components of	attributable to	to non-controlling	Total
	share capital		shareholding	statutory reserve		hedge reserve	reserve	shareholders' equity	of the Company	the subsidiaries	shareholders' equity
Balance as at 1 January 2020	15,285,000,000	5,816,938,084	(256,942,521)	1,379,090,000	14,955,443,234	(90,148,139)	1,625,936,436	1,535,788,297	38,715,317,094	42,461,657	38,757,778,751
Profit for the year	-	-	-	-	2,051,090,045	-	-	-	2,051,090,045	3,635,573	2,054,725,618
Other comprehensive income for the year	-	-	-	-	26,618,808	(58,489,304)	(1,359,788,928)	(1,418,278,232)	(1,391,659,424)	-	(1,391,659,424)
Total comprehensive income for the year	-	-	-	-	2,077,708,853	(58,489,304)	(1,359,788,928)	(1,418,278,232)	659,430,621	3,635,573	663,066,194
Investment in subsidiary (Note 12)	-	-	(7,698,644)	-	-	-	-	-	(7,698,644)	(3,771,669)	(11,470,313)
Transferred to statutory reserve (Note 26)	-	-	-	84,910,000	(84,910,000)	-	-	-	-	-	-
Dividend paid (Note 35)	-	-	-	-	(1,375,650,000)	-	-	-	(1,375,650,000)	-	(1,375,650,000)
Balance as at 31 December 2020	15,285,000,000	5,816,938,084	(264,641,165)	1,464,000,000	15,572,592,087	(148,637,443)	266,147,508	117,510,065	37,991,399,071	42,325,561	38,033,724,632
Balance as at 1 January 2021	15,285,000,000	5,816,938,084	(264,641,165)	1,464,000,000	15,572,592,087	(148,637,443)	266,147,508	117,510,065	37,991,399,071	42,325,561	38,033,724,632
Profit for the year	-	-	-	-	1,010,097,493	-	-	-	1,010,097,493	953,416	1,011,050,909
Other comprehensive income for the year	-	-	-	-	178,408,145	71,932,808	55,349,674	127,282,482	305,690,627	15,918	305,706,545
Total comprehensive income for the year	-	-	-	-	1,188,505,638	71,932,808	55,349,674	127,282,482	1,315,788,120	969,334	1,316,757,454
Investment in subsidiary (Note 12)	-	-	(81,405,129)	-	-	-	-	-	(81,405,129)	(41,744,558)	(123,149,687)
Transferred to statutory reserve (Note 26)	-	-	-	38,600,000	(38,600,000)	-	-	-	-	-	-
Dividend paid (Note 35)	-	-	-	-	(1,528,500,000)	-	-	-	(1,528,500,000)	-	(1,528,500,000)
Balance as at 31 December 2021	15,285,000,000	5,816,938,084	(346,046,294)	1,502,600,000	15,193,997,725	(76,704,635)	321,497,182	244,792,547	37,697,282,062	1,550,337	37,698,832,399

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

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the year ended 31 December 2021**

(Unit: Baht)

	Separate financial statements							
					Other components of shareholders' equity			
			Retained earnings		Other comprehensive income		Total other	
	Issued and paid-up	Premium on	Appropriated -		Cash flow	Fair value	components of	Total
	share capital	ordinary shares	statutory reserve	Unappropriated	hedge reserve	reserve	shareholders' equity	shareholders' equity
Balance as at 1 January 2020	15,285,000,000	5,816,938,084	1,379,090,000	7,387,658,930	(90,148,139)	7,814,325,243	7,724,177,104	37,592,864,118
Profit for the year	-	-	-	1,697,933,616	-	-	-	1,697,933,616
Other comprehensive income for the year	-	-	-	26,618,808	(58,489,304)	(1,359,788,928)	(1,418,278,232)	(1,391,659,424)
Total comprehensive income for the year	-	-	-	1,724,552,424	(58,489,304)	(1,359,788,928)	(1,418,278,232)	306,274,192
Transferred to statutory reserve (Note 26)	-	-	84,910,000	(84,910,000)	-	-	-	-
Dividend paid (Note 35)	-	-	-	(1,375,650,000)	-	-	-	(1,375,650,000)
Balance as at 31 December 2020	15,285,000,000	5,816,938,084	1,464,000,000	7,651,651,354	(148,637,443)	6,454,536,315	6,305,898,872	36,523,488,310
Balance as at 1 January 2021	15,285,000,000	5,816,938,084	1,464,000,000	7,651,651,354	(148,637,443)	6,454,536,315	6,305,898,872	36,523,488,310
Profit for the year	-	-	-	771,862,867	-	-	-	771,862,867
Other comprehensive income for the year	-	-	-	173,600,711	71,932,808	55,349,674	127,282,482	300,883,193
Total comprehensive income for the year	-	-	-	945,463,578	71,932,808	55,349,674	127,282,482	1,072,746,060
Transferred to statutory reserve (Note 26)	-	-	38,600,000	(38,600,000)	-	-	-	-
Dividend paid (Note 35)	-	-	-	(1,528,500,000)	-	-	-	(1,528,500,000)
Balance as at 31 December 2021	15,285,000,000	5,816,938,084	1,502,600,000	7,030,014,932	(76,704,635)	6,509,885,989	6,433,181,354	36,067,734,370

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

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2021**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>				
Profit before tax	1,144,962,620	2,436,644,713	846,065,960	1,992,730,080
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Amortisation and depreciation	1,128,606,378	1,857,979,562	864,000,911	1,504,206,025
Allowance for expected credit losses (reversal)	2,809,203	(548,274)	2,305,818	389,846
Revenue recognition of unearned revenue from advertising management rights	-	-	(1,248,360)	(1,248,360)
Withholding tax deducted at source written off	1,060,664	605,265	-	-
Gain on sale of investments in financial assets	-	(3,530,367)	-	(3,364,485)
Gain on fair value adjustments of financial assets	(4,395,586)	(14,508,454)	(4,395,586)	(14,395,453)
Gain on disposal/write-off of equipment, intangible assets and right-of-use asset	(6,071,738)	(2,876,113)	(6,100,477)	(2,875,367)
Project remuneration expense	220,635,284	350,690,055	220,635,284	350,690,055
Compensation for site acquisition cost	-	61,467,080	-	61,467,080
Provision for long-term employee benefits	93,139,079	109,639,862	88,678,311	105,479,749
Unrealised (gain) loss on exchange rate	(283,854)	22,541	(283,854)	22,541
Effect of reduction in rental expenses	(3,381,343)	(19,715)	(65,488)	(23,705)
Interest income	(227,222,451)	(296,044,829)	(225,696,287)	(295,071,557)
Dividend income	(492,182,682)	(482,715,660)	(492,182,682)	(482,715,660)
Interest expenses	<u>2,163,893,619</u>	<u>2,080,911,700</u>	<u>2,079,408,674</u>	<u>1,982,968,396</u>
Profit from operating activities before changes in operating assets and liabilities	4,021,569,193	6,097,717,366	3,371,122,224	5,198,259,185
Operating assets (increase) decrease				
Bank deposit for unearned fare box revenue	(714,335)	(18,789,610)	(714,335)	(18,789,610)
Trade and other receivables	106,486,620	(55,567,070)	69,254,207	(27,843,277)
Receivable under the concession agreement	1,649,683,274	1,649,683,274	1,649,683,274	1,649,683,274
Other current assets	(42,050,038)	12,089,492	(40,886,213)	15,659,000
Other non-current assets	(2,232,967)	11,443,912	(1,390,114)	4,267,146
Cash paid for project remuneration	(2,679,657,407)	(2,559,221,912)	(2,679,657,407)	(2,559,221,912)
Operating liabilities increase (decrease)				
Trade and other payables	(186,562,594)	157,100,847	(254,182,507)	192,259,854
Unearned fare box revenue	(6,404,631)	16,055,838	(6,404,631)	16,055,838
Deposits on stored value ticket	(1,159,600)	7,780,700	(1,159,600)	7,780,700
Other current liabilities	14,230,241	(41,394,911)	12,227,398	(43,248,315)
Other non-current liabilities	(4,768,722)	11,563,379	(4,617,708)	10,966,408
Cash paid for long-term employee benefits	<u>(31,543,409)</u>	<u>(36,876,553)</u>	<u>(31,543,409)</u>	<u>(36,876,553)</u>
Net cash flows from operating activities	2,836,875,625	5,251,584,752	2,081,731,179	4,408,951,738
Cash received from interest income	227,222,838	296,045,709	225,696,626	294,675,868
Cash paid for income tax	<u>(194,699,585)</u>	<u>(196,270,863)</u>	<u>(115,868,135)</u>	<u>(125,377,096)</u>
<b>Net cash flows from operating activities</b>	<u>2,869,398,878</u>	<u>5,351,359,598</u>	<u>2,191,559,670</u>	<u>4,578,250,510</u>

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

**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2021**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from investing activities</b>				
Cash received from sales of financial assets designated at FVTPL	-	3,904,702,827	-	3,554,887,078
Cash paid for purchase of financial assets designated at FVTPL	-	(3,492,504,112)	-	(3,164,155,634)
Cash received from sale of financial assets designated at FVOCI	-	2,310,374	-	2,310,374
Cash paid for purchase of financial assets designated at FVOCI	-	(526,342,927)	-	(526,342,927)
Cash paid for purchase of investments in subsidiary	(123,149,687)	(11,470,313)	(123,149,687)	(11,470,313)
Cash received from long-term loans to related party	-	-	-	37,000,000
Cash received from sales of equipment and right-of-use asset	7,848,476	5,355,862	7,848,476	5,355,115
Purchase of equipment	(87,435,912)	(127,506,633)	(80,109,505)	(118,223,608)
Cash received from interest income	-	-	-	396,459
Cash received from dividend income	492,182,682	482,715,660	492,182,682	482,715,660
Cash paid for the improvement of expressway	(845,461,302)	(827,337,637)	(733,058,659)	(824,517,416)
Cash paid for intangible asset under concession agreement of the MRT Blue Line Project	(1,102,154,189)	(2,987,424,067)	(1,088,137,240)	(2,972,884,669)
Cash paid for project cost of the MRT Chalong Ratchadham Line	(61,270,758)	(39,120,693)	(61,270,758)	(39,120,693)
Interest expenses capitalised as cost of projects	-	(90,275,175)	-	(90,275,175)
Increase in other intangible assets	(11,515,081)	(17,419,060)	(11,494,081)	(15,440,960)
<b>Net cash flows used in investing activities</b>	<u>(1,730,955,771)</u>	<u>(3,724,315,894)</u>	<u>(1,597,188,772)</u>	<u>(3,679,766,709)</u>
<b>Cash flows from financing activities</b>				
Cash received form short-term loan from financial institution	5,200,000,000	9,300,000,000	5,200,000,000	9,300,000,000
Repayment of short-term loans from financial institution	(6,200,000,000)	(9,550,000,000)	(6,200,000,000)	(9,550,000,000)
Cash received from long-term loans from financial institutions	5,000,000,000	5,299,998,000	5,000,000,000	5,299,998,000
Repayment of long-term loans from financial institutions	(3,403,941,069)	(2,853,940,069)	(3,091,761,069)	(2,541,760,069)
Cash payment for lease liabilities	(67,283,541)	(44,427,542)	(47,488,832)	(26,254,320)
Cash received from debentures	6,000,000,000	3,000,000,000	6,000,000,000	3,000,000,000
Cash paid for redemption of debentures	(4,615,000,000)	(2,500,000,000)	(4,615,000,000)	(2,500,000,000)
Cash paid for financial fees	(25,042,356)	(8,815,078)	(25,042,356)	(8,815,078)
Interest paid	(1,980,892,338)	(1,984,375,214)	(1,904,696,102)	(1,890,616,670)
Dividend paid	(1,528,500,000)	(1,375,650,000)	(1,528,500,000)	(1,375,650,000)
<b>Net cash flows used in financing activities</b>	<u>(1,620,659,304)</u>	<u>(717,209,903)</u>	<u>(1,212,488,359)</u>	<u>(293,098,137)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(482,216,197)	909,833,801	(618,117,461)	605,385,664
Cash and cash equivalents at beginning of year	<u>1,613,584,108</u>	<u>703,750,307</u>	<u>1,214,091,489</u>	<u>608,705,825</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,131,367,911</u>	<u>1,613,584,108</u>	<u>595,974,028</u>	<u>1,214,091,489</u>

**Supplemental cash flows information**

Non-cash items consist of:

Increase in other payable from acquisition of equipment	966,134	20,126,650	672,774	20,126,650
Increase in payable from cost of expressway improvement	55,179,489	-	47,976,289	-
Increase in payable from the MRT Chalong Ratchadham Line	16,430,973	-	16,430,973	-
Increase in right-of-use assets from lease liabilities	119,270,679	38,106,955	38,357,588	35,658,330

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



**Bangkok Expressway and Metro Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2021**

**1. General information**

**1.1 Corporate information**

Bangkok Expressway and Metro Public Company Limited (“the Company”) is a public company incorporated from an amalgamation on 30 December 2015 and domiciled in Thailand. The Company’s major shareholder is the CH. Karnchang Public Company Limited, which is a public company incorporated in Thailand. The registered office of the Company is at 587 Sutthisarn Road, Ratchacaphisek Subdistrict, Dindaeng District, Bangkok. The Company has four branches.

The Company is principally engaged in the construction and management of expressways, the operation of metro services and commercial development. Details are as follows:

**A. Construction and management of expressways**

The Group has been granted concessions by the Expressway Authority of Thailand (“EXAT”) for the construction and management of expressways, as follows:

**A.1 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, as a concessionaire, invested in the design, construction and management of expressways. These consists of 4 sectors: Sector A (Rama IX-Ratchadapisek), Sector B (Phayathai-Bangkhlo), Sector C (Ratchadapisek-Chaeng Watthana) and Sector D (Rama IX-Srinagarindra). The concession periods are 30 years commencing on 1 March 1990 for Sector A, Sector B and Sector C, and on 17 April 1997 for Sector D. The EXAT has the rights to collect all toll revenues and is to compensate the Company in the form of toll revenue sharing at the rates specified in the concession agreement, throughout the concession period. The Company has the rights to extend the concession for two further periods of 10 years each, depending upon terms and conditions that are to be agreed between the parties.

On 20 February 2020, the Company and EXAT signed the Second Stage Expressway Agreement (Amendment). The Company was granted extensions to 31 October 2035 of the terms of the existing agreements for both 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.

- A.2 The Si Rat - Outer Ring Road Expressway Project, under a concession agreement in respect of the investment, design, construction, management, operation and maintenance.

The Company, as concessionaire, invested in the design, construction, management, operation and maintenance of the Si Rat - Outer Ring Road Expressway Project, and is also responsible for expressway operation expenses throughout the concession period, which is for 30 years commencing on 15 December 2012. The Company has the rights to collect all toll revenue and all other related income, and the Company agreed in the concession agreement to share toll revenues received to the EXAT, throughout the concession period.

The Si Rat - Outer Ring Road Expressway started operation on 22 August 2016.

- A.3 The Udon Rattaya Expressway Project under the Bang Pa-In - Pak Kret Expressway Agreement in respect of the construction and management of the expressway project of a subsidiary.

The Subsidiary, as concessionaire, invested in the design, construction and management of the expressway, together with related business under a 30-year concession commencing on 27 September 1996. The EXAT has the rights to collect all toll revenue and is to compensate the Subsidiary in the form of revenue sharing at the rates specified in the concession agreement, throughout the concession period. The Subsidiary has the rights to extend the concession for two further periods of 10 years each, depending upon terms and conditions that are to be agreed between the parties.

On 20 February 2020, the subsidiary and EXAT signed the Bang Pa-In - Pak Kret Expressway Project Agreement (Amendment). 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.

## B. Operation of metro services

The Company received concessions from the Mass Rapid Transit Authority of Thailand (“MRTA”) to operate metro services, as follows:

### B.1 The MRT Blue Line Project.

The Company, as concessionaire of the MRTA Initial System Project - Chaloem Ratchamongkhon Line (The MRT Blue Line: Hua Lamphong Station - Bang Sue Station) under the MRTA Initial System Project - Chaloem Ratchamongkhon Line, invested in M&E Equipment and is to operate and maintain the MRTA Initial System for a concession period of 25 years, commencing on 2 July 2004.

On 31 March 2017, the Company signed the MRT Blue Line Concession Agreement for a concession period of approximately 33 years under the Build, Transfer and Operate basis, with the MRTA. The MRT Blue Line Project consists of the MRTA Initial System Project - Chaloem Ratchamongkhon Line: Hua Lamphong Station-Bang Sue Station and the MRT Blue Line Extension: Hua Lamphong Station-Lak Song Station and Bang Sue Station-Tha Phra Station.

Under the MRT Blue Line Concession Agreement, a concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line is deemed to be part of the MRT Blue Line Concession Agreement, and only the clauses relating the rights, duties and provisions with respect to fares, fare rates and payment of remuneration to the MRTA will remain in effect until the end of the concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line.

The Company, as concessionaire of the MRT Blue Line Concession Agreement is responsible for the supply, installation and testing of the M&E Systems of the MRT Blue Line Extension Project (Phase 1 of the concession, which has a terms of 36 months) and operation of the Through Operation systems of the MRT Blue Line Project (Phase 2 of the concession, which has a term of 30 years from the commencement date of the revenue-generating service on all sectors). The Company has rights, duties and obligations to claim, collect, and retain all fares, and to generate

revenue from commercial development, and is responsible for all investment, payment of operating costs, and payment of remuneration to the MRTA in accordance with the Concession.

The Company is required to gradually commence operation of the MRT Blue Line Extension Project in 3 sectors.

Sector 1: Bang Sue Station-Tao Poon Station within 15 August 2017.

Sector 2: Hua Lamphong Station-Lak Song Station within 30 months.

Sector 3: Tao Poon Station-Tha Phra Station within 36 months.

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).

- B.2 The MRT Chalong Ratchadham Line Project (Bang Yai-Rat Burana, Bang Yai-Bang Sue Section (Klong Bang Phai Station-Tao Poon Station)) (the "MRT Purple Line Project") Contract 4: Concession for Supply of M&E Systems and O&M Services.

The Company, as concessionaire, invested in the M&E Systems and rolling stock. In addition, the Company provides operation and maintenance services. The MRTA has the rights to collect fare box revenues and commercial revenues from the use of all civil infrastructure and the M&E Systems, and is to compensate the Company in the form of M&E Systems equipment costs (Phase I) and operation and maintenance service fees (Phase II). Details are as below:

Phase I: Design and Build

The Company is to design, supply, install and test the M&E Systems. In return the Company is to receive remuneration and interest totaling Baht 20,011 million from the MRTA in the form of monthly payments over a period of 10 years, beginning from the date of the Commissioning Certificate.

On 6 August 2016, the Company delivered the M&E Systems and Rolling Stocks under Phase 1 of the concession agreement to the MRTA and recorded amounts receivable from the MRTA under the account of receivable under the concession agreement, as described in Note 10 to the financial statements.

### Phase II: O&M services

The Company is responsible for the operation of metro services, including repair, maintenance and improvement of all equipment and materials related to the civil infrastructure works and M&E Systems from the date specified in the Commissioning Certificate until the end of the concession period. In addition, the Company shall transfer rights of civil infrastructure and M&E Systems to the MRTA when the concession agreement ends. The compensation for Phase II under the agreement, amounting to approximately Baht 57,208 million (excluding escalations for inflation and adjustments to reflect electricity prices), will be paid to the Company on a monthly basis until the expiration of the concession agreement (3 September 2043).

On 6 August 2016, the Company is delivered the operating civil infrastructure and M&E Systems equipment of the MRT Chalong Ratchadham Line from the MRTA.

On that day, the operation of the MRT Chalong Ratchadham Line Project officially started.

- C. Commercial development business, which consists of commercial developments related to the expressways and the operation of metro services.

On 1 October 2018, the Company and Bangkok Metro Network Limited (a subsidiary company) agreed to terminate and replace the amendment to the commercial development rights agreement dated 11 March 2015, and terminate the contract granting commercial development rights to manage advertising services through the Passenger Information Display System (PIDs) dated 1 January 2010. Under the agreements, the Company transferred the commercial development rights to provide services relating to the MRTA Initial System Project - Chaloem Ratchamongkhon Line and to manage advertising services through PIDs in the MRTA Initial System Project - Chaloem Ratchamongkhon Line to the subsidiary. It also had the rights to receive commercial development revenue and share the revenue with the Company at the rates specified in the agreement. On the same day, the Company and the subsidiary entered into a management agreement for commercial development of the MRT Blue Line Project (the MRTA Initial System Project - Chaloem Ratchamongkhon Line and the MRT Blue Line Extension Project). Under this agreement, the Company authorised the subsidiary to act on its behalf in managing commercial development and advertising services through the Passenger Information Display System (PIDs) for the MRT Blue Line Project. The contract will expire in July 2029, and the Company is to pay a management fee to the subsidiary based on the specified rate. Therefore, for the period from 1 October 2018, the Company has recorded revenue and expenses relating to commercial development of the MRT Blue Line Project in profit or loss of the Company.

## 1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting various businesses and industries. This situation significantly affects the Group's business activities in terms of commuter numbers on both the expressway and metro systems and this significantly impacts the Group's revenue while opening hours are reduced and organisations are supporting work from home policies. The Group's management has continuously monitored ongoing developments and assessed the financial impact and has used estimates and judgement in respect of various issues as the situation has evolved.

## 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Bangkok Expressway and Metro Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries"). Details are as follows:

Company's name	Nature of business	Country of incorporation	Proportion of Shareholding	
			<u>2021</u> (Percent)	<u>2020</u> (Percent)
Northern Bangkok Expressway Company Limited	Operation and management of Bang Pa-In - Pak Kret Expressway project	Thailand	99.99	99.99
Bangkok Metro Networks Limited	Management on commercial development of the MRT project and Expressway	Thailand	99.67	90.52

As described in Note 12 to the financial statements, the Company made an additional investment in 9.15 percent of the issued and fully paid up share capital of Bangkok Metro Network Limited in May 2021.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investment in subsidiaries presented under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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 Group has adopted the temporary exemptions from applying specific hedge accounting requirements in accordance with TFRS 9, *Financial Instruments*, and TFRS 7, *Disclosure of Financial Instruments*, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The adoption of these temporary exemptions does not have any significant impact on the Group's financial statements.

### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### **a) Toll revenue recognition**

Toll revenue represent the invoiced value, excluding value added tax, at a point in time upon completion of the service.

#### **b) Toll revenue sharing recognition**

Toll revenue sharing represent the invoiced value, excluding value added tax, on accrual basis.

#### **c) Fare box revenue recognition**

Smart card and smart token sales are recognised as revenue at a point in time upon completion of the service. Prepaid value in stored value smart cards is recorded as unearned fare box revenue in current liabilities in the statement of financial position.

#### **d) Revenue recognition from provision of operating services**

Revenue from provision of operating services is recognised over time when services have been rendered, excluding value added tax. Service rate charged is in accordance with rates stipulated in the agreement.

#### **e) Revenue recognition from commercial development revenue**

Commercial development revenue is recognised over time when services have been rendered.



## **f) Other revenues and expenses recognition**

### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Interest income from receivable under the concession agreement is realised over the installment period using the effective interest rate method. Interest income is recognised when installments come due, regardless of whether collection is made, and is presented under interest income in profit and loss.

### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### **Dividends**

Dividends are recognised when the rights to receive the dividends is established.

### **Other expenses**

Expenses are recognised on accrual basis.

## **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## **4.3 Investments in subsidiaries**

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

## **4.4 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

No depreciation has been provided for land awaiting sales.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.5 Building and equipment and depreciation

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building and construction improvement	5 years, 20 years
Furniture, fixture and equipment	3 - 5 years
Vehicles	5 - 16 years

Depreciation is included in determining income. No depreciation has been provided for assets under installations.

An item of building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.7 Amortisation of rights to operate expressway sectors and amortisation

Rights to operate expressway sectors represent the cost of construction of the Second Stage Expressway System, the Si Rat - Outer Ring Road Expressway and the Bang Pa-In - Pak Kret Expressway. It is stated at cost less accumulated amortisation and allowance for loss on impairment (if any).

The rights to operate completed expressway sectors are amortised as expenses in income statements with the unit of throughput method over the concession period as follows:

Amortisation for the year = Net rights to operate expressway sectors x Percentage of the number of vehicle volume for the year

Percentage of the number of vehicles volume for the year = 
$$\frac{\text{Current year's number of actual vehicle volume}}{(\text{Current year's number of actual vehicle volume} + \text{Projected vehicle volume for the remaining years of the agreement})}$$

Equipment to operate expressway sectors purchased during the concession period and having a limited useful life is depreciated on a straight-line basis over the estimated useful life or residual life of the concession period, whichever is less, as follows:

Toll collection system equipment and traffic management system equipment	7 years and concession period
Other equipment	5 years, 15 years and concession period

Amortisation of the expressway sectors is included in profit or loss. No amortisation is provided on assets under construction.

#### **4.8 Rights to use sites for expressway and amortisation**

The Company initially recorded the rights to use sites for expressway at cost, equal to the present value of future compensation for site acquisition cost to be paid to the EXAT under the Second Stage Expressway System agreement. Following initial recognition, the rights are carried at cost less accumulated amortisation and allowance for loss on impairment (if any).

The Company amortises the rights to use sites for expressway as an expense in the income statement is proportion to the number of actual vehicle volume. The Company reviews for impairment of the asset whenever there are indications of impairment and reviews the amortisation method at least once per year.

#### **4.9 Intangible assets under concession agreement of the MRT Blue Line Project and amortisation**

Intangible assets under concession agreement of the MRT Blue Line Project are stated at cost less accumulated amortisation and allowance for loss on impairment (if any).

The Group capitalised as assets all expenditures related to the MRT Blue Line Project, which including management and consultant fees, design costs, electrical and mechanical works and rolling stock purchased during the concession period, interest and other financing expenses. These will be amortised to expenses over the concession period after the commencement of operations.

##### Equipment - Metro system

The Company has been adopting the unit of throughput method to amortise such intangible assets, which related to equipment of metro system, over concession period of the MRT Blue Line Project and based on the following methodology:

$$\text{Amortisation for the year} = \text{Net intangible assets under concession agreement of the MRT Blue Line Project} \times \text{Percentage of passengers for the year}$$

$$\text{Percentage of Passengers for the year} = \frac{\text{Current year's actual passengers}}{(\text{Actual passengers for the current year} + \text{Projected passengers through the remaining concession year})}$$

#### Equipment - Other system

Amortisation of intangible assets under the concession agreement of the MRT Blue Line Project related to other system such as station's equipment rental area improvement, telecommunication equipment at station, advertising equipment etc. is calculated by reference to its cost on the straight-line basis over the following estimated useful lives:

Electrical equipment and station's rental area improvement	5 years and concession period
Telecommunication equipment	5 years and concession period
Advertising equipment	5 - 7 years

Amortisation of intangible assets under concession agreement of the MRT Blue Line Project is included in profit or loss. No amortisation is provided on assets under installations.

#### **4.10 Project cost of the MRT Chalong Ratchadham Line and amortisation**

Project cost of the MRT Chalong Ratchadham Line is stated at cost less accumulated amortisation and allowance for loss on impairment (if any). The amortisation is calculated on the straight-line basis over the concession period.

The amortisation is included in profit or loss. No amortisation is provided on project cost under installations.

#### **4.11 Prepaid project remuneration**

The Company records remuneration expense of the MRT Blue Line Project in profit or loss for each year based on the proportion of projected remuneration to projected revenue under the concession agreement over the concession period. Differences between the remuneration that the Company pays to the MRTA and the recognised remuneration expenses are recorded under "prepaid project remuneration" in the statement of financial position.

The proportion of projected remuneration to projected revenue under the concession agreement of the MRT Blue Line Project is reviewed at least once a year.

#### **4.12 Other intangible assets and amortisation**

The Group is initially recognised intangible assets at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and allowance for loss on impairment (if any).

Intangible assets with finite useful lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation is include in profit or loss.

The intangible assets with finite useful lives is computer software with 3 years, 5 years and 10 years useful lives.

#### **4.13 Leases**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Building and construction improvement	3 - 6 years
Vehicles	5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

##### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

The Group discounted the present value of the lease payments 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 change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**4.14 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group's operations.

**4.15 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

**4.16 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the building and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.17 Employee benefits**

##### ***Short-term employee benefits***

The Group will recognise salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

##### ***Post-employment benefits***

###### **Defined contribution plans**

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the contributions of the Group is recognised as expenses when incurred.

###### **Defined benefit plans**

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **4.18 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.19 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## **4.20 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition 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 at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.



Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets designated at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.21 Derivatives and hedge accounting**

The Group uses derivative which is an interest rate swaps to hedge its interest rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

## **Hedge accounting - Cash flow hedges**

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

#### **4.22 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement 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

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

## **Leases**

### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes credit risks for both bank and counter parties consideration of liquidity, correlation and longer-term volatility of financial instruments. Change in assumption which is related to calculating input, could affect fair value in financial statement and the disclosure of fair value hierarchy.

## **Impairment of investment in subsidiaries**

The Company reviews impairment of investment in subsidiaries, which requires management to prepare projection of the cash flow expected to be generated by the investment in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## **Building improvement and equipment/Depreciation**

In determining depreciation of building improvement and equipment, the management is required to make estimates of the useful lives and residual values of the Company's building improvement and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review building improvement and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### **Amortisation of rights to operate completed expressway sectors and rights to use sites for expressway construction**

In determining amortisation of rights to operate completed expressway sectors and rights to use sites for expressway construction, the management has to project vehicle volume after current year for the remaining years of the agreement. Vehicle volume is projected based on the number of vehicles as assessed by an independent appraiser, and adjusted by comparison to actual vehicle volume. However, the actual vehicle volume in the future could differ from the estimate depending upon changes in external factors that may affect toll rates and vehicle volume.

#### **Amortisation of intangible asset under concession agreement of the MRT Blue Line Project**

In determining amortisation of intangible asset under the concession agreement of the MRT Blue Line Project, the management has to project the number of passengers after current year for the remaining years of the agreement. Various assumptions needed to project by an accredited independent valuer, such as traffic model, network rail, average cost of fuel, and fare structure.

#### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### **Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the year, 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 year summarised below.

<u>Name of related parties</u>	<u>Relationship with the Company</u>
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 for the year ended 31 December 2021 and 2020 are summarised below.

(Unit: Million Baht)

	<u>Consolidated</u>		<u>Separate</u>		<u>Pricing policy</u>
	<u>financial statements</u>		<u>financial statements</u>		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with major shareholder</u>					
Cost of rail projects	137	1,991	137	1,991	Based on contracts
Cost of expressway improvement	827	814	758	814	Based on contracts
Expressway and civil works maintenance expenses	338	585	338	585	Based on contracts
Office rental and service expenses	9	9	-	-	Based on contracts
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Commercial development revenue	-	-	3	3	Based on contracts
Project management income	-	-	228	209	Based on contract
Commercial development management fee	-	-	240	276	Based on contract

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<b><u>Transactions with related companies</u></b>					
Interest income from M&E Systems	218	277	218	277	FDR plus stipulated margin per annum
Dividend income	492	483	492	483	As declared
Cost of commercial development	10	10	-	-	Based on contract
Remuneration from fare box (Inclusive of VAT)	203	332	203	332	Concession agreement
Remuneration from commercial development	18	19	18	19	Concession agreement
Property tax	3	3	3	2	At the rates charged by Bangkok Metropolitan Administration
Utility expenses	2	2	2	2	Based on contract

As at 31 December 2021 and 2020, the balances of the accounts between the Group and related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b><u>Trade and other receivables (Note 9)</u></b>				
<b><u>Trade receivables</u></b>				
Bangkok Metro Networks Limited	-	-	220	1,271
Mass Rapid Transit Authority of Thailand	356,058	349,988	356,058	349,988
Total	356,058	349,988	356,278	351,259
<b><u>Other receivables</u></b>				
Northern Bangkok Expressway Company Limited	-	-	20,330	19,795
Bangkok Metro Networks Limited	-	-	-	11
Total	-	-	20,330	19,806
<b><u>Guarantees for rental</u></b>				
CH. Karnchang Public Company Limited	1,914	1,914	-	-
<b><u>Advance payment under service contract</u></b>				
CH. Karnchang Public Company Limited	37,611	10,829	35,036	10,829
<b><u>Receivable under the concession agreement (Note 10)</u></b>				
Mass Rapid Transit Authority of Thailand	7,561,049	9,210,732	7,561,049	9,210,732
<b><u>Prepaid project remuneration</u></b>				
Mass Rapid Transit Authority of Thailand	9,775,518	7,307,905	9,775,518	7,307,905



(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b><u>Trade and other payables (Note 20)</u></b>				
Bangkok Metro Networks Limited	-	-	21,443	123,240
CH. Karnchang Public Company Limited	85,757	401,750	79,667	401,645
Mass Rapid Transit Authority of Thailand	234,105	224,992	234,105	224,992
Others	324	320	320	320
Total	<u>320,186</u>	<u>627,062</u>	<u>335,535</u>	<u>750,197</u>
<b><u>Retention guarantees</u></b>				
CH. Karnchang Public Company Limited	<u>87,990</u>	<u>50,783</u>	<u>84,862</u>	<u>50,783</u>
<b><u>Guarantees for rental</u></b>				
Bangkok Metro Networks Limited	<u>-</u>	<u>-</u>	<u>723</u>	<u>903</u>
<b><u>Unearned revenue from advertising management rights (Note 23)</u></b>				
Bangkok Metro Networks Limited	<u>-</u>	<u>-</u>	<u>9,369</u>	<u>10,618</u>

### **Directors and management's remuneration**

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	106,457	157,588	90,435	137,212
Post-employment benefits	<u>7,300</u>	<u>9,694</u>	<u>6,448</u>	<u>8,556</u>
Total	<u>113,757</u>	<u>167,282</u>	<u>96,883</u>	<u>145,768</u>

## **7. Cash and cash equivalents**

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	39,732	46,566	36,435	43,083
Bank deposits	<u>1,091,636</u>	<u>1,567,018</u>	<u>559,539</u>	<u>1,171,008</u>
Total	<u>1,131,368</u>	<u>1,613,584</u>	<u>595,974</u>	<u>1,214,091</u>

The Company has pledged the bank accounts used to deposit moneys received for work on the MRT Chalong Ratchadham Line Project (Note 10) 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 21 to the financial statements.

As at 31 December 2021, the balance of the pledged bank account amounted to Baht 1,029 (2020: Baht 1,028).

## 8. 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.

## 9. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Trade receivables</u>				
Trade receivables				
- Related parties (Note 6)	356,058	349,988	356,278	351,259
- Unrelated parties	112,043	165,407	93,550	134,225
Less: Allowance for expected credit losses	(3,199)	(390)	(2,696)	(390)
Total trade receivables - net	464,902	515,005	447,132	485,094
<u>Other receivables</u>				
Other receivables				
- Related parties (Note 6)	-	-	20,330	19,795
- Unrelated parties	2,263	29,098	1,934	3,690
Accrued income				
- Related parties (Note 6)	-	-	-	11
- Unrelated parties	6,087	4,800	5,439	4,161
Total other receivables	8,350	33,898	27,703	27,657
Trade and other receivables - net	473,252	548,903	474,835	512,751

Most of the trade receivables of the Group was within their credit terms or past due up to 3 months. As at 31 December 2021, the outstanding balances of trade receivables in the consolidated and separate financial statements that are one year past due amounted to approximately Baht 1.1 million and Baht 0.8 million, respectively (2020: consolidated financial statement: Baht 0.3 million, Separate financial statements: Nil).

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Beginning balance	390	938	390	-
Provision for expected credit losses	2,809	390	2,306	390
Amount written off	-	(938)	-	-
Ending balance	<u>3,199</u>	<u>390</u>	<u>2,696</u>	<u>390</u>

#### 10. Receivable under the concession agreement

	(Unit: Thousand Baht)	
	Consolidated and	
	Separate financial statements	
	<u>2021</u>	<u>2020</u>
Net book value at the beginning of the year	9,210,732	10,860,415
Collection	(1,649,683)	(1,649,683)
Net book value at the end of the year	<u>7,561,049</u>	<u>9,210,732</u>
Current	1,649,683	1,649,683
Non-current	<u>5,911,366</u>	<u>7,561,049</u>
Total receivable under the concession agreement	<u>7,561,049</u>	<u>9,210,732</u>

Receivable under the concession agreement is a receivable for M&E Systems (Inclusive of VAT) of Phase 1 of the MRT Chalong Ratchadham Line Project as described in Note 1.1 B.2 to the financial statements. 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 Notes 21.2 and 21.3 to the financial statements.

As at 31 December 2021, there are no receivable under the concession agreement that are due in over 5 years.

Interest income for M&E Systems for the year end 31 December 2021 amounted to Baht 218 million (2020: Baht 277 million).

## 11. Other financial assets

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
<u>Equity instruments designated at FVOCI</u>		
Equity instruments of listed companies		
- CK Power Public Company Limited	7,148,954	6,376,867
- TTW Public Company Limited	8,326,970	9,063,870
Equity instruments of non-listed company		
- Asia Era One Company Limited (formerly known as: Eastern High-Speed Rail Linking Three Airports Company Limited)	434,000	400,000
Total	15,909,924	15,840,737
<u>Financial assets at FVTPL</u>		
- Unit trust	765,671	761,275
Total	765,671	761,275
<b>Total other financial assets - net</b>	<b>16,675,595</b>	<b>16,602,012</b>
Current	765,671	761,275
Non-current	15,909,924	15,840,737
Total other financial assets	16,675,595	16,602,012

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the year, the 2021 Annual General Meeting of the Asia Era One Company Limited's shareholders passed a special resolution to increase its registered share capital from Baht 4,000 million to Baht 7,780 million, with rights to purchase the shares granted to the existing shareholders in proportion to their shareholding within the third quarter of the current year. The Company did not exercise these rights.

## 12. Investments in subsidiaries

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

(Unit: Million Baht)								
Company's name	Registered capital		Paid-up capital		Proportion of investment		Cost	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
					(percent)			
Northern Bangkok Expressway Company Limited	6,000	6,000	5,250	5,250	99.99	99.99	2,604	2,604
Bangkok Metro Networks Limited	254	254	254	254	99.67	90.52	630	507
Total cost							3,234	3,111
Allowance for impairment							(2,466)	(2,466)
Net book value							768	645

In July 2020, the Company purchased 0.2 million ordinary shares of Bangkok Metro Networks Limited ("BMN") (equal to 0.85 percent of its issued and paid-up share capital) from its existing shareholders, for a total of Baht 11 million. As a result of this transaction, its shareholding changed from 89.67 percent to 90.52 percent.

In May 2021, the Company purchased 2.3 million ordinary shares of BMN (equal to 9.15 percent of its issued and paid-up share capital) from its existing shareholders, for a total of Baht 123 million. As a result of this transaction, its shareholding changed from 90.52 percent to 99.67 percent.

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

(Unit: Thousand Baht)		
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Purchase price of investment in subsidiary	123,150	11,471
Less: Non-controlling interests of subsidiary adjusted	(41,745)	(3,772)
Capital deficit from change in shareholding interest in subsidiary	81,405	7,699

## 13. Investment properties

As at 31 December 2021, the Company has investment properties, consisting of land, which is presented in the consolidated and separate financial statements at its fair value of Baht 321 million (2020: Baht 321 million).

The fair value has been determined based on the valuation performance by an accredited independent valuer, using market approach.

## 14. Building and equipment

(Unit: Thousand Baht)

	Consolidated financial statements				
	Building and construction improvement	Furniture, fixture and office equipment	Vehicles	Asset during installation	Total
<b>Cost:</b>					
1 January 2020	89,531	215,459	447,127	13,798	765,915
Additions	3,274	31,229	44,668	67,396	146,567
Disposals/Write off	-	(3,168)	(24,291)	-	(27,459)
Reclassification/ Transfer in (out)	193	15,116	-	(12,730)	2,579
31 December 2020	92,998	258,636	467,504	68,464	887,602
Additions	17,621	6,476	41,431	22,875	88,403
Disposals/Write off	-	(978)	(41,796)	-	(42,774)
Reclassification/ Transfer in (out)	6,616	2,037	7,553	(20,981)	(4,775)
31 December 2021	117,235	266,171	474,692	70,358	928,456
<b>Accumulated depreciation:</b>					
1 January 2020	55,070	170,114	233,922	-	459,106
Depreciation for the year	10,694	27,910	36,440	-	75,044
Accumulated depreciation on disposals/write off	-	(3,137)	(22,689)	-	(25,826)
31 December 2020	65,764	194,887	247,673	-	508,324
Depreciation for the year	10,720	24,747	41,737	-	77,204
Accumulated depreciation on disposals/write off	-	(940)	(40,057)	-	(40,997)
Reclassification	-	(60)	-	-	(60)
31 December 2021	76,484	218,634	249,353	-	544,471
<b>Net book value:</b>					
31 December 2020	27,234	63,749	219,831	68,464	379,278
31 December 2021	40,751	47,537	225,339	70,358	383,985
<b>Depreciation for the year</b>					
2020 (Baht 37 million included in cost of services and the balance in selling and administrative expense)					75,044
2021 (Baht 45 million included in cost of services and the balance in selling and administrative expense)					77,204

(Unit: Thousand Baht)

	Separate financial statements				
	Building and construction improvement	Furniture, fixture and office equipment	Vehicles	Asset during installation	Total
<b>Cost:</b>					
1 January 2020	61,336	156,899	438,858	13,525	670,618
Additions	1,100	30,380	43,122	62,681	137,283
Disposals/Write off	-	(3,151)	(24,291)	-	(27,442)
Reclassification/ Transfer in (out)	-	15,036	-	(12,457)	2,579
31 December 2020	62,436	199,164	457,689	63,749	783,038
Additions	17,396	3,283	38,920	21,183	80,782
Disposals/Write off	-	(945)	(41,796)	-	(42,741)
Reclassification/ Transfer in (out)	6,616	2,037	7,553	(16,266)	(60)
31 December 2021	86,448	203,539	462,366	68,666	821,019
<b>Accumulated depreciation:</b>					
1 January 2020	45,051	129,376	229,108	-	403,535
Depreciation for the year	5,854	17,379	35,380	-	58,613
Accumulated depreciation on disposals/write off	-	(3,120)	(22,689)	-	(25,809)
31 December 2020	50,905	143,635	241,799	-	436,339
Depreciation for the year	6,746	18,049	40,746	-	65,541
Accumulated depreciation on disposals/write off	-	(936)	(40,057)	-	(40,993)
Reclassification	-	(60)	-	-	(60)
31 December 2021	57,651	160,688	242,488	-	460,827
<b>Net book value:</b>					
31 December 2020	11,531	55,529	215,890	63,749	346,699
31 December 2021	28,797	42,851	219,878	68,666	360,192
<b>Depreciation for the year</b>					
2020 (Baht 26 million included in cost of services and the balance in selling and administrative expense)					58,613
2021 (Baht 37 million included in cost of services and the balance in selling and administrative expense)					65,541

As at 31 December 2021, the Group have certain items of building improvement and equipment which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 463 million (2020: Baht 278 million) (The Company only: Baht 284 million, 2020: Baht 266 million).

## 15. Rights to operate expressway sectors

(Unit: Thousand Baht)

	Consolidated financial statements		
	Rights to operate	Project costs under	Total
	completed expressway sector	construction	
<b>Cost:</b>			
1 January 2020	86,447,491	437,439	86,884,930
Additions	86,184	691,283	777,467
Write off	-	(50)	(50)
Reclassification/ Transfer in (out)	436,321	(437,389)	(1,068)
31 December 2020	86,969,996	691,283	87,661,279
Additions	118,124	782,517	900,641
Reclassification/ Transfer in (out)	191,300	(186,780)	4,520
31 December 2021	87,279,420	1,287,020	88,566,440
<b>Accumulated amortisation:</b>			
1 January 2020	54,631,563	-	54,631,563
Amortisation for the year	1,328,195	-	1,328,195
31 December 2020	55,959,758	-	55,959,758
Amortisation for the year	686,151	-	686,151
31 December 2021	56,645,909	-	56,645,909
<b>Net book value:</b>			
31 December 2020	31,010,238	691,283	31,701,521
31 December 2021	30,633,511	1,287,020	31,920,531
<b>Amortisation for the year</b>			
2020			1,328,195
2021			686,151



(Unit: Thousand Baht)

	Separate financial statements		
	Rights to operate completed expressway sector	Project costs under construction	Total
<b>Cost:</b>			
1 January 2020	73,603,201	432,994	74,036,195
Additions	85,199	690,903	776,102
Write off	-	(50)	(50)
Reclassification/ Transfer in (out)	431,876	(432,944)	(1,068)
31 December 2020	74,120,276	690,903	74,811,179
Additions	92,741	688,294	781,035
Transfer in (out)	190,920	(190,920)	-
31 December 2021	74,403,937	1,188,277	75,592,214
<b>Accumulated amortisation:</b>			
1 January 2020	46,787,547	-	46,787,547
Amortisation for the year	1,058,365	-	1,058,365
31 December 2020	47,845,912	-	47,845,912
Amortisation for the year	504,627	-	504,627
31 December 2021	48,350,539	-	48,350,539
<b>Net book value:</b>			
31 December 2020	26,274,364	690,903	26,965,267
31 December 2021	26,053,398	1,188,277	27,241,675
<b>Amortisation for the year</b>			
2020			1,058,365
2021			504,627

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

(Unit: Thousand Baht)

	Consolidated financial statements		
	Intangible asset under concession agreement of the MRT Blue Line Project	Project costs under construction	Total
<b>Cost:</b>			
1 January 2020	34,021,244	12,747,711	46,768,955
Additions	2,259,577	385,214	2,644,791
Interest cost	59,569	-	59,569
Write off	-	(110)	(110)
Transfer in (out)	11,620,270	(11,620,270)	-
31 December 2020	47,960,660	1,512,545	49,473,205
Additions	160,306	770,489	930,795
Write off	-	(642)	(642)
Reclassification/ Transfer in (out)	1,747	(1,552)	195
31 December 2021	48,122,713	2,280,840	50,403,553
<b>Accumulated amortisation:</b>			
1 January 2020	4,430,056	-	4,430,056
Amortisation for the year	359,430	-	359,430
31 December 2020	4,789,486	-	4,789,486
Amortisation for the year	245,444	-	245,444
31 December 2021	5,034,930	-	5,034,930
<b>Net book value:</b>			
31 December 2020	43,171,174	1,512,545	44,683,719
31 December 2021	43,087,783	2,280,840	45,368,623
<b>Amortisation for the year</b>			
2020			359,430
2021			245,444

(Unit: Thousand Baht)

	Separate financial statements		
	Intangible asset under concession agreement of the MRT Blue Line Project	Project costs under construction	Total
<b>Cost:</b>			
1 January 2020	33,364,651	12,745,919	46,110,570
Additions	2,244,984	385,157	2,630,141
Interest cost	59,569	-	59,569
Transfer in (out)	11,619,615	(11,619,615)	-
31 December 2020	47,288,819	1,511,461	48,800,280
Additions	146,607	769,529	916,136
Transfer in (out)	1,487	(1,487)	-
31 December 2021	47,436,913	2,279,503	49,716,416
<b>Accumulated amortisation:</b>			
1 January 2020	4,111,864	-	4,111,864
Amortisation for the year	311,417	-	311,417
31 December 2020	4,423,281	-	4,423,281
Amortisation for the year	197,331	-	197,331
31 December 2021	4,620,612	-	4,620,612
<b>Net book value:</b>			
31 December 2020	42,865,538	1,511,461	44,376,999
31 December 2021	42,816,301	2,279,503	45,095,804
<b>Amortisation for the year</b>			
2020			311,417
2021			197,331

During the year 2020, the Company capitalised the borrowing cost as part of 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.

## 17. Project cost of the MRT Chalong Ratchadham Line

(Unit: Thousand Baht)

	Consolidated and Separate financial statements		
	Project Cost of the MRT	Project costs under	Total
	Chalong Ratchadham Line	installations	
<b>Cost:</b>			
1 January 2020	701,462	30,307	731,769
Additions	1,838	39,753	41,591
31 December 2020	703,300	70,060	773,360
Additions	-	77,701	77,701
Decrease	(1)	(33,644)	(33,645)
Transfer in (out)	36,416	(36,416)	-
31 December 2021	739,715	77,701	817,416
<b>Accumulated amortisation:</b>			
1 January 2020	86,818	-	86,818
Amortisation for the year	26,106	-	26,106
31 December 2020	112,924	-	112,924
Amortisation for the year	27,739	-	27,739
31 December 2021	140,663	-	140,663
<b>Net book value:</b>			
31 December 2020	590,376	70,060	660,436
31 December 2021	599,052	77,701	676,753
<b>Amortisation for the year</b>			
2020			26,106
2021			27,739

## 18. Other intangible assets

The net book value of other intangible assets which are computer software as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cost	223,484	227,563	209,262	213,362
Less: Accumulated amortisation	(175,133)	(164,398)	(163,586)	(155,096)
Net book value	48,351	63,165	45,676	58,266

A reconciliation of the net book value of other intangible assets for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	63,165	74,027	58,266	69,273
Acquisition	11,553	17,419	11,532	15,441
Reclassification	-	(1,511)	-	(1,511)
Amortisation for the year	(26,367)	(26,770)	(24,122)	(24,937)
Net book value at end of year	<u>48,351</u>	<u>63,165</u>	<u>45,676</u>	<u>58,266</u>

#### 19. Short-term loans from financial institutions

	Interest rate	(Unit: Thousand Baht)	
		Consolidated and Separate	
		financial statements	
	(Percent per annum)	<u>2021</u>	<u>2020</u>
Promissory notes	At the fixed rate	2,000,000	1,500,000
Short-term loan	1M BIBOR plus stipulated margin	-	1,500,000
Total		<u>2,000,000</u>	<u>3,000,000</u>

#### 20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade payables - related parties (Note 6)	305,189	518,530	320,538	641,665
Trade payables - unrelated parties	594,979	600,037	537,785	523,602
Accrued interest - unrelated parties	227,327	201,838	226,928	201,386
Accrued expense - related parties (Note 6)	14,997	108,532	14,997	108,532
Accrued expense - unrelated parties	325,195	252,159	299,000	212,307
Other payables	<u>24,726</u>	<u>63,556</u>	<u>23,290</u>	<u>62,265</u>
Total trade and other payables	<u>1,492,413</u>	<u>1,744,652</u>	<u>1,422,538</u>	<u>1,749,757</u>

## 21. Long-term loans from financial institutions

					(Unit: Thousand Baht)			
Loans	Credit facility	Objective	Interest rate	Period of repayment	Consolidated financial statements		Separate financial statements	
					2021	2020	2021	2020
	(Million Baht)		(percent)					
21.1 Long-term loan	8,000	Working capital	At the fixed rate	Repayment installments in every six month	-	1,500,000	-	1,500,000
(Fully drew down)				commencing May 2017 to May 2021				
21.2 Tranche A	13,557	To invest in the MRT Chalong	Interest rate of FDR plus	Repayment in monthly installments	7,034,274	8,569,024	7,034,274	8,569,024
(Fully drew down)		Ratchadham Line Project	stipulated margins	commencing October 2017 to July 2026				
21.3 Tranche B	62	To invest in the MRT Chalong	Interest rate of FDR plus	Repayment in monthly installments	32,126	39,136	32,126	39,136
(Fully drew down)		Ratchadham Line Project	stipulated margins	commencing October 2017 to July 2026				
21.4 Long-term loan	14,000	To invest in the MRT Blue Line	Interest rate of 6M THBFIX	Repayment in quarterly installments commencing	13,949,997	13,999,998	13,949,997	13,999,998
(Fully drew down)		Extension Project	plus stipulated margins	December 2021 to December 2035				
21.5 Long-term loan	5,000	To refinance existing debt and	At the fixed rate	Repayment installments in every six month	5,000,000	-	5,000,000	-
(Fully drew down)		working capital		commencing April 2022 to April 2026				
21.6 Long-term loan	3,630	Repayment for loan obtained from	Interest rate of 6M FDR	Repayment in quarterly installments	3,005,640	3,317,820	-	-
(Fully drew down)		the Company	plus stipulated margins	within December 2025				
Total	44,249				29,022,037	27,425,978	26,016,397	24,108,158
Less: Current portion of long-term loans					(3,544,204)	(3,745,161)	(2,861,764)	(3,091,761)
Add (less): Deferred financial fees					131,579	(10,762)	121,251	(13,439)
Long-term loans - net of current portion					25,609,412	23,670,055	23,275,884	21,002,958

Movements in the long-term loans account for the year ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Beginning balance	27,425,978	24,979,920	24,108,158	21,349,920
Additional borrowings	5,000,000	5,299,998	5,000,000	5,299,998
Repayments	(3,403,941)	(2,853,940)	(3,091,761)	(2,541,760)
Ending balance	<u>29,022,037</u>	<u>27,425,978</u>	<u>26,016,397</u>	<u>24,108,158</u>

For the long-term loan number 21.1

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

Under the loan agreements, 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.

For the long-term loans number 21.2 to 21.3

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 7) and transferred rights to receive payments for such work to the group of lenders (Note 10) as collateral to secure these loans. The Company had interest expenses amounting to Baht 218 million on such loans for the year ended 31 December 2021 (2020: Baht 277 million).

Under the Credit Facility 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.

For Long-term loan number 21.4

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 Credit Facility 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.

#### For Long-term loan number 21.5

On 19 March 2021, the Company signed a long-term loan agreement with a financial institution and also entered into an interest rate swap contract to change the interest rate from a floating rate of 6M THBFIX plus stipulated margin to a fixed rate. The facility was fully drawn down on 1 April 2021.

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, dividend payment and mandatory prepayment conditions.

#### For Long-term loan number 21.6

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 maintenance of debt service coverage ratio and debt to equity ratio, dividend payment and conditions for mandatory prepayment.

On 22 September 2021, the subsidiary company entered into an amendment of the loan agreement to extend the repayment period for principal due in September 2021 and December 2021 with agreeing to pay the interest only, and extend the due date for the final installment of the principle from by the end of September 2024 to by the end of December 2025.



## 22. Debentures

Debentures as at 31 December 2021 and 2020 have the following details:

						(Unit: Thousand Baht)	
						Consolidated and Separate	
						financial statements	
Type of debenture	Term	Issuance date	Maturity date	Interest rate	2021	2020	
				(% per annum)			
1. No. 1/2016							
- Tranche 2	5 years	24 June 2016	24 June 2021	2.52	-	1,615,000	
- Tranche 3	7 years	24 June 2016	24 June 2023	3.00	2,000,000	2,000,000	
- Tranche 4	10 years	24 June 2016	24 June 2026	3.30	3,335,000	3,335,000	
- Tranche 5	12 years	24 June 2016	24 June 2028	3.61	2,750,000	2,750,000	
2. No. 2/2016	12 years	11 August 2016	24 June 2028	3.61	500,000	500,000	
3. No. 3/2016							
- Tranche 2	9 years	21 October 2016	21 October 2025	3.78	2,500,000	2,500,000	
- Tranche 3	11 years	21 October 2016	21 October 2027	3.95	3,000,000	3,000,000	
4. No. 1/2017							
- Tranche 1	5 years	7 September 2017	7 September 2022	2.65	2,000,000	2,000,000	
- Tranche 2	7 years	7 September 2017	7 September 2024	3.10	3,000,000	3,000,000	
5. No. 1/2018							
- Tranche 1	3 years	5 April 2018	5 April 2021	2.05	-	3,000,000	
- Tranche 2	5 years	5 April 2018	5 April 2023	2.46	3,500,000	3,500,000	
- Tranche 3	7 years	5 April 2018	5 April 2025	3.01	3,500,000	3,500,000	
6. No. 1/2019							
- Tranche 1	3 years	9 May 2019	9 May 2022	2.65	1,000,000	1,000,000	
- Tranche 2	5 years	9 May 2019	9 May 2024	3.18	2,000,000	2,000,000	
- Tranche 3	7 years	9 May 2019	9 May 2026	3.59	1,000,000	1,000,000	
- Tranche 4	10 years	9 May 2019	9 May 2029	3.84	1,000,000	1,000,000	
7. No. 1/2020							
- Tranche 1	4 years	10 June 2020	10 June 2024	2.88	1,000,000	1,000,000	
- Tranche 2	10 years	10 June 2020	10 June 2030	3.50	1,300,000	1,300,000	
- Tranche 3	12 years	10 June 2020	10 June 2032	3.78	700,000	700,000	
8. No. 1/2021							
- Tranche 1	3 years	28 April 2021	28 April 2024	1.56	2,000,000	-	
- Tranche 2	5 years	28 April 2021	28 April 2026	2.24	2,000,000	-	
- Tranche 3	7 years	28 April 2021	28 April 2028	2.91	1,000,000	-	
- Tranche 4	10 years	28 April 2021	28 April 2031	3.33	1,000,000	-	
Total					40,085,000	38,700,000	
Less: Current portion of debentures					(3,000,000)	(4,615,000)	
Less: Deferred debentures issuing cost					(27,628)	(27,076)	
Debentures - net of current portion					37,057,372	34,057,924	

Movements in the debentures account for the year ended 31 December 2021 and 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
Beginning balance	38,700,000	38,200,000
Issuance	6,000,000	3,000,000
Redemption	(4,615,000)	(2,500,000)
Ending balance	<u>40,085,000</u>	<u>38,700,000</u>

On 28 April 2021, the Company issued four tranches of Sustainability Bond No.1/2021, totaling of Baht 6,000 million to fund the refinancing of existing debt and/or invest in the MRT Blue Line Project.

All of the Company's debentures are registered debentures, unsubordinated, and unsecured, without a debenture holders' representative, except for the debenture number 6 to number 8 which have a debenture holders' representative, that pay interest semi-annually. The debentures contain covenants relating to maintenance of interest bearing debt to equity ratio.

### 23. Unearned revenue from advertising management rights

The Company received remuneration of Baht 35 million from the subsidiary for granting the rights to manage advertising services through the Passenger Information Display System (PIDs), as described in Note 1.1 C. to the financial statements, on the execution date of the agreement (1 January 2010) and this rights will expire in July 2029. The amount is presented under the caption of "Unearned revenue from advertising management rights" and is being amortised to revenue throughout the contract period.

Movements in unearned revenue from advertising management rights account are summarised below.

	(Unit: Thousand Baht)	
	Separate financial statements	
	<u>2021</u>	<u>2020</u>
Beginning balance	10,618	11,866
Recognise to revenue during the year	(1,249)	(1,248)
Ending balance	<u>9,369</u>	<u>10,618</u>
Less: Current portion	<u>(1,249)</u>	<u>(1,249)</u>
Unearned revenue from advertising management rights - net of current portion	<u>8,120</u>	<u>9,369</u>

## 24. Leases

The Group, as a lessee, has lease contracts for various items of equipment used in its operations. Leases generally have lease terms between 1 - 7 years.

### a) Right-of-use assets

Movements of right-of-use assets for the year ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Buildings and Construction improvement	Vehicles	Total
1 January 2020	54,805	43,634	98,439
Additions	7,889	30,217	38,106
Decrease	-	(847)	(847)
Depreciation for the year	(29,884)	(19,300)	(49,184)
31 December 2020	32,810	53,704	86,514
Additions	116,838	2,433	119,271
Depreciation for the year	(46,909)	(19,180)	(66,089)
31 December 2021	102,739	36,957	139,696

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings and Construction improvement	Vehicles	Total
1 January 2020	11,992	41,321	53,313
Additions	7,889	27,769	35,658
Decrease	-	(847)	(847)
Depreciation for the year	(11,586)	(18,104)	(29,690)
31 December 2020	8,295	50,139	58,434
Additions	35,925	2,433	38,358
Depreciation for the year	(26,956)	(18,072)	(45,028)
31 December 2021	17,264	34,500	51,764

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Lease payments	142,299	90,358	53,064	61,569
Less: Deferred interest expenses	(4,890)	(3,933)	(2,061)	(3,057)
Total	137,409	86,425	51,003	58,512
Less: Portion due within one year	(44,749)	(45,513)	(25,374)	(25,671)
Lease liabilities - net of current portion	<u>92,660</u>	<u>40,912</u>	<u>25,629</u>	<u>32,841</u>

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year	86,425	96,632	58,512	52,058
Additions	119,266	38,107	38,352	35,658
Accretion of interest	2,764	2,678	2,074	1,794
Repayments	(67,284)	(44,427)	(47,489)	(26,254)
Effect of reduction in rental expenses	(3,762)	(6,565)	(446)	(4,744)
Balance at end of year	<u>137,409</u>	<u>86,425</u>	<u>51,003</u>	<u>58,512</u>

A maturity analysis of lease payments is disclosed in Note 41 to the financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	66,089	49,184	45,028	29,690
Interest expense on lease liabilities	2,764	2,661	2,074	1,777
Expense relating to short-term leases and leases of low-value assets	20,369	22,883	19,333	22,109

#### d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 84 million (2020: Baht 62 million) (the Company only: Baht 64 million, 2020: Baht 44 million), including the cash outflow related to short-term lease and leases of low-value assets.

#### 25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, are as follows:

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Provision for long-term employee benefits</b>				
<b>at beginning of the year</b>	932,331	886,390	904,696	862,915
Included in profit or loss:				
Current service cost	78,889	101,419	75,075	97,808
Interest cost	14,250	14,525	13,603	13,976
Losses on settlement	-	146	-	146
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
- Demographic assumptions changes	(26,526)	11,592	(26,167)	11,592
- Financial assumptions changes	(144,168)	(34,677)	(145,518)	(34,677)
- Experience adjustments	(52,337)	(10,188)	(45,316)	(10,188)
Benefits paid during the year	(31,543)	(36,876)	(31,543)	(36,876)
<b>Provision for long-term employee benefits</b>				
<b>at end of the year</b>	<u>770,896</u>	<u>932,331</u>	<u>744,830</u>	<u>904,696</u>

The Group expects to pay Baht 18 million of long-term employee benefits during the next year (Separate financial statements: Baht 18 million) (2020: Baht 19 million, Separate financial statements: Baht 19 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 10.91 - 16.42 years (Separate financial statements: 10.91 - 16.42 years) (2020: 12.49 - 17.55 years, Separate financial statements: 12.68 - 17.55 years).

Significant actuarial assumptions are summarised below.

	(Unit: Percent per annum)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Discount rate	1.7 - 2.2	1.5 - 2.3	1.7, 2.2	1.5, 1.8
Future salary increase rate	1.0 - 5.0	4.6 - 5.5	1.0, 1.5, 4.0	5.0, 5.5
Staff turnover rate (depending on age)	2.0 - 14.0	1.0 - 7.0	2.0 - 6.0	1.0 - 6.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below.

	(Unit: Million Baht)			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(68)	80	(65)	76
Future salary increase rate	77	(67)	74	(64)
Staff turnover rate	(71)	50	(68)	49

	(Unit: Million Baht)			
	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(90)	107	(87)	104
Future salary increase rate	103	(88)	99	(85)
Staff turnover rate	(94)	70	(91)	69

## 26. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 27. Toll revenues

27.1 Under the Construction and Management Contract of the Si Rat Expressway Project (the Second Stage Expressway System) and the Bang Pa-In - Pak Kret Expressway Project and the Concession agreements (Amendment) that granted concession extensions, as described in Note 1.1 A. to the financial statements. The Group and the EXAT agreed to share toll revenues receive as follows:

	<u>The Company</u>	<u>The EXAT</u>
	(Percent)	(Percent)
Urban Network (FES and SES Sector A and Sector B)	40	60
Suburban Network (SES Sector C)	100	Nil
Suburban Network (SES Sector D)	100	Nil
Bang Pa-In - Pak Kret Expressway	100	Nil

27.2 Under a concession agreement of the Si Rat - Outer Ring Road Expressway Project, the Company and the EXAT agreed to share toll revenues receive as follows:

	<u>The Company</u>	<u>The EXAT</u>
	(Percent)	(Percent)
<u>The Si Rat - Outer Ring Road Expressway</u>		
From the construction completion date of relevant Sections		
until end of contract period (14 December 2042)	100	Nil

## 28. Revenue from commercial development business

Revenue from commercial development business derived from various sources of income, as presented in the separate financial statements for the year ended 31 December 2021, consisted of revenue from expressway system amounting to Baht 52 million (2020: Baht 17 million) and revenue from rail system amounting to Baht 694 million (2020: Baht 706 million). This included revenue from advertising management rights amounting to Baht 1 million (2020: Baht 1 million) (Note 23).

**29. Revenue from telecommunications network services and income from provision of space and facilities for the installation of telecommunications equipment**

The Company's revenue from telecommunications network services and income from provision of space and facilities for the installation of telecommunications equipment for the year ended 31 December 2021 was as follows:

	(Unit: Thousand Baht)
Telecommunications Business License Type 2 with its own telecommunication network	243,768
Income from provision of space and facilities for the installation of telecommunications equipment	14,100
	<hr/>
	257,868

**30. Remuneration from fare box revenue and commercial development revenue**

**30.1 The Concession agreement of the MRTA Initial System Project - Chaloem Ratchamongkhon Line**

The Company agrees to apportion revenues derived under the MRTA Initial System Project - Chaloem Ratchamongkhon Line concession agreement to the MRTA. These consist of remuneration from fares, remuneration from commercial development, apportionment of profit in excess of stipulated Return on Equity (ROE) and any benefit derived from the interest rate on a loan being lower the rate specified in the Concession Agreement.

As described in Note 1.1 B.1 to the financial statements, the Company signed the MRT Blue Line Project Concession Agreement on 31 March 2017. Under the MRT Blue Line Concession Agreement, the MRTA Initial System Project - Chaloem Ratchamongkhon Line concession agreement is deemed to be part of the MRT Blue Line Concession Agreement, and only the clauses relating the rights, duties and provisions with respect to fares, fare rates and payment of remuneration to the MRTA will remain in effect until the end of the concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line.

Remuneration paid to the MRTA under the MRTA Initial System Project - Chaloem Ratchamongkhon Line concession agreement is summarised in Part I of Note 30.2 to the financial statements.



### 30.2 The MRT Blue Line Concession agreement

Under the MRT Blue Line Project concession agreement dated 31 March 2017, the Company agrees to apportion revenue under the concession agreement to the MRTA, which can be divided into two parts, as follows:

**Part I:** Remuneration from fares and commercial development revenues of the MRTA Initial System Project - Chaloem Ratchamongkhon Line earned under the related concession agreement until 1 July 2029, with detail as follow:

a) Remuneration from fare revenue

Annual remuneration

The Company has agreed to apportion fare revenue to the MRTA on an annual basis for the period from 2 July 2014 to 1 July 2029. The total amount payable is Baht 43,567 million (inclusive of VAT) divided into annual payments in amounts stipulated in the MRTA Initial System Project - Chaloem Ratchamongkhon Line concession agreement.

As at 31 December 2021, the Company paid accumulated annual remuneration totaling Baht 11,704 million (2020: Baht 9,158 million).

Percentage remuneration

The Company has agreed to apportion to the MRTA 1 percent to 15 percent of the fare revenue of the MRTA Initial System Project - Chaloem Ratchamongkhon Line (inclusive of VAT) from 2 July 2004 to 1 July 2029, in the form of monthly payments.

For the year ended 31 December 2021, the Company paid the percentage remuneration from fare revenue totaling Baht 58 million (2020: Baht 107 million).

b) Remuneration from commercial development revenues

Annual remuneration

The Company has agreed to apportion commercial development revenues to the MRTA on an annual basis for the period from 2 July 2004 to 1 July 2029. The total amount payable is Baht 930 million (inclusive of VAT) divided into annual payments in amounts stipulated in the MRTA Initial System Project - Chaloem Ratchamongkhon Line concession agreement.

As at 31 December 2021, the Company paid accumulated annual remuneration totaling Baht 555 million (2020: Baht 505 million).

### Percentage remuneration

The Company has agreed to apportion to the MRTA 7 percent of commercial development revenues of the MRTA Initial System Project - Chaloem Ratchamongkhon Line (inclusive of VAT) from 2 July 2004 to 1 July 2029, in the form of monthly payments.

For the year ended 31 December 2021, the Company paid the percentage remuneration from commercial development revenues totaling Baht 40 million (2020: Baht 42 million).

**Part II:** Remuneration from fares and commercial development revenues of the MRT Blue Line Extension Project from 31 March 2017 until end of the MRT Blue Line concession period and remuneration from fares and commercial development revenues of the MRTA Initial System Project - Chaloem Ratchamongkhon Line from 2 July 2029 until end of the MRT Blue Line concession period.

The Company is to pay remuneration to MRTA when the Company earns a return on investment over the rate stipulated in the concession agreement, from its operation of the MRT Blue Line Extension Project, as from 31 March 2017, and from its operation of the MRTA Initial System Project - Chaloem Ratchamongkhon Line, as from 2 July 2029, until the end of the MRT Blue Line concession period. The compensation rates are as stipulated in the MRT Blue Line concession agreement.

## **31. Finance cost**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest expense on financial liabilities	1,945,734	1,910,296	1,861,939	1,813,237
Interest expense on lease liabilities	2,764	2,661	2,074	1,777
Interest paid from interest rate swaps	222,972	175,715	222,972	175,715
Others financial cost	15,574	23,835	14,863	23,028
Total	<u>2,187,044</u>	<u>2,112,507</u>	<u>2,101,848</u>	<u>2,013,757</u>

### 32. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Amortisation and depreciation	1,128,606	1,857,980	864,001	1,504,205
Salaries, wages and other employee benefits for the Group's staff	2,291,569	2,462,306	2,176,786	2,339,201
Salaries, wages and other benefits for the EXAT's employees	723,744	861,823	590,348	704,197
Repair and maintenance expenses	2,017,741	2,241,023	1,978,223	2,198,276
Compensation for site acquisition cost	-	61,467	-	61,467
Utilities expenses	765,942	793,068	745,985	772,423
Project remuneration expenses	220,635	350,690	220,635	350,690
Expenses with respect to facilitation and safety on expressway and stations	582,538	589,930	547,048	554,142
Insurance expenses	146,504	134,018	139,508	127,472

### 33. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Current income tax for the year	63,607	94,096	-	-
Adjustment in respect of current income tax of previous year	(33)	(750)	-	(635)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	70,338	288,573	74,203	295,431
<b>Income tax expenses reported in the income statement</b>	<b>133,912</b>	<b>381,919</b>	<b>74,203</b>	<b>294,796</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax related to				
- Unrealised gain (loss) from cash flow hedges	17,983	(14,622)	17,983	(14,622)
- Gain (loss) from the change in value of financial assets measured at FVOCI	13,837	(339,947)	13,837	(339,947)
- Actuarial gain	44,606	6,654	43,400	6,654
Total	<u>76,426</u>	<u>(347,915)</u>	<u>75,220</u>	<u>(347,915)</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit before tax	<u>1,144,963</u>	<u>2,436,645</u>	<u>846,066</u>	<u>1,992,730</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	228,993	487,329	169,213	398,546
Adjustment in respect of income tax of previous year	(33)	(750)	-	(635)
Effects of elimination entry on the consolidated financial statements	(377)	381	-	-
Effects of:				
Tax-exempt revenues	(98,437)	(96,543)	(98,437)	(96,543)
Non-deductible expenses	3,442	2,860	3,442	2,860
Additional expense deductions allowed	(1,947)	(9,058)	(1,071)	(5,641)
Others	2,271	(2,300)	1,056	(3,791)
Total	<u>(94,671)</u>	<u>(105,041)</u>	<u>(95,010)</u>	<u>(103,115)</u>
Income tax expenses reported in the income statement	<u>133,912</u>	<u>381,919</u>	<u>74,203</u>	<u>294,796</u>

The components of deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Deferred tax assets</b>				
Accrued bonus	43,616	37,451	35,132	30,378
Others accrued expense	3,195	3,515	2,780	3,040
Allowance for expected credit losses	640	78	539	78
Provision for long-term employee benefits	154,179	186,466	148,966	180,939
Leases	265	165	233	124
Deferred financial fees	39,155	9,663	37,089	9,128
Unused tax loss	666,171	162,523	666,171	162,523
Derivative financial liabilities	19,176	37,159	19,176	37,159
Total	<u>926,397</u>	<u>437,020</u>	<u>910,086</u>	<u>423,369</u>
<b>Deferred tax liabilities</b>				
Accumulated amortisation - Rights to operate expressway sectors	642,408	514,522	642,408	514,522
Prepaid project remuneration	1,766,752	1,273,213	1,766,752	1,273,213
Gain from financial assets designated to FVTPL	17,766	16,887	17,766	16,887
Gain from financial assets designated to FVOCI	1,592,115	1,578,278	1,592,115	1,578,278
Total	<u>4,019,041</u>	<u>3,382,900</u>	<u>4,019,041</u>	<u>3,382,900</u>
<b>Presentation in the financial statements</b>				
Deferred tax assets	16,311	13,651	-	-
Deferred tax liabilities	<u>(3,108,955)</u>	<u>(2,959,531)</u>	<u>(3,108,955)</u>	<u>(2,959,531)</u>
	<u>(3,092,644)</u>	<u>(2,945,880)</u>	<u>(3,108,955)</u>	<u>(2,959,531)</u>

### 34. Earnings per share

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

### 35. Dividends

Dividends declared for the year ended 31 December 2021 and 2020 in the consolidated and separate financial statements consisted of the following:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid on
<u>For the year ended 31 December 2021</u>				
Dividend for the year 2020	Annual General Meeting of the shareholders on 28 April 2021	<u>1,529</u>	<u>0.10</u>	25 May 2021
<u>For the year ended 31 December 2020</u>				
Dividend for the second half of the year 2019	Meeting of the Board of Directors on 9 August 2020	<u>1,376</u>	<u>0.09</u>	8 May 2020

### 36. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the investment of the MRT Blue Line Project, pursuant to the investment promotion certificate No. 60-1074-1-00-1-0 issued on 27 July 2017. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues (11 August 2017).

The Company's operating revenues for the years ended 31 December 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

	(Unit: Thousand Baht)					
	Promoted operations		Non-promoted operations		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue from expressway business	-	-	5,490,300	6,942,077	5,490,300	6,942,077
Revenue from rail business	1,491,633	2,613,002	1,962,775	1,906,838	3,454,408	4,519,840
Revenue from commercial development business	-	-	745,500	723,607	745,500	723,607
Other income	744	408	967,849	1,018,561	968,593	1,018,969
Total revenues	<u>1,492,377</u>	<u>2,613,410</u>	<u>9,166,424</u>	<u>10,591,083</u>	<u>10,658,801</u>	<u>13,204,493</u>

### **37. Segment information**

Operating segment information is reported in a manner consistent with the internal 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 assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have four reportable segments as follows:

- 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 Bang Pa-In - Pak Kret expressway project of the subsidiary.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit or loss and total assets information regarding the Group's operating segments for the year ended 31 December 2021 and 2020.

(Unit: Million Baht)

	Expressway business segment		Rail business segment		Commercial development business segment		Other segments		Total segments		Elimination of inter-segment revenues		Consolidation	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue from external customers	6,450	8,145	3,454	4,520	822	825	-	-	10,726	13,490	-	-	10,726	13,490
Inter-segment revenues	-	-	-	-	243	279	228	209	471	488	(471)	(488)	-	-
Total revenues	<u>6,450</u>	<u>8,145</u>	<u>3,454</u>	<u>4,520</u>	<u>1,065</u>	<u>1,104</u>	<u>228</u>	<u>209</u>	<u>11,197</u>	<u>13,978</u>	<u>(471)</u>	<u>(488)</u>	<u>10,726</u>	<u>13,490</u>
Segment profit (loss)	4,265	5,017	(1,066)	(489)	538	536	-	-	3,737	5,064	-	-	3,737	5,064
Unallocated income and expenses:														
Interest income													227	296
Gain on sale of investments in financial assets													-	4
Other income													528	533
Selling expenses													(92)	(170)
Administrative expenses													(1,068)	(1,177)
Finance cost													(2,187)	(2,113)
Income tax expenses													(134)	(382)
Non-controlling interests of the subsidiaries													(1)	(4)
<b>Profit for the year to equity holders of the Company</b>													<u>1,010</u>	<u>2,051</u>
Rights to operate expressway sectors	31,921	31,702	-	-	-	-	-	-	31,921	31,702	-	-	31,921	31,702
Asset the under concession agreement														
- The MRT Blue Line Project	-	-	43,984	43,254	1,385	1,430	-	-	45,369	44,684	-	-	45,369	44,684
- The MRT Chalong Ratchaham Line	-	-	677	660	-	-	-	-	677	660	-	-	677	660
Receivable under the concession agreement	-	-	7,561	9,211	-	-	-	-	7,561	9,211	-	-	7,561	9,211
Prepaid project remuneration	-	-	9,460	7,058	316	250	-	-	9,776	7,308	-	-	9,776	7,308
Unallocated assets	-	-	-	-	-	-	20,599	20,848	20,599	20,848	(815)	(797)	<u>19,784</u>	<u>20,051</u>
Total assets													<u>115,088</u>	<u>113,616</u>

Transfer prices between business segments are as set out in Note 6 to the financial statements.



### **Geographic information**

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### **Major customers**

For the years 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

## **38. Provident fund**

The Group and its employees have participated in TISCO Ruamtun 2 Registered Provident Fund as approved by Ministry of Finance in accordance with the Provident Fund Act B.E. 2530. Employees, the Group contributed to the fund monthly at the rates of 3 to 10 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2021, the Group recognised the contribution of Baht 113 million in the consolidated financial statements (2020: Baht 113 million) as expenses and recognised the contribution of Baht 110 million in the separate financial statements (2020: Baht 110 million).

## **39. Commitments and contingent liabilities**

### **39.1 Capital commitments**

The Group has capital commitments as follows:

	As at 31 December	
	2021	2020
a) Performance improvement for farebox collection systems	Baht 66 million and USD 6 million	Baht 15 million and USD 2 million
b) Acquisition of equipment	Baht 16 million	Baht 44 million
c) Installation of the M&E Systems of the MRT Project	Baht 242 million	Baht 664 million and EUR 3 million
d) Improvement for civil infrastructure of expressway	Baht 172 million	Baht 959 million
e) Telecommunication equipment system	Baht 120 million	Baht 188 million
f) Other capital commitments	Baht 6 million	Baht 4 million

### 39.2 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. These contracts will expire between 2023 and 2029.

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

(Unit: Million)

	As at 31 December									
	2021					2020				
	<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	1,604	-	4	-	379	1,565	-	5	-	380
In over 1 year and up to 5 years	5,059	2	17	1	1,360	5,176	2	17	1	1,518
In over 5 years	2,061	2	11	-	-	3,210	2	15	1	221

### 39.3 Commitments under various service agreements

The Group has commitments under various service agreements as follows:

(Unit: Million Baht)

	As at 31 December	
	2021	2020
Payable:		
In up 1 year	325	518
In over 1 year and up to 5 years	244	122

### 39.4 Operating lease commitments

The Group entered into several lease agreements in respect of the lease of office building space and equipment that are short-term leases and leases of low-value assets. The terms of these agreements are between 2 and 4 years.

Future minimum lease payments required under these operating lease agreements were as follows:

(Unit: Million Baht)

	As at 31 December	
	2021	2020
Payable:		
In up 1 year	8	12
In over 1 year and up to 4 years	3	8

### 39.5 Guarantees

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

(Unit: Million Baht)		
As at 31 December		
	2021	2020
a) Issued to the MRTA as guarantee for a bid for the operation of the MRT Orange Line Project - Bang Khun Non - Min Buri (Suwinthawong)	-	2,000
b) Issued to the MRTA in accordance with the operation of		
- The MRT Blue Line Concession agreement	210	210
- 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	3	11

### 39.6 Other commitments

(Unit: Million Baht)		
As at 31 December		
	2021	2020
a) Commitments in respect of the uncalled portion of investment Northern Bangkok Expressway Company Limited	750	750
b) Commitment in respect of Expressway inspection, maintenance and improvement agreements (paid within one year)	56	128

#### 40. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

As at 31 December 2021				
Consolidated and Separate financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
- Unit trusts	-	766	-	766
Financial assets measured at FVOCI				
- Listed equity	15,476	-	-	15,476
- Non-listed equity	-	-	434	434
<b>Liabilities measured at fair value</b>				
Derivative				
Interest rate swap contracts	-	96	-	96
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	321	321
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	41,092	-	41,092

(Unit: Million Baht)

As at 31 December 2020				
Consolidated and Separate financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
- Unit trusts	-	761	-	761
Financial assets measured at FVOCI				
- Listed equity	15,441	-	-	15,441
- Non-listed equity	-	-	400	400
<b>Liabilities measured at fair value</b>				
Derivative				
Interest rate swap contracts	-	186	-	186
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	321	321
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	39,866	-	39,866

## **41. Financial instruments**

### **41.1 Derivatives and hedge accounting in cash flow hedges**

The Company designated an interest rate swap contract as a hedging instrument used to hedge cash flows on a variable rate loan. This risk hedging is defined as an interest hedge.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable rate loan (i.e., notional amount, maturity, payment and reset dates). The Company has established a hedge ratio of 1:1 as the underlying risk of the interest rate swap is identical to the hedged risk component. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument
- Differences in how the counterparties's credit risk impacts the fair value movements of the hedging instrument and hedged item

The ineffectiveness recognised in profit or loss was immaterial.

### **41.2 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, bank deposit for unearned fare box revenue, trade and other receivables, receivable under the concession agreement, short-term loans from financial institution, trade and other payables, lease liabilities, long-term loans from financial institution and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Group is exposed to credit risk primarily with respect to trade and other receivables, receivable under the concession agreement, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

### ***Trade receivables and receivable under the concession agreement***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and receivable under the concession agreement are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

### ***Financial instruments and cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk.

#### ***Foreign currency risk***

The Company has a significant foreign currency risk in respect of construction payable. As at 31 December 2021, the Company has outstanding financial liabilities denominated in foreign currency amounting to JPY 99 million, USD 0.1 million and SGD 0.1 million (2020: JPY 101 million, USD 0.1 million and SGD 0.1 million) which have not yet been hedged against foreign exchange risk (the majority of these liabilities are repayable within 1 year).

#### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its short-term loans, long-term loans and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by entering to interest rate swaps for some of long-term loans, in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	2021						
	Fixed interest rates			Floating	Non-interest		Effective
	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total	interest rate
							(% p.a.)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	1,056	75	1,131	0.10 - 0.50
Bank deposit for unearned fare box revenue	-	-	-	225	-	225	0.05 - 1.45
Trade and other receivables	-	-	-	-	473	473	-
Receivable under the concession agreement	-	-	-	7,561	-	7,561	Note 10
Other financial assets	-	-	-	-	16,676	16,676	-
	-	-	-	8,842	17,224	26,066	
<b>Financial liabilities</b>							
Short-term loans from financial institutions	2,000	-	-	-	-	2,000	Note 19
Trade and other payables	-	-	-	-	1,492	1,492	-
Long-term loans from financial institutions	1,120	3,871	-	24,163	-	29,154	Note 21
Lease liabilities	44	80	13	-	-	137	Note 24
Debentures	3,000	25,835	11,222	-	-	40,057	Note 22
Other financial liabilities	-	-	-	-	103	103	-
	6,164	29,786	11,235	24,163	1,595	72,943	

(Unit: Million Baht)

	Consolidated financial statements						
	2020						
	Fixed interest rates			Floating	Non-interest		Effective
	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total	interest rate
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	1,536	78	1,614	0.25 - 1.30
Bank deposit for unearned fare box revenue	-	-	-	224	-	224	0.05 - 2.00
Trade and other receivables	-	-	-	-	549	549	-
Receivable under the concession agreement	-	-	-	9,211	-	9,211	Note 10
Other long-term investments	-	-	-	-	16,602	16,602	-
	-	-	-	10,971	17,229	28,200	

(Unit: Million Baht)

## Consolidated financial statements

	2020					
	Fixed interest rates			Floating	Non-interest	Effective
	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total
						interest rate
<b>Financial liabilities</b>						
Short-term loans from financial institutions	1,500	-	-	1,500	-	3,000
Trade and other payables	-	-	-	-	1,745	1,745
Long-term loans from financial institutions	1,499	-	-	25,916	-	27,415
Lease liabilities	45	41	-	-	-	86
Debentures	4,615	20,500	13,558	-	-	38,673
Other financial liabilities	-	-	-	-	65	65
	7,659	20,541	13,558	27,416	1,810	70,984

(Unit: Million Baht)

## Separate financial statements

	2021					
	Fixed interest rates			Floating	Non-interest	Effective
	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total
						interest rate
						(% p.a.)
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	528	68	596
Bank deposit for unearned fare box revenue	-	-	-	225	-	225
Trade and other receivables	-	-	-	-	475	475
Receivable under the concession agreement	-	-	-	7,561	-	7,561
Other financial assets	-	-	-	-	16,676	16,676
	-	-	-	8,314	17,219	25,533
<b>Financial liabilities</b>						
Short-term loans from financial institutions	2,000	-	-	-	-	2,000
Trade and other payables	-	-	-	-	1,423	1,423
Long-term loans from financial institutions	1,120	3,871	-	21,147	-	26,138
Lease liabilities	25	26	-	-	-	51
Debentures	3,000	25,835	11,222	-	-	40,057
Other financial liabilities	-	-	-	-	96	96
	6,145	29,732	11,222	21,147	1,519	69,765



(Unit: Million Baht)

	Separate financial statements						
	2020						
	Fixed interest rates			Floating	Non-interest	Total	Effective
	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing		interest rate
							(% p.a.)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	1,143	71	1,214	0.25 - 1.30
Bank deposit for unearned fare box revenue	-	-	-	224	-	224	0.05 - 2.00
Trade and other receivables	-	-	-	-	513	513	-
Receivable under the concession agreement	-	-	-	9,211	-	9,211	Note 10
Other financial assets	-	-	-	-	16,602	16,602	-
	-	-	-	10,578	17,186	27,764	
<b>Financial liabilities</b>							
Short-term loans from financial institutions	1,500	-	-	1,500	-	3,000	Note 19
Trade and other payables	-	-	-	-	1,750	1,750	-
Long-term loans from financial institutions	1,499	-	-	22,596	-	24,095	Note 21
Lease liabilities	26	32	-	-	-	58	Note 24
Debentures	4,615	20,500	13,558	-	-	38,673	Note 22
Other financial liabilities	-	-	-	-	60	60	-
	7,640	20,532	13,558	24,096	1,810	67,636	

### **Interest rate sensitivity**

The following table demonstrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in interest rates on that portion of the floating rate loans affected as at 31 December 2021 and 2020 as follows:

Currency	2021			2020		
	Effect on			Effect on		
	Increase/ decrease	profit before tax	Other	Increase/ decrease	profit before tax	Other
			components of			components of
			shareholder's equity			shareholder's equity
	(%)	(Thousand Baht)			(Thousand Baht)	
Baht	+ 0.25	39,045	47,279	+ 0.25	57,600	35,757
	- 0.25	(39,141)	(47,560)	- 0.25	(57,643)	(35,757)

The above analysis has been prepared assuming that the amounts of the floating rate loans and all other variables remain constant over one year. Moreover, the floating legs of these loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation.

## Liquidity risk

As at 31 December 2021, approximately 12.0 percent of the Group's debt will mature in less than one year (2020: 16.4 percent) (the Company only: 11.5 percent, 2020: 16.3 percent) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	2,000	-	-	2,000
Trade and other payables	-	1,492	-	-	1,492
Lease liabilities	-	47	82	13	142
Long-term loans from financial institutions	-	3,544	12,529	12,949	29,022
Debentures	-	3,000	25,835	11,250	40,085
<b>Total non-derivatives</b>	-	10,083	38,446	24,212	72,741
<b>Derivatives</b>					
Derivative liabilities: net settled	-	-	-	96	96
<b>Total</b>	-	-	-	96	96

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	2,000	-	-	2,000
Trade and other payables	-	1,423	-	-	1,423
Lease liabilities	-	27	26	-	53
Long-term loans from financial institutions	-	2,862	10,205	12,949	26,016
Debentures	-	3,000	25,835	11,250	40,085
<b>Total non-derivatives</b>	-	9,312	36,066	24,199	69,577
<b>Derivatives</b>					
Derivative liabilities: net settled	-	-	-	96	96
<b>Total</b>	-	-	-	96	96

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	3,000	-	-	3,000
Trade and other payables	-	1,745	-	-	1,745
Lease liabilities	-	46	44	-	90
Long-term loans from financial institutions	-	3,745	9,632	14,049	27,426
Debentures	-	4,615	20,500	13,585	38,700
<b>Total non-derivatives</b>	-	13,151	30,176	27,634	70,961
<b>Derivatives</b>					
Derivative liabilities: net settled	-	12	-	174	186
<b>Total</b>	-	12	-	174	186

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	3,000	-	-	3,000
Trade and other payables	-	1,750	-	-	1,750
Lease liabilities	-	26	36	-	62
Long-term loans from financial institutions	-	3,092	6,967	14,049	24,108
Debentures	-	4,615	20,500	13,585	38,700
<b>Total non-derivatives</b>	-	12,483	27,503	27,634	67,620
<b>Derivatives</b>					
Derivative liabilities: net settled	-	12	-	174	186
<b>Total</b>	-	12	-	174	186

### 41.3 Fair values of financial instruments

Since the majority of the Group's financial instruments of the Group are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position. However, the Company has long-term liabilities in the form of debentures of which carrying value is different from the fair value. As at 31 December 2021, the book value of the Company's debentures was Baht 40,085 million, whereas the fair value was Baht 41,092 million (2020: book value of the Company's debentures was Baht 38,700 million, whereas the fair value was Baht 39,866 million).

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, bank deposit for unearned fare box revenue, trade and other receivables, receivable under the concession agreement, short-term loans from financial institutions and trade and other payables the carrying amounts in the statement of financial position approximate their fair value.

- b) The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.
- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- d) The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- e) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- f) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as interest rate yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

#### **41.4 Reconciliation of recurring fair value measurements of assets, categorised within Level 3 of the fair value hierarchy**

There are no movements in the financial assets categorised within Level 3 of the fair value hierarchy during the year ended 31 December 2021.

#### **42. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2021, the Group's debt-to-equity ratio was 1.87 :1 (2020: 1.76 :1) and the Company's was 1.86 :1 (2020: 1.74 :1).

#### **43. Events after the reporting period**

On 23 February 2022, a meeting of the Board of Directors passed a resolution to the Annual General Meeting of the shareholders for approval to propose a dividend payment for the year 2021 to the Company's shareholders at a rate of Baht 0.08 per share or a total of Baht 1,223 million. This dividend payment is subject to the approval of the Annual General Meeting of the shareholders.

#### **44. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2022.