

Significant events

BEM issued 2nd Sustainability Debentures for the amount of Bath 4,500 Million

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

BEM was selected as “Thailand Sustainability Investment” 6th consecutive year

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 year in industrial service sector with commitment to manage business to deliver transportation services that are safe, convenient, fast, coupled with responsibility for the environment, society and corporate governance (ESG).

BEM's Schedule for the Extraordinary General Meeting of Shareholders No.1/2022

On October 17, 2022, the Board of Directors' Meeting has resolved and approved to propose the Extraordinary General Meeting of Shareholders No.1/2022, which will be held on November 28, 2022, to consider and approve 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 to approve to 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). In this regard, obtaining the MRT Orange Line Project will increase the ability to run the business continuously, expand the network project of the mass rapid transit system currently managed by the Company to cover more service areas, and increase the number of passengers and revenue of the metro system under the Company's concession.

(Translation)

Bangkok Expressway and Metro Public Company Limited
Management Discussion and Analysis for the 3rd Quarter of the Year 2022



Overview Operational Results

(Unit: Million Baht)

Description	3 rd Quarter		Changes %	For the 9 months		Changes %
	2022	2021		2022	2021	
Revenue from expressway business	2,146	1,278	67.9	5,996	4,554	31.7
Revenue from rail business	1,351	700	93.0	3,454	2,524	36.8
Revenue from commercial development business	242	176	37.5	644	590	9.2
Total revenue from main business	3,739	2,154	73.6	10,094	7,668	31.6
Other income	223	225	-0.9	579	524	10.5
<i>Interest income from the MRT Purple Line Project</i>	43	53	-18.9	135	167	-19.2
Total revenues	4,005	2,432	64.7	10,808	8,359	29.3
Cost of service	2,094	1,537	36.2	6,051	5,217	16.0
Selling and administrative expenses	279	264	5.7	847	862	-1.7
Total expenses	2,373	1,801	31.8	6,898	6,079	13.5
Profit before finance cost and tax expenses	1,632	631	158.6	3,910	2,280	71.5
Finance cost	549	491	11.8	1,589	1,449	9.7
<i>Interest expense from the MRT Purple Line Project</i>	55	59	-6.8	168	182	-7.7
Profit before income tax expenses	1,028	81	1,169.1	2,153	649	231.7
Income tax (revenue) expenses	165	(27)	711.1	320	34	841.2
Profit before NCI	863	108	699.1	1,833	615	198.0
NCI	-	-	-	-	(1)	100.0
Profit attributable to Equity holders of the Company	863	108	699.1	1,833	614	198.5
Basic earnings per share (Baht)	0.06	0.01		0.12	0.04	

After reopening the country, economic activities have resumed resulting in a significant increase of traffic and ridership number approaching to pre-COVID-19 level.

For the 3rd quarter of the year 2022, the Company's net profit attributable to equity holders of the Company was in the amount of Baht 863 Million, representing an increase from the same quarter of the previous year by Baht 755 Million or 699 percent.

Revenue from main business amounted to Baht 3,739 Million representing an increase from the same quarter of the previous year by Baht 1,585 Million or 73.6 percent. Toll revenue increased by Baht 868 Million. Revenue from Rail business increased by Baht 651 Million and revenue from Commercial Development business increased by Baht 66 Million.

Cost of service amounted to Baht 2,094 Million and Administrative expenses amounted to Baht 279 Million, representing an increase from the same quarter of the previous year by Baht 557 Million or 36.2 percent and by Baht 15 Million or 5.7 percent, according to the incremental revenues.

Finance cost amounted to Baht 549 Million representing an increase from the same quarter of the previous year by Baht 58 Million or 11.8 percent, mainly from the measurement of loans and debentures in accordance with the Thai financial reporting standard (TFRS 9) resulted in higher interest expenses booked in the income statement than the actual interest payment. Plus, interest on loans with floating interest rates increases according to the current market trend.

For the nine-month period of the year 2022, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 1,833 Million representing an increase from the nine-month period of the year 2021 by Baht 1,219 Million or 198.5 percent, from the continual rise of traffic and ridership volume resulting to an increase in revenue. Cost of service including Selling and administrative expenses amounted to Baht 6,898 Million, representing an increase from the same period of the previous year by Baht 819 Million or 13.5 percent, and finance cost amounted to Baht 1,589 Million representing an increase from the same period of the previous year by Baht 140 Million or 9.7 percent.

Segmental Performance

1. Expressway business

The revenue from Expressway business was at Baht 2,146 Million representing an increase from the same quarter of the previous year by Baht 868 Million or 67.9 percent, from the increase in traffic volume in all expressway sectors, whereas at the same period of the previous year was effected by COVID-19 pandemic resulted in significant decrease in travelling. For the 3rd quarter of the previous year, the average traffic volume was at 669,362 trips per day and for the 3rd quarter of this year, the average traffic volume was at 1,069,102 trips per day representing an increase from the previous year by 59.7 percent.

Cost of service for operation of Expressway business consisted of costs of toll and amortization on rights to operate completed expressway sectors, amounted to Baht 705 Million, representing an increase from the same quarter of the previous year by Baht 232 Million or 49.0 percent, mainly from the maintenance, which was postponed during the COVID-19 in year 2020 - 2021, gradually resumed this year and amortization of rights to operate completed expressway sectors was increased according to the increase in traffic volume.

2. Rail business

Revenue from Rail business amounted to Baht 1,351 Million, representing an increase from the same quarter of the previous year by Baht 651 Million or 93.0 percent. Farebox revenue from the MRT Blue Line increased by Baht 583 Million due to people resumed their normal lives resulted in ridership increased continuously and return to almost pre-COVID-19 level. The average everyday ridership in this quarter was at 312,663 trips per day representing an increase by 292.4 percent, and the average working day ridership was at 366,428 trips per day representing an increase by 290.4 percent when compared with the same period of the previous year. Revenue from O&M services of the Purple Line increased by Baht 68 Million as stated in the agreement.

(Translation)

Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under concession agreement of the MRT Blue Line. The cost was at Baht 1,308 Million, representing an increase from the same quarter of the previous year by Baht 310 Million or 31.1 percent, in line with farebox revenue increased.

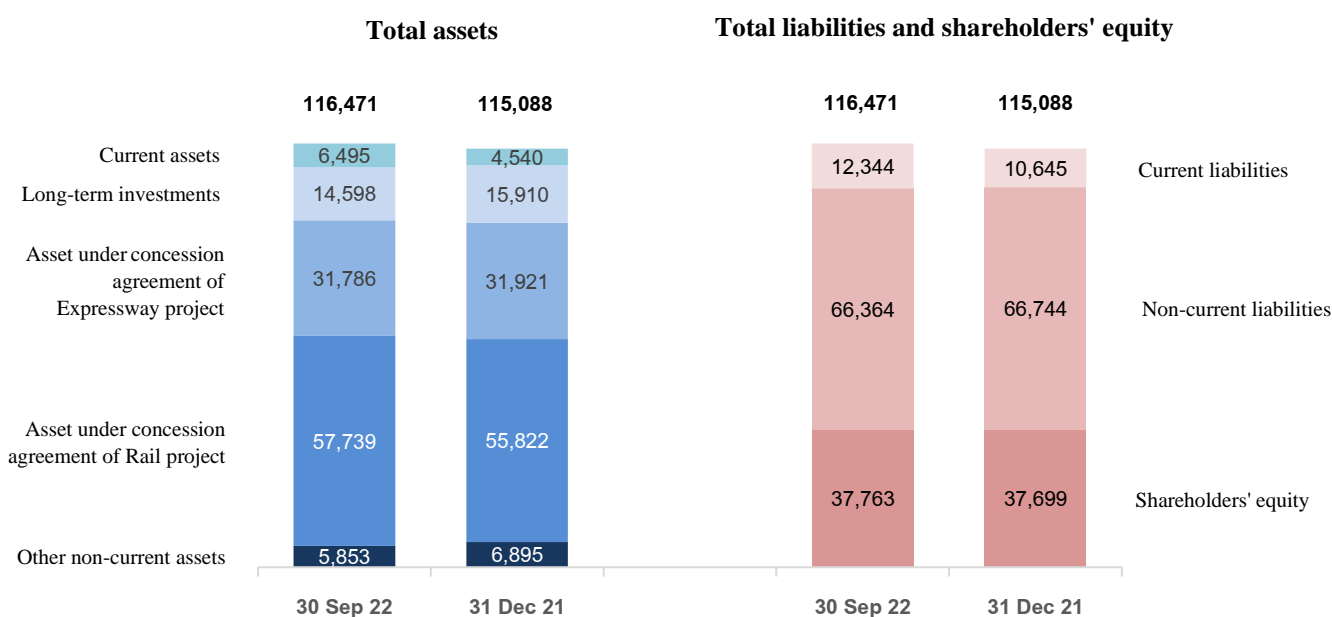
3. Commercial Development business

Commercial Development revenue was at Baht 242 Million, representing an increase from the same quarter of the previous year by Baht 66 Million or 37.5 percent, mainly from an improvement of economic resulted in advertising and retail revenue in Metro Mall increased. Cost of Commercial Development business was at Baht 81 Million representing an increase from the same quarter of the previous year by Baht 15 Million or 22.7 percent, according to the rise of revenues.

Financial Position

As at September 30, 2022, the Company and its subsidiaries had total assets amounted to Baht 116,471 Million, representing an increase by Baht 1,383 Million or 1.2 percent when compared with total assets as at December 31, 2021, mainly from an increase in asset under concession agreements of MRT Blue Line, substantially from prepaid project remuneration in accordance to the concession agreement. Total liabilities amounted to Baht 78,708 Million, representing an increase by Baht 1,319 Million or 1.7 percent, mainly from an increase of Trade payables for improvement of the Expressway and M&E equipment of the MRT Blue Line Project. Total shareholders' equity amounted to Baht 37,763 Million, representing an increase by Baht 64 Million or 0.2 percent from the Company's profit, dividend payment and the fair value adjustment of long-term investments and derivatives.

(Unit: Million Baht)



(Translation)

Cash Flows

(Unit: Million Baht)

Description	For the 9 months	
	2022	2021
Net cash flows operating activities	4,023	1,913
Net cash flows investing activities	(852)	(1,413)
Net cash flows financing activities	(2,430)	(1,201)
Net increase (decrease) in cash and cash equivalents	741	(701)

Net cash inflows from operating activities were at Baht 4,023 Million representing an increase from the same period of the previous year, from an increase of revenue and net profit.

Net cash outflows from investing activities were short-term investment in financial assets in the net amount of Baht 880 Million, cash payment for improvement of the Expressway and M&E equipment of the MRT Blue Line Project in the amount of Baht 858 Million, whereas dividend income in the amount of Baht 552 Million and the first quarter Cash receipt from sale of investment in CKP in the amount of Baht 334 Million.

Net cash outflows from financing activities were interest payment and financial fees in the amount of Baht 1,277 Million, dividend payment in the amount of Baht 1,223 Million and the withdrawal of loans in the net amount of Baht 70 Million.

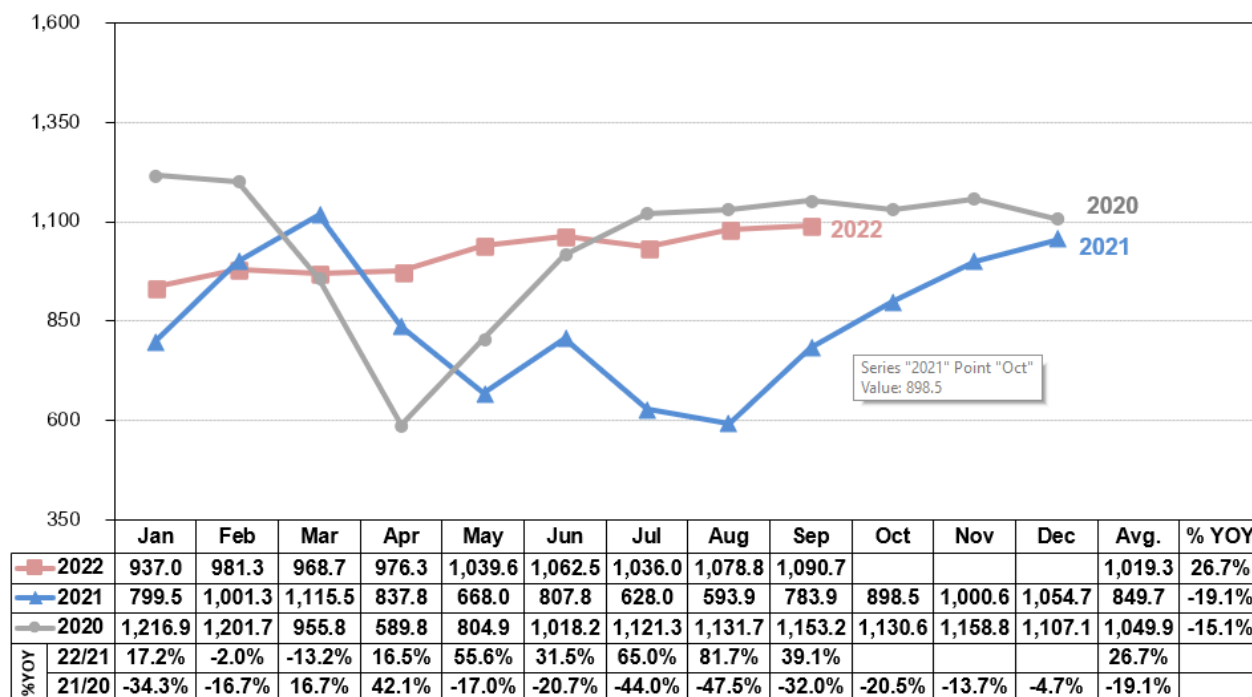
Significant Financial Ratios

Description	Unit	3 rd Quarter	
		2022	2021
Net Profit Margin ratio (NPM)	%	21.78	4.56
Return on Equity ratio (ROE)	%	5.89	3.07
Return on Total Assets ratio (ROA)	%	2.05	1.11
Debt to Equity ratio (D/E)	Time	1.93	1.85
Net Interest Bearing Debt to Equity ratio (Net IBD/E)	Time	1.65	1.60

Overall, the Company's key financial ratios remain well, resulted from an improvement of economic to the near pre-COVID-19 level and the people's adaption to the situation leading to the increase of Expressway users and Metro passengers resulting to an increase in revenues. Debt ratios were slightly increased from the withdrawal of loans, but still lower than 2.5 times as stated in loan and debentures agreement.

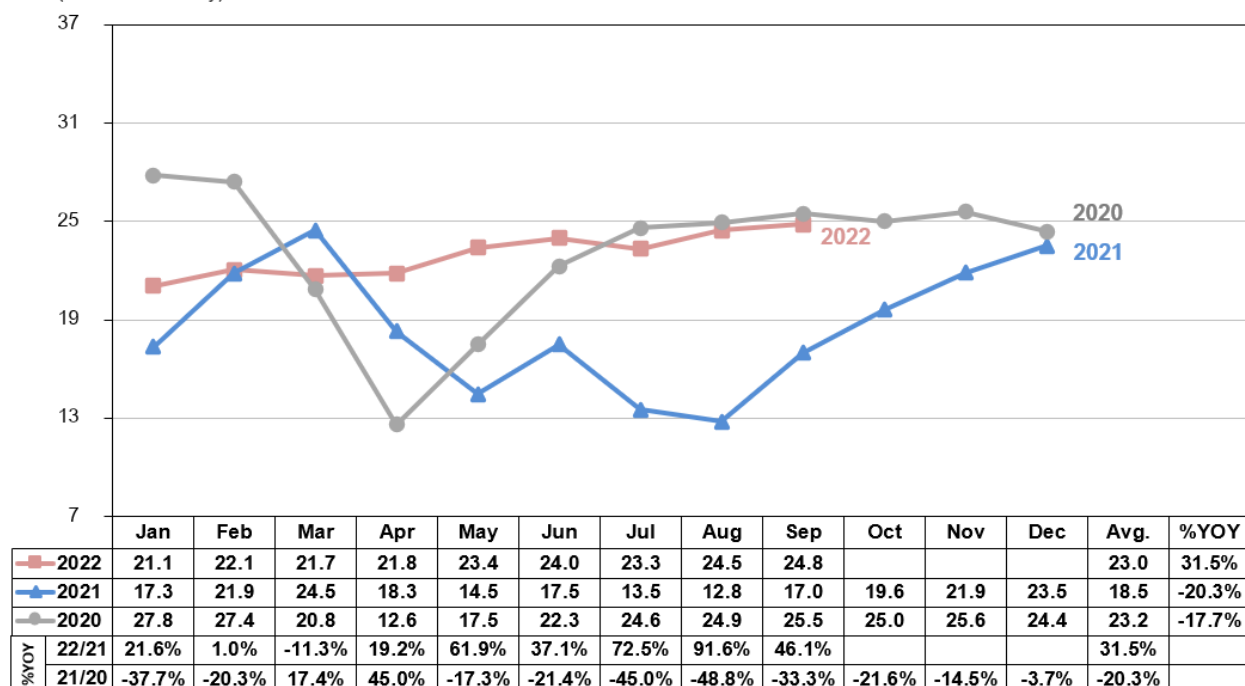
Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Thousand Trips / Day)



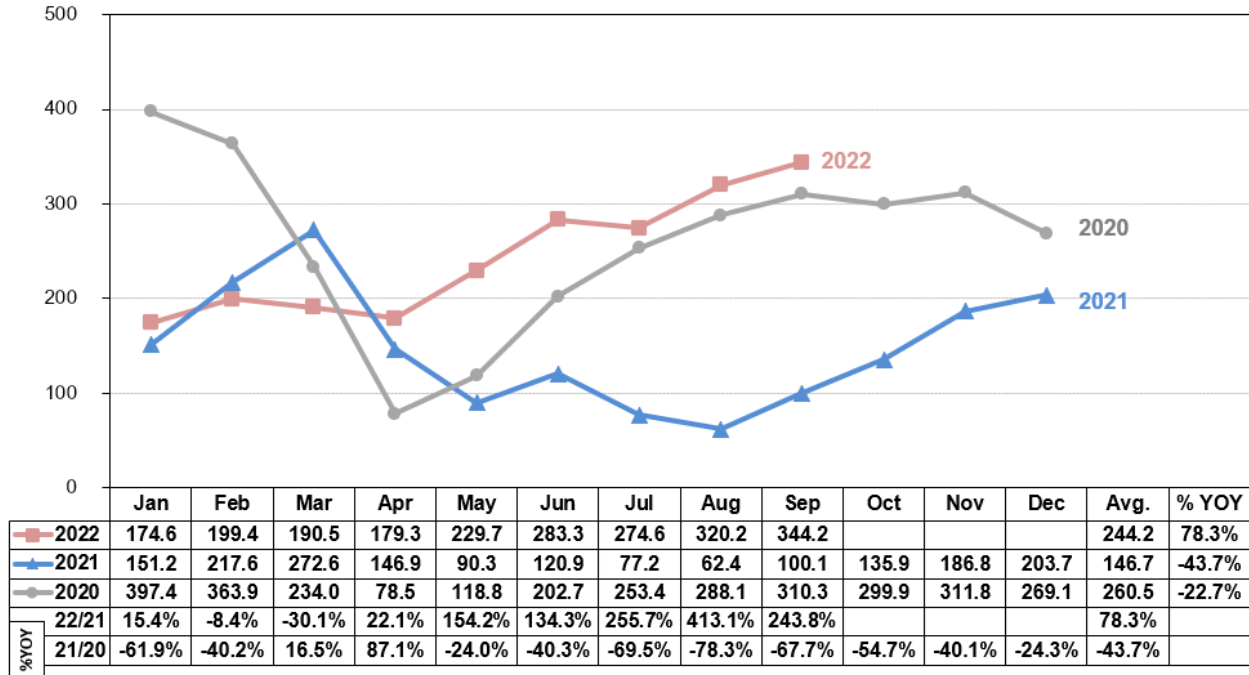
Average Daily Toll Revenue for the First Stage Expressway, the Second Stage Expressway, the Si Rat-Outer Ring Road Expressway and the Bang Pa-in - Pak Kret Expressway

(Million Baht / Day)



Average Daily Ridership for Blue Line

(Thousand Trips / Day)



Average Daily Farebox Revenue for Blue Line

(Million Baht / Day)

