

Significant events in the year 2022

Launched EMV Contactless Payment for MRT Blue Line and Purple Line

BEM, MRTA and Krungthai Bank launched EMV Contactless System allowing passengers to use credit card payment in MRT Blue Line and Purple Line since 29 January 2022 which promote convenience and being a new choice for passengers instead of purchasing MRT card or token for boarding.

Acquired a Sustainability Loan Agreement

In February 2022, BEM signed the sustainability loan agreement in the amount of Baht 3 Billion for using in the MRT Blue Line project.

Extending the current Fare of MRT Blue Line

Since the Covid-19 pandemic and current economic situation have caused increasing in people's cost of living, BEM continues to support the government policy to relieve public transportation costs by extending the current fare of MRT Blue Line at the range of Baht 17 – 42 and also provides 50% discount for children, elderly and 10% discount for students until 31 December 2022.

Issued Sustainability Debentures value of Bath 4,500 Million

In September 2022, BEM has issued the 2nd Sustainability Debentures for the total amount of Baht 4,500 Million which increased from the initial target at Baht 3,000 Million due to high demand from investors with 2.6 times oversubscription, reflecting investors' confidence in BEM's business and their intention to support projects with environmental and social benefits. The proceed from debentures issuance has been used in clean transportation business which considered environmental friendly and provides social benefits. There are 4-series of Debentures with duration between 3 - 12 years and fixed interest rate between 2.76 - 4.15 percent per annum.

The Extraordinary General Meeting of Shareholders No.1/2022

On November 28, 2022, the Extraordinary General Meeting of Shareholders No.1/2022, has approved the company to enter into the Public-Private Partnership Contract ("PPP Contract") for the MRT Orange Line Project : Bang Khun Non – Min Buri (Suwinthawong) with the Mass Rapid Transit Authority of Thailand ("MRTA") and sign a term contract with CH. Karnchang Public Company Limited for the management and construction of civil works (West Section) and the design, procurement, installation, testing of system equipment and the trial run (East and West Section) of the MRT Orange Line Project: Bang Khun Non - Min Buri (Suwinthawong) after approving from the ministry. In this regard, obtaining the MRT Orange Line Project will increase the company's ability to run the business continuously and expand the network of the mass rapid transit system currently managed by the company to cover more service areas, therefore increase the number of passengers and revenue of the metro projects under the company's concession.

The achievement award in the year 2022

Selected as “Thailand Sustainability Investment” for 6th consecutive years

BEM was selected as 1 of 157 listed companies in the stock market for Thailand Sustainability Investment (THSI) of the Year 2022 for 6th consecutive years in industrial service sector with commitment to manage business to deliver transportation services that are safe, convenient, fast, coupled with responsibility for the environment, social and governance (ESG).

Received the award “Thailand’s Top Corporate Brands 2022”

BEM was awarded for the Thailand’s Top Corporate Brand in the sector of transportation and logistics business from being the organization with the highest corporate brand value in Thailand for the year 2022 from the event of the “ASEAN and Thailand’s Top Corporate Brand 2022” for 3rd consecutive years.

Achieved the level of "Excellent" (Excellent CG Scoring) in Corporate Governance Report of Thai Listed Companies or Five stars continually.

BEM has achieved the level of "Excellent" (Excellent CG Scoring) in Corporate Governance Report of Thai Listed Companies or Five stars continually from Thai Institute of Directors Association (Thai IOD), with support from the Stock Exchange of Thailand (SET) in monitoring the corporate governance practices of Thai listed companies for the year 2022 which reflect and demonstrate corporate purpose of conducting business for growth base on corporate governance and conducting sustainable growth practices including stakeholders' interests.

Summary of Operational Results comparing between the Year 2022 and 2021

As the severity of Covid-19 pandemic has been reduced and the government announced the Covid-19 as “Communicable disease under surveillance” including opening the country which escalate the travel volume resulting in an increasing number of Expressway users and Metro passengers in the year 2022 approximately 22.4 percent and 84.5 percent respectively from the previous year.

For the year 2022, the Company’s net profit attributable to equity holders of the Company was in the amount of Baht 2,436 Million, representing an increase from the previous year by Baht 1,426 Million or 141.2 percent.

Revenue from main business amounted to Baht 14,030 Million representing an increase from the previous year by Baht 3,304 Million or 30.8 percent. Toll revenue increased by Baht 1,742 Million, revenue from Rail business increased by Baht 1,463 Million and revenue from Commercial Development business increased by Baht 99 Million.

Cost of service amounted to Baht 8,447 Million representing an increase from the previous year by Baht 1,458 Million or 20.9 percent from maintenance cost of the Expressway and MRT. Moreover, amortization cost increased in accordance to the number of vehicles and passengers’ volume. Administrative expenses amounted to Baht 1,160 Million which almost the same as previous year.

Finance cost amounted to Baht 2,148 Million representing an increase from the previous year by Baht 200 Million or 10.3 percent, mainly from the measurement of loans and debentures at amortized cost method as the adoption of the Thai financial reporting standard (TFRS 9: Financial Instruments)

resulted to higher interest expenses in the income statement than the amount of interest payment together with interest on loans with floating interest rates increased.

(Unit: Million Baht)

Description	2022	2021	2022 vs 2021 %change	2020	2021 vs 2020 %change
Revenue from expressway business	8,192	6,450	27.0	8,145	-20.8
Revenue from rail business	4,917	3,454	42.4	4,520	-23.6
Revenue from commercial development business	921	822	12.0	825	-0.4
Total revenue from main business	14,030	10,726	30.8	13,490	-20.5
Others income	596	537	11.0	556	-3.4
<i>Interest income from the MRT Purple Line Project</i>	176	218	-19.3	277	-21.3
Total revenues	14,802	11,481	28.9	14,323	-19.8
Cost of service	8,447	6,989	20.9	8,426	-17.1
Selling and administrative expenses	1,160	1,160	-	1,347	-13.9
Total expenses	9,607	8,149	17.9	9,773	-16.6
Profit before finance cost and tax expenses	5,195	3,332	55.9	4,550	-26.8
Finance cost	2,148	1,948	10.3	1,820	7.0
<i>Interest expense from the MRT Purple Line Project</i>	213	239	-10.9	293	-18.4
Profit before income tax expenses	2,834	1,145	147.5	2,437	-53.0
Income tax expenses	398	134	-197.0	382	64.9
Profit before share of profit from associates and NCI	2,436	1,011	140.9	2,055	-50.8
NCI	-	(1)	-100.0	(4)	75.0
Profit attributable to Equity holders of the Company	2,436	1,010	141.2	2,051	-50.8
Basic earnings per share (Baht)	0.16	0.07		0.13	

Segmental Performance

1. Expressway business

The revenue from Expressway business was at Baht 8,192 Million representing an increase from the previous year by Baht 1,742 Million or 27.0 percent from an increase in the traffic volume in all expressway sectors due to the unfolding of Covid-19. Therefore, activities of all sectors such as government, public, private and schools returned to normal situation resulting in continuously increase in travel volume while the previous year, the Covid-19 pandemic was widely spread. The average traffic volume of the year 2022 was at 1,040,700 trips per day representing an increase from the previous year by 22.4 percent. Moreover, revision of toll rates of the Si Rat-Outer Ring Road Expressway resulted the revenue growth above the traffic volume growth.

Cost of service of Expressway business operation consisted of costs of toll and amortization on rights to operate completed expressway sectors, amounted to Baht 2,826 Million, representing an increase from the previous year by Baht 641 Million or 29.3 percent, mainly from an increase in amortization on rights to operate completed expressway sectors which related to the traffic volume including the maintenance cost was gradually resumed this year.

2. Rail business

Revenue from Rail business amounted to Baht 4,917 Million, representing an increase from the previous year by Baht 1,463 Million or 42.4 percent. Farebox revenue from the MRT Blue Line Project increased by Baht 1,213 Million or 81.4 percent, revenue from O&M services of the Purple Line Project increased by Baht 250 Million as stated in the agreement. The average ridership in the year 2022 was at 270,617 trips per day representing an increase by 84.5 percent from the previous year. When considering monthly ridership trend, the number of passengers continue to increase during the second half of the year where the average everyday ridership was at 300,000 - 350,000 trips per day and the average working day ridership was more than 400,000 trips per day. And forecast in 2023, the ridership is expected to grow as the number of tourists increase.

Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under concession agreement. The cost was at Baht 5,278 Million, representing an increase from the previous year by Baht 758 Million or 16.8 percent, mainly from the maintenance cost, which was postponed from the previous year to this year and remuneration paid to MRTA increased according to an increase in revenue.

3. Commercial Development business

Commercial Development revenue was at Baht 921 Million, representing an increase from the previous year by Baht 99 Million or 12.0 percent mainly from an increase in retail revenue in Metro Mall and advertising due to an improvement of economic. In addition, telecommunication revenue increased under concession agreement.

Cost of Commercial Development business was at Baht 343 Million representing an increase from the previous year by Baht 59 Million or 20.8 percent according to an increase in revenue.

Financial Position

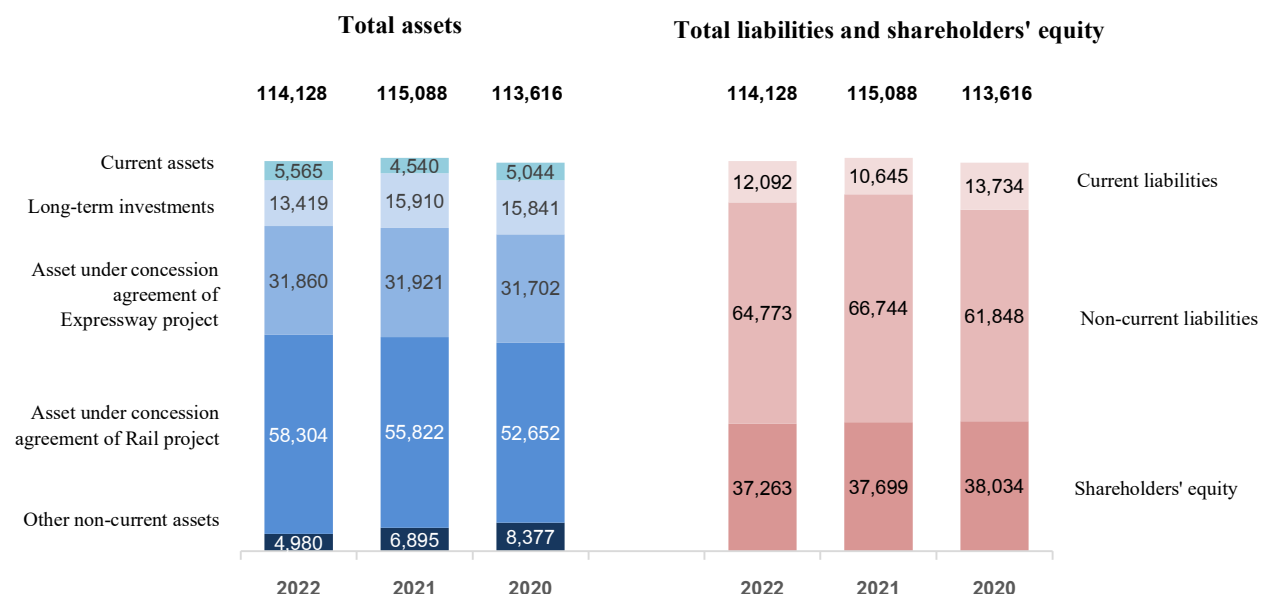
As at December 31, 2022, the Company and its subsidiaries had total assets amounted to Baht 114,128 Million, representing a decrease by Baht 960 Million or 0.8 percent when compared with total assets as at December 31, 2021, mainly from fair value adjustment of financial assets (equity instruments) in The Stock Exchange of Thailand. Asset under concession agreement of MRT Blue Line increased, substantially from prepaid project remuneration in accordance to the concession agreement. Total liabilities amounted to Baht 76,865 Million, representing a decrease by Baht 524 Million or 0.7 percent mainly from a decrease in current portion of long-term loans. Total shareholders' equity amounted to Baht 37,263 Million, representing a decrease by Baht 436 Million or 1.2 percent mainly from fair value adjustment of financial assets.

(Translation)

Bangkok Expressway and Metro Public Company Limited
Management Discussion and Analysis for the Year 2022



(Unit: Million Baht)



Cash Flows

(Unit: Million Baht)

Description	2022	2021	2020
Net cash flows operating activities	5,632	2,870	5,351
Net cash flows investing activities	(597)	(1,731)	(3,724)
Net cash flows financing activities	(4,379)	(1,621)	(717)
Net increase (decrease) in cash and cash equivalents	656	(482)	910

Net cash inflows from operating activities were at Baht 5,632 Million representing an increase from the previous year, from an increase of revenue and net profit.

Net cash outflows from investing activities were cash payment for improvement of the Expressway and M&E equipment of the MRT Blue Line Project in the amount of Baht 1,303 Million, investment in financial assets in the net amount of Baht 180 Million whereas dividend income in the amount of Baht 552 Million and Cash received from sale of investment in the amount of Baht 334 Million.

Net cash outflows from financing activities were interest payment and financial fees in the amount of Baht 2,041 Million, dividend payment in the amount of Baht 1,223 Million and net loan repayment in the amount of Baht 1,115 Million.

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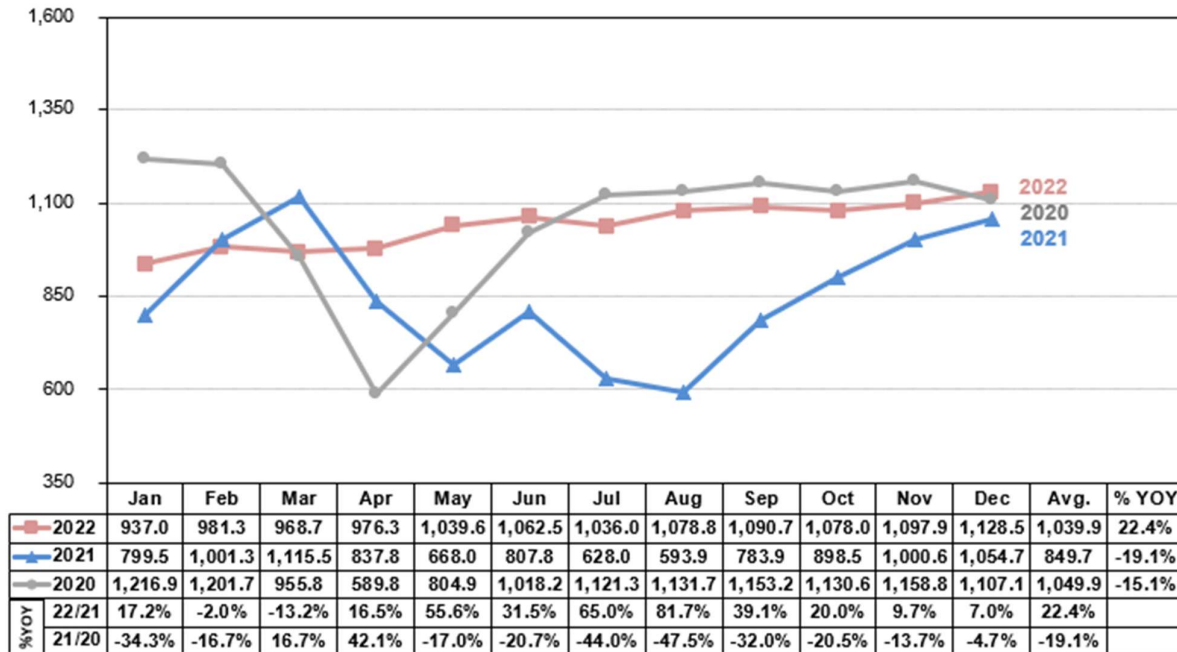
Significant Financial Ratios

Description	Unit	2022	2021	2020
Net Profit Margin ratio (NPM)	%	16.66	8.97	14.60
Return on Equity ratio (ROE)	%	6.50	2.67	5.35
Return on Total Assets ratio (ROA)	%	2.26	0.95	2.00
Debt to Equity ratio (D/E)	Time	1.91	1.87	1.76
Net Interest Bearing Debt to Equity ratio (Net IBD/E)	Time	1.66	1.65	1.52

Overall, the Company's key financial ratios are better than the previous year, resulted from an improvement of economic leading to the increase of Expressway users and Metro passengers hence an increase in revenues and net profit. Net IBD/E ratio is almost the same as previous year and still lower than 2.5 times as stated in loan and debenture covenant.

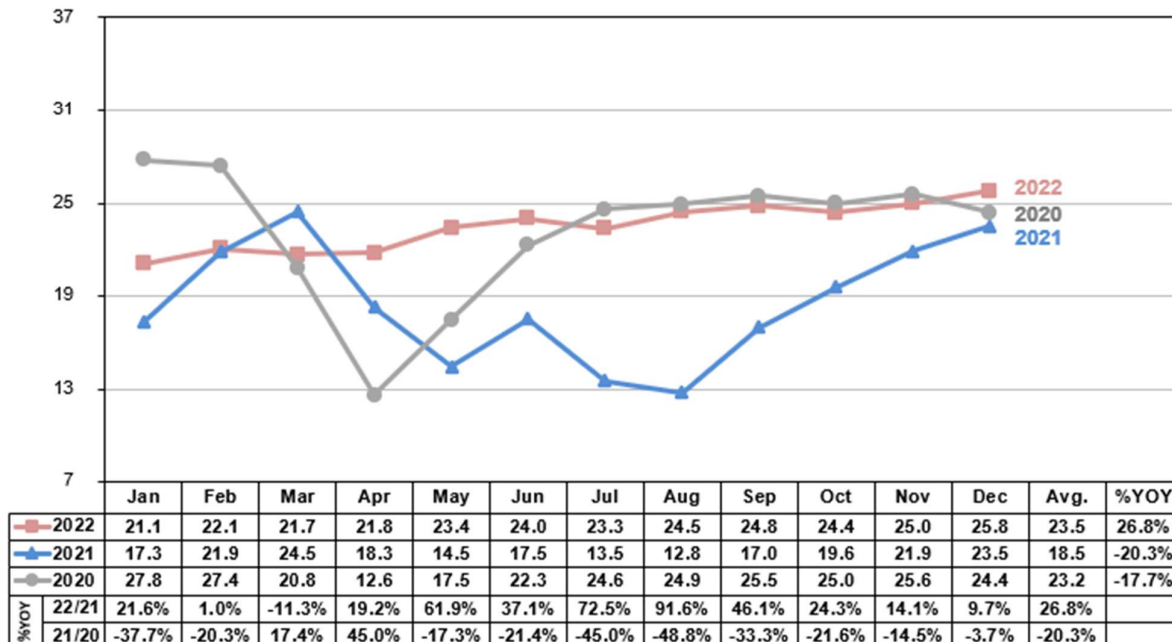
**Average Daily Traffic Volume for the Si Rat Expressway,
the Prachin Ratthaya Expressway and the Udon Ratthaya Expressway**

(Thousand Trips / Day)



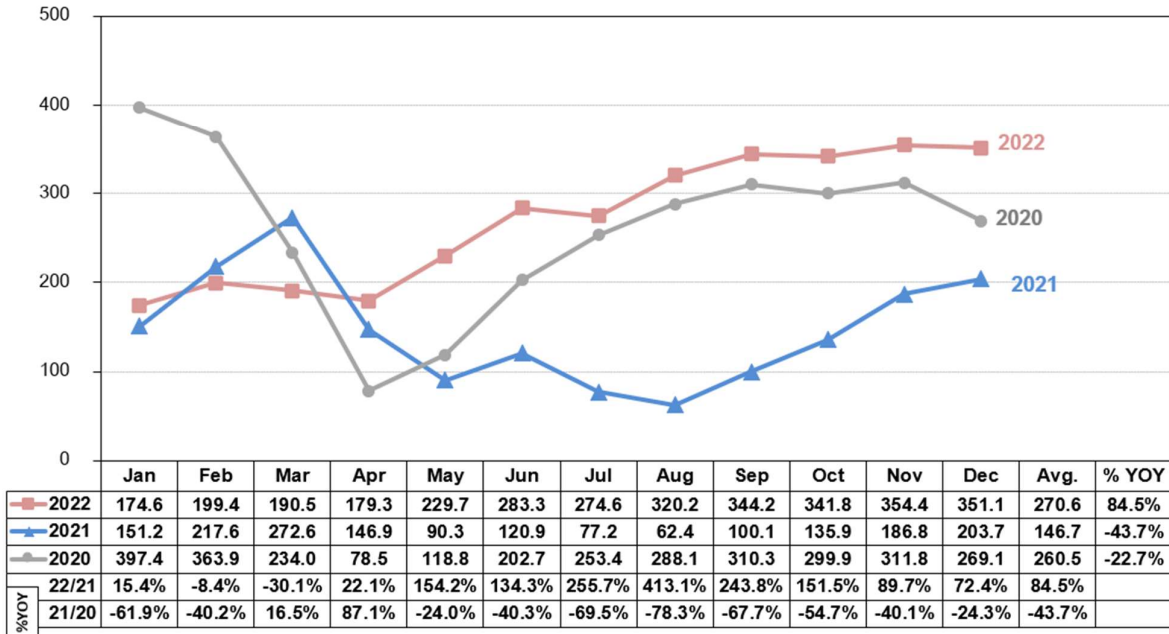
**Average Daily Toll Revenue for the Si Rat Expressway,
the Prachin Ratthaya Expressway and the Udon Ratthaya Expressway**

(Million Baht / Day)



Average Daily Ridership for Chaloem Ratchamongkhon Line

(Thousand Trips / Day)



Average Daily Farebox Revenue for Chaloem Ratchamongkhon Line

(Million Baht / Day)

