



MANAGEMENT DISCUSSION AND ANALYSIS
(MD&A) Year 2022

DON MUANG TOLLWAY PUBLIC COMPANY LIMITED

21 February 2023





Business Overview in 2022

The Thai economy in 2022 continued to expand according to the independent agency's projection at a rate of 3.2-3.3%, gradually recovered from 1.5% in 2021 after the COVID-19 has unwounded with an increase in vaccination rate and various global measures have been lifted, resulting in revoking of travel restriction measures. In Thailand, the country has fully opened since mid-2022, and thus domestic economic activities and the number of foreign tourists have gradually recovered. The tourism sector recovered significantly in the second half of 2022 with more than 11 million foreign tourists arriving in Thailand, especially in December 2022 with more than 2 million foreign tourists visiting. Private consumption that has gained confidence in various measures of public health, including self-care and self-protection, increased as a result of improvement in the service sector, which mainly benefited from the tourism. However, international factors arising from the conflict between Russia and Ukraine that have started in February or late in the first quarter and lockdowns in major Chinese cities resulted in an economic halt. In addition, a sudden global demand for goods and services after lifting COVID-19 restrictions caused inflation rates in many countries, including Thailand, to rise. The direction of monetary policy of the world's majority has become more rigorous. The Bank of Thailand has adjusted the monetary policy to control inflation by raising the interest rate for the first time in 4 years in August 2022, and twice more to 1.25% at the end of 2022 from 0.50% in 2021. As for Thai Baht, it appreciated during the last quarter of the year due to positive factors from the recovery of the tourism sector together with the dollar's depreciation. In addition, construction investment improved after the pandemic subsided. Many large-scale Public-Private Partnership (PPP) infrastructure projects were set in motion after delays.

After the COVID-19 situation in Thailand has improved, the Center for COVID-19 Situation Administration (CCSA) has started to relax the COVID-19 control measures since July 2022. The Company has continued to monitor the situation and emphasized on control and preventive measures in order to prevent spreading, promote safety and welfare of employees and stakeholders. The Company focused on uninterrupted services and business with stability responsive to the needs of all groups of stakeholders according to business operating goals. In 2022, Don Muang Tollway Public Company Limited achieved its goal profits as planned without restrictions on domestic and international travels; no lockdown measures as there were in April 2020 and twice in 2021—May and July-August. Traffic volumes on toll roads in 2022 increased steadily due to the government's relaxation measures and country opening up for tourism. The Company's operations in various areas throughout 2022 were based on the foundation of sustainability development by delivering values in various fields to stakeholders evidently, including managing efficiently to ensure that tollway services meet the standards with convenience, speed, and safety for tollway users. The Company



never ceases to make improvements every year so that tollway users are confident, impressed, and return to use the services regularly. The Company continues to provide various services effectively such as toll collection, rescues, and traffic management. The various development projects that the Company has continued and completed consist of:

- Toll collection system
 - Payment systems using EMV (Europay Mastercard and Visa) and QR Payment were implemented on 1 April 2022.
 - The Manual Toll Collection System (MTC) Development Project was completed on 19 December 2021.
 - The Electronic Toll Collection System (ETC) was implemented on 23 April 2022.
 - Development of toll collection system “Free Flow (M-Flow)”: the Company has conducted a 2-lane test at Din Daeng Toll Plaza. The installation has been completed and the acceptance test has been performed in December. It is currently awaiting approval for data transmission testing with the Department of Highways’ Single Platform system.
- Traffic Control and Management System
 - Traffic Control and Surveillance System Project on Uttrapimuk Tollway or Smart Project: Bureau of Highway Safety, Department of Highways has studied guidelines for establishing the Highway Traffic Operations Center (HTOC) and has linked data from the Company’s Operation Control Center (OCC) to the Department of Highways as a successful overall integration.
 - As for other developments, the Company has developed a Video Analytic System to be more accurate using Deep Learning technology to improve efficiency, which has been completed and in operation since 1 August 2022.
- Maintenance work: the Company repaired HDPE drainage pipes at Ladprao and Sutthisarn overpasses by replacing new pipes with clamp sets, which was completed in February and October, respectively. Micro surfacing method was applied to repair road surfaces to increase surface’s skid resistance on the left lanes of both inbound and outbound of Don Muang off-ramp and Don Muang Airport off-ramp at the junction connecting to 2nd stage expressway in order to enhance safety, which was completed in September. The results of Project of Inspection and Assessment for Tollway Elevated Structure revealed no significant damages that may affect the stability of the structure were found, only deterioration from general use.



- ISO 9001: 2015 Quality Management System Standard and ISO 14001: 2015 Environmental Management System Standard Projects: the Company was certified ISO 9001:2015 and ISO 14001:2015 under the scope of “operation and maintenance of the Uttrapimuk Tollway, Din Daeng – Don Muang – National Memorial section” from SGS (Thailand) Company Limited on 11 March 2022.
- The Company’s innovation projects that have been implemented and completed according to plans, in addition to the aforementioned MTC/ETC system, M-Flow test, Video Analytic, consist of Tollway Loyalty Platform Via Line OA Channel, Mobile Application, Fleet Card Payment Project, Line Robot (for managing various administrative tasks), E-Learning (Online Learning), e-Tax Invoice & e-Receipt and e-Withholding Tax system, cash deposit machine model Kun5C-deposit machine, and the reuse of collected dust from vacuum sweeper trucks project, as a way to develop innovation for cost management within the organization for maximum efficiency and in accordance with government policies.

Dividend payment policy in 2022, after the Company listed 140 million newly issued ordinary shares on the Stock Exchange of Thailand with the first day of trading on 7 May 2021, as disclosed in the prospectus “ the Company has a dividend payment policy to shareholders at the rate not less than 90.0% of the profit for the year after the allocation of legal reserves by taking into account cash flows from operations, financial position, operating results, future investment plans, conditions and restrictions as specified in the loan agreement or other related contracts.” The Company fully adhered to the mentioned policy and announced the dividend payment for 2022 as follows:

- At the 2022 Annual General Meeting of Shareholders held on 26 April 2022, the shareholders approved the appropriation of profits as dividends from the operating results for 2021 at the rate of 0.25 Baht per share from 1,181,232,800 shares, amounting to 295.30 million Baht. The Company paid such dividends to shareholders in May 2022.
- The Board of Directors’ Meeting held on 10 August 2022 resolved to approve the interim dividend payment from the operating results of the first 6 months of 2022 at the rate of 0.10 Baht per share from 1,181,232,800 shares, amounting to 118.12 million Baht. The Company paid such dividends to shareholders on 9 September 2022.
- The Board of Directors’ Meeting held on 14 November 2022 resolved to approve the interim dividend payment from the operating results of the first 9 months of 2022 at a rate of 0.25 Baht per share from 1,181,232,800 shares, amounting to 295.30



million Baht. The Company paid interim dividends for the first 6-month operating results at a rate of 0.10 Baht per share, totaling 118.12 million Baht on 9 September 2022; and paid interim dividends for the first 9-month operating results at a rate of 0.15 Baht per share of the total number of registered and paid-up shares of 1,181,232,800 shares, totaling 177.18 million Baht. The Company paid dividends to shareholders on 14 December 2022.

The above dividends were paid from the Company's operating cash flows.

For the overall performance in 2022, toll's traffic volume and income of the Company increased with toll revenue of 1,832.08 MB where higher than year 2021 by 52%. Still, the 2022 performance was lower when compared to year 2020. In 2022, net profit was in amount of 780.58 MB increased by 93% compared to year 2021 and increased by 1.4% compared to year 2020. The Company has been efficiently managed operating cost (excluding amortization of concession costs and corporate income tax) since 2020 when the COVID-19 outbreak. As of 31 December 2022, the Company had no interest-bearing debt while debt to equity ratio (D/E ratio) has been maintained at a very low portion where equal to 0.07 times. Current ratio increased from 1.36 times to 1.40 times compared to end of 2021. The Company also has revolving line for business reserve that has not been disbursed of 1,000 MB (31 December 2021: 1,000 MB) to strengthen company's liquidity for financial cushion in case occurrence of new variant of COVID-19 or other epidemics in the future and also be ready for corporate expansion by participating in bidding various Government projects (Public-Private Partnership).

Unit: Million Baht

Operating Results	2021 Q4	2022 Q3	2022 Q4	%Increase/ (Decrease)		2021 Jan-Dec	2022 Jan-Dec	%Increase/ (Decrease)
				QoQ	YoY			
Toll revenue	384.79	502.07	551.67	10	43	1,202.38	1,832.08	52
EBITDA	264.48	379.12	399.51	5	51	729.78	1,329.22	82
Net Profit	155.79	214.46	235.68	10	51	404.30	780.58	93
Earnings per share (Baht per share)	0.13	0.18	0.20	-	-	0.36	0.66	-
Debt to Equity (Time)	0.10	0.07	0.07	-	-	0.10	0.07	-

Operating Results in Q4/2022 compared to the Q3/2022

The company's toll revenue, EBITDA and net profit were 551.67 MB, 399.51 MB and 235.68 MB, respectively which increased from Q3/2022 due to the increased traffic on the toll roads 9%. As a result, toll revenue increased by 49.60 MB or 10% and in 2022 there is no travel restriction from Government. While net profit increased by 21.22 MB or 10%.

Operating results in Q4/2022 compared to the Q4/2021

The Company's toll revenue increased by 117.28 MB or 43% due to the increased traffic on the toll roads 40%. EBITDA increased by 135.03 MB or 51% and net profit in Q4/2022 increased by 79.89 MB or 51% compared to Q4/2021 due to an increase in toll revenue and the Debt-to-Equity ratio at end of 2022 was 0.07 times.

Operating Results for year 2022 compared to year 2021

In 2022, there were no travel restrictions and since April 2022 and had positive factors driving the government's economy. Turning to onsite learning and the less of restriction measures in the travel of tourists to Thailand urged the number of tourists to increase continuously, plus there were various campaigns to stimulate tourism in Thailand. In 2022, the Company had net profit of 780.58 MB increased by 376.28 MB or 93% from year 2021 due to an increase in toll revenue by 629.70 MB or 52.4%. In 2021, the situation with the COVID-19 epidemic apparently became more severe, travel was restricted in May 2021 (Q2), and in July and August 2021 (Q3). The Company was able to manage costs and expenses. (Excluding cost of amortization of concession and corporate income tax) continuously since 2020. In 2022, the expenses increased by 8.09 MB or 1.6% and revenue increased by 1.3% when compared to 2021. Financial cost decreased by 22.15 MB or 91.6% from 2021 due to the full repayment of short-term and long-term loans from financial institutions.

Important events for 2022

1. Service

- Accredited for Quality Management System (QMS) according to ISO 9001 : 2015 standards from SGS (Thailand) Company Limited.



- Accredited for Environmental Management System (EMS) according to ISO 14001 : 2015 standards from SGS (Thailand) Company Limited.



2. Corporate Governance

- The Company received 100 full score, or “Excellent” rating for the Annual General Shareholders’ Meeting (AGM) Assessment Project.
- The Company received “Very Good” CG Scoring for Corporate Governance Report (CGR).



3. Sustainability

- The Company was listed on Thailand Sustainability Investment (THSI) 2022 Stock Award for listed companies with awareness in Environment, Social and Governance (ESG) and good financial performance.



4. Corporate Image

- The Company received “Outstanding” for “Award for Organizations Supporting Persons with Disabilities 2022” from the Department for Empowerment of Persons with Disabilities.
- Received “ Smart Performance Company Awards” from the 3rd Thailand Smart Award from the Department of Industry Promotion, Ministry of Industry and Na Dee Network Publishing Company Limited.



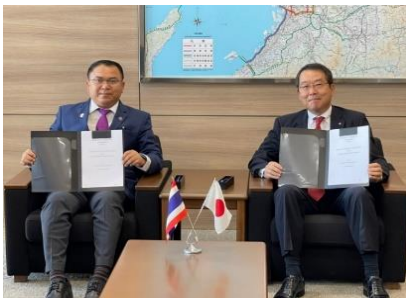
- Received “ Outstanding” for “ Sustainability Model Organization Award in the Thai Capital Market for Supporting Persons with Disabilities” organized by Securities and Exchange Commission, Ministry of Labour, Department of Skill Development, Department of Employment, Department for Empowerment of Persons with Disabilities, Thai Listed Companies Association, and Disabilities Thailand.



- Received “TCC BEST AWARDS 2022” (for 2 consecutive years) from the Thai Chamber of Commerce. It is an award honoring the Thai private sector that conducts business by using the code of conduct to create a wider acceptance, credibility, and faith in society and the Thai business sector, including business sectors worldwide.



5. Cooperation with Partners



- Signed a Memorandum of Understanding (MOU) with HANSHIN EXPRESSWAY COMPANY LIMITED, or HEX, of Japan for Joint Business Development at HEX headquarters in Osaka, Japan on 20 September 2022.



- Signed a Memorandum of Understanding (MOU) with EVme Plus Co., Ltd. on 19 October 2022 to jointly study the feasibility and to promote use of electric vehicles and related services, including trials, data collection, business feasibility study, functional test, design, and usage patterns that lead to consideration of cooperation of both parties in the future.



- On 22 December 2022, the Company signed a cooperation contract in developing innovative digital toll collection machine with Guardforce Cash Solutions Security (Thailand) Limited in applying technology to enhance work efficiency with innovation development and to improve integrated cash management according to sustainable development guidelines.

6. Management structure development



- At the Board of Directors' Meeting held on 26 April 2022, a resolution approved to appoint Mr. Tarnin Phanichewa, Managing Director, as Chief Executive Officer (CEO) with a resolution approving the appointment of Dr. Sakda Panwai, Chief Finance Officer (CFO) as Managing Director (MD), effective from 1 May 2022.



- At the Board of Directors' Meeting held on 12 May 2022 approved to promote Ms. Bongkodrat Tangchukul from First Vice President – Business and Finance to Chief Financial Officer (CFO), effective from 16 May 2022.

7. Dividend Payments in 2022 and 2021

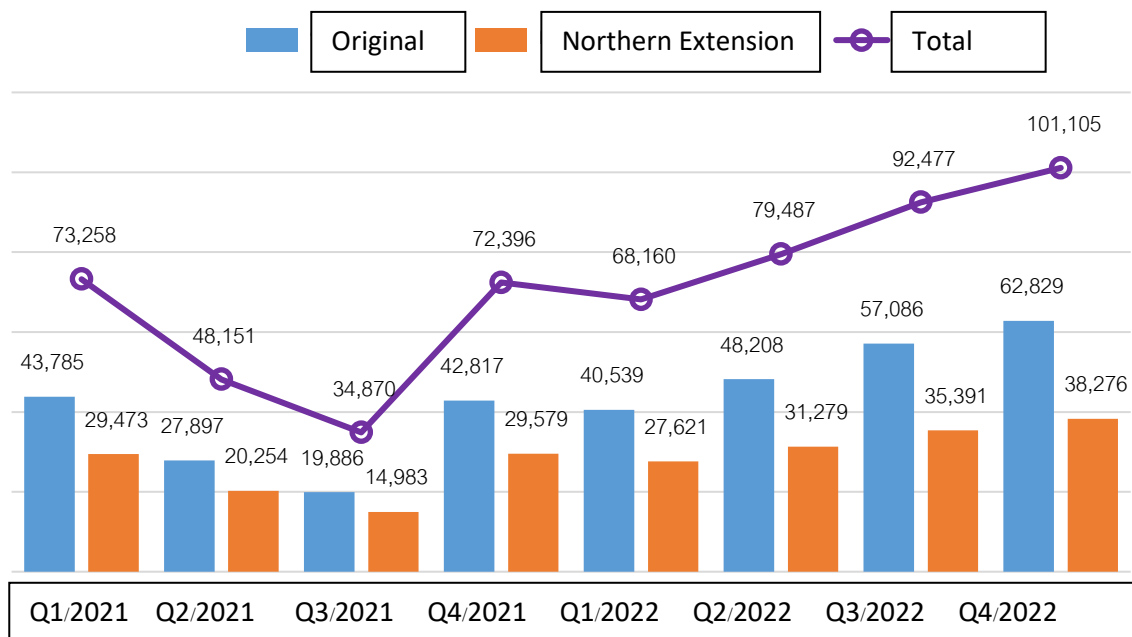
	Approval Date	Payment Due Date	Rate per Share (Baht)	Amount (Million Baht)
2022				
Annual dividend 2021	26 April 2022	May 2022	0.25	295.31
Interim dividend 2022	10 August 2022	September 2022	0.10	118.12
Interim dividend 2022	14 November 2022	December 2022	0.15	177.18
2021				
Annual dividend 2020	29 April 2021	May 2021	0.50	520.62
Interim dividend 2021	10 August 2021	September 2021	0.07	82.68



The Company still has a policy to pay dividends to shareholders increasing from a rate not less than 50% to a rate of not less than 90% of profit of the year* after legal reserve allocation.

Remark: *profit for the year means the net profit ended 31 December of each year after deducting corporate income tax expenses.

Traffic Volumes in 2022



In Q4/2022, it is considered a period of relaxation of various measures in full control of the spread of COVID-19, in which all activities can continue as normal. As a result, the traffic volumes continued to increase. The overall traffic volume of Don Muang Tollway in Q4/2022 was the highest in the past 2 years with an average traffic volume per day on the Tollway's Original Section of 62,829 vehicles and on the Northern Extension was 38,276 vehicles, an increase from 57,086 vehicles on the Original Section and 35,391 vehicles on the Northern Extension in Q3/2022, representing an increase of 10.1% and 8.2%, respectively. When compared to Q4/2021, an average daily traffic volume on the Original section was 42,817 vehicles and 29,579 vehicles on the Northern Extension section, increased by 46.7% and 29.4%, respectively. It was noted that the rate of increase on the Original Din Daeng – Don Muang section that connects with activities in the heart of Bangkok was higher than that of the Northern Extension section, indicating that business activities in CBD Bangkok are on an increasing trend. In summary, the overall traffic volume in Q4/2021 received positive factors continuously and on an upward trend. The overall



annual average daily traffic volume (AADT) of 2022 was 85,417 vehicles per day, consisting of 52,240 vehicles on the Original section and 33,177 vehicles on the Northern Extension section, which increased from 2021 with AADT of 57,105 vehicles (33,556 vehicles per day on the Original section and 23,549 vehicles per day on the Northern Extension section). In conclusion, AADT of 2022 was higher than that of 2021 by 49.6%. In addition, there were significant positive factors contributing to the increase of traffic volumes on Don Muang Tollway, namely opening up the country for foreign tourists without the need for COVID-19 screening, which contributed greatly to the overall travel activities.

Outlook for Tollroad usage in 2023

The Company has closely monitored the increase of traffic volumes in Q4/2022 and discovered that the number will continue to rise from confidence in living and doing business, which increases travel activities as well. Other studies also showed the same trend, including information from government sources. Regarding the monitoring of the COVID-19 outbreak, the government sector has clearly announced that the outbreak has reached its end and there will no longer require travel restrictions and lockdowns because of herd immunity and vaccination of people at risk. Therefore, it is believed that every activity will gradually return to its normal stage prior to the pandemic. Thailand is one of the top destinations for tourists and with the country removing its travel restrictions, the tourism sector will recover rapidly especially from Chinese tourists, resulting in higher overall travel rates. Don Mueang Airport, which is adjacent to Don Muang Tollway, will benefit from the increasing travelers. Although the airport has not increased in international flights, it is a hub connecting various regions of Thailand with its domestic flights, which will increase traffic volumes of Don Muang Tollway significantly.

Operating Results

Unit: Million Baht

	2021 Q4	2022 Q3	2022 Q4	%Increase/(Decrease)	
				QoQ	YoY
Toll revenue	384.79	502.07	551.67	10	43
Cost of toll road operations	146.39	186.24	184.75	(1)	26
Gross profit	238.40	315.83	366.92	16	54
Investment income	1.38	2.28	3.92	72	184
Other income	0.93	0.17	2.21	1,200	138
Distribution cost	5.13	6.27	6.20	(1)	21
Administrative expenses	39.20	43.63	70.73	62	80
Financial costs	1.44	0.22	1.40	536	(3)



	2021 Q4	2022 Q3	2022 Q4	%Increase/(Decrease)	
				QoQ	YoY
Tax expense	39.15	53.70	59.04	(10)	51
Profit for the period	155.79	214.46	235.68	10	51
Total comprehensive income for the period	154.39	212.22	236.79	12	53
Basic earnings per share (Baht)	0.13	0.18	0.20	11	54

Operating Results in Q4/2022 compared to the Q3/2022

For the Q4/2022, the Company had a profit for the period of 235.68 MB, an increase of 21.22 MB or 10% from the Q3/2022, mainly due to an increase in toll revenue of 49.60 MB or 10% while administrative expenses increased by 27.10 MB or 62% - mainly from public relations expenses, social support activities expenses, employee expenses, and business development expenses.

Operating Results in Q4/2022 compared to the Q4/2021

Comparing the operating results of the Q4/2022 with the same period of the previous year, the Company had an increase in profit of 79.89 MB or 51%, mainly due to an increase in toll revenue of 166.88 MB or 43%, cost of toll road operations increased by 38.36 MB or 26%. The increase in expense was mainly driven by amortization of concession cost, communication expense, and employee expenses, etc. In terms of distribution cost and administrative expenses, the expenses increased by 32.60 MB or 74% - mainly from public relations expenses, consulting fees, business development projects and donations to the Dream for Achievement Foundation, etc.

Operating Results for year 2022 compared to year 2021

Unit: Million Baht

	2021	2022	% Increase (Decrease)
Toll revenue	1,202.38	1,832.08	52
Cost of toll road operations	518.14	654.96	26
Gross profit	684.24	1,177.12	72
Investment income	6.87	9.39	37
Other income	3.12	4.52	45
Distribution cost	18.77	19.53	4
Administrative expenses	161.97	192.43	19



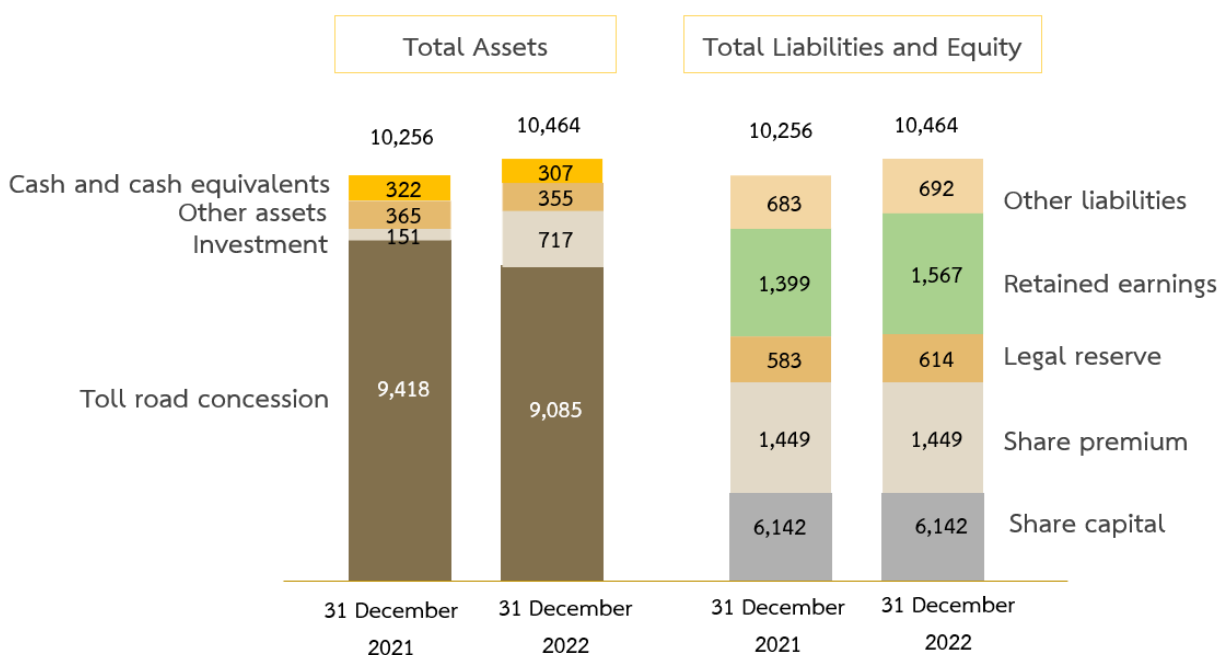
	2021	2022	% Increase (Decrease)
Financial costs	24.18	2.04	(92)
Tax expense	85.01	196.45	131
Profit for the period	404.30	780.58	93
Total comprehensive income for the period	392.37	788.94	101
Basic earnings per share (Baht)	0.36	0.66	83

For year 2022, the Company made 780.58 MB in profit, increased by 376.28 MB or 93% comparing to the performance in 2021 due to an increase in toll revenue by 629.70 MB or 52%. Amortization of concession costs moved upward by the increasing of traffic volume which was in line with the increasing of revenue. Over all costs of toll road (excluding amortization of concession costs), distribution costs and administrative expenses (ex. public relations expenses, social support activities expenses, employee expenses, and business development expenses, etc.) increased. Financial cost decreased by 22.14 MB or 92%. Income tax was 196.45 MB increased by 111.44 MB or 131% from 2021.

Financial Positions

As of 31 December 2022, in comparison to 31 December 2021

Unit: Million Baht





Unit: Million Baht

	2021	2022	Increase/(Decrease)	
	31 December	31 December	MB	%
Total assets	10,256.05	10,463.81	207.76	2.0
Total liabilities	682.69	692.11	9.42	1.4
Total equity	9,573.36	9,771.70	198.34	2.1

Financial status as of 31 December 2022, compared to 31 December 2021, the Company had total assets of 10,463.81 MB, increased by 207.76 MB or 2% from cash and cash equivalents, short-term and long-term investment. The cost of concession decreased due to a realization to be an expense by a portion of actual traffic volume. The Company had total liabilities of 692.11 MB increased 9.42 MB or 1.4% mainly from corporate tax payable which was accrual by the increasing of profit in second half of year 2022 comparing to 2021. Total shareholders' equity was 9,771.70 MB, increased by 198.34 MB or 2.1% where the retained earnings was increased by comprehensive income for the period in the amount of 788.94 MB from the operating results of year 2022 amounted 780.58 MB and other comprehensive income 8.36 MB. On the other hand, the retained earnings was decreased by paying out dividends of year 2021 in amount of 0.25 Baht per share and interim dividends of 2022 in amount of 0.25 Baht per share or 590.62 MB in total.

As of 31 December 2022, the Company allocated for statutory reserve reached an amount equivalent to 10 percent of the Company's registered capital as required by section 116 of the Public Limited Company Act B.E. 2535 (1992).

Cash Flows

Unit: Million Baht

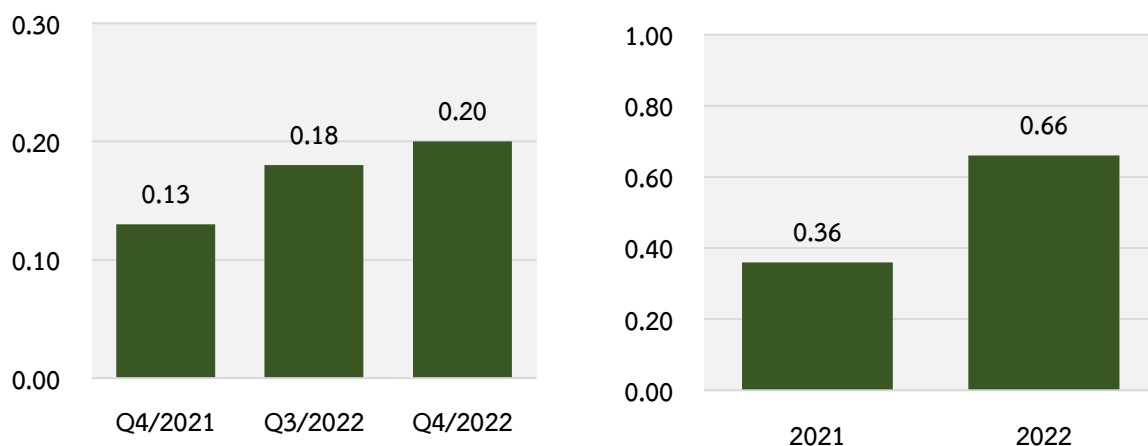
	31	31	Increase/(Decrease)	
	December 2021	December 2022	MB	%
Net cash from operating activities	483.59	1,160.45	676.86	140
Net cash (used in) from investing activities	41.19	(573.18)	(614.37)	(1,492)
Net cash used in financing activities	(620.23)	(602.08)	18.15	(3)
Net increase (decrease) in cash and cash equivalents	(95.45)	(14.81)	80.64	(84)
Cash and cash equivalents at 1 January	417.20	321.75	(95.45)	(23)
Cash and cash equivalents at 31 December	321.75	306.94	(14.81)	(5)



As of 31 December 2022, the Company has cash and cash equivalents of 306.94 MB decreased by 14.81 MB or 5% when compared to 31 December 2021. The Company had net cash flow from operating activities of 1,160.45 MB, increased from year 2021 by 676.86 MB or 140%, mainly due to an increase in traffic volumes. Net cash flows used in investing activities of 573.18 MB from cash paid for investing in short-term and long-term investments to manage the financial return of 563.75 MB, net cash paid to purchase assets of 17.76 MB and interest received of 8.33 MB. Cash flow used in financing activities of 602.08 MB from the dividend payment to the shareholders for the year 2021 and interim dividend payment for the operating result of the six months and nine months of 2022 on 26 May 2022, 9 September 2022, and 14 December 2022 respectively and payment of debts under the lease agreements with their interest expenses.

Significant financial ratios

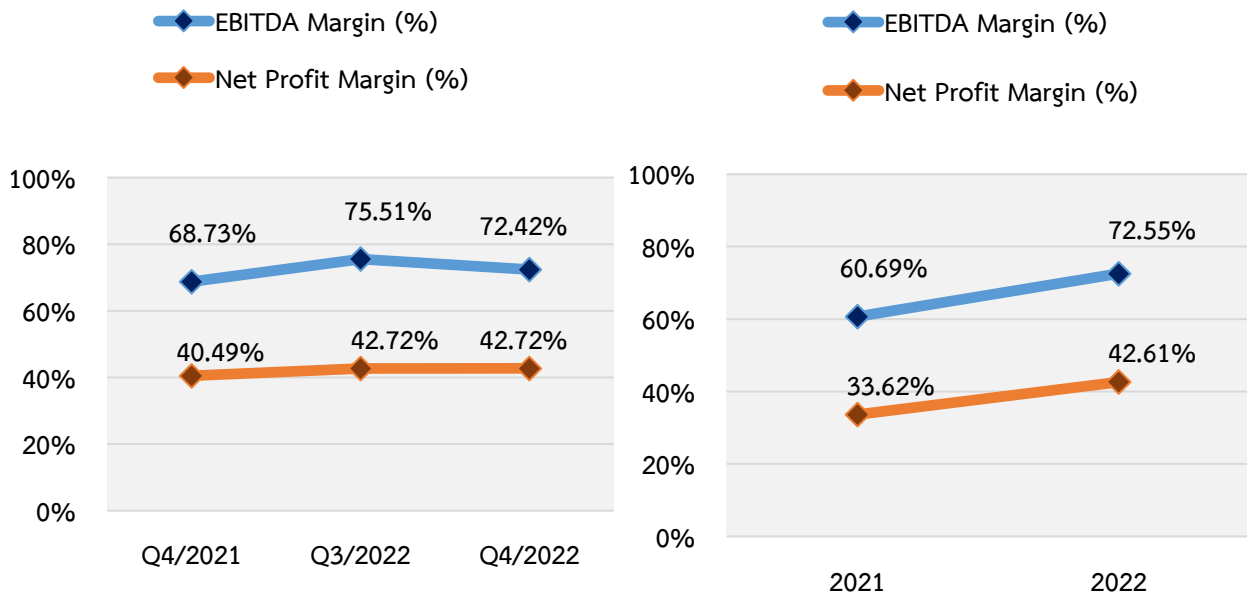
Earnings per share



Operating results in the Q4/2022, the Company had earnings per share of 0.20 Baht, an increase from the Q3/2022 and Q4/2021 in amount of 0.02 Baht per share and 0.07 Baht per share respectively, and gained 0.66 Baht per share for year 2022 increased by 0.30 Baht comparing to year 2021 due to better operating results. The number of registered and paid-up shares was 1,181,232,800 shares.

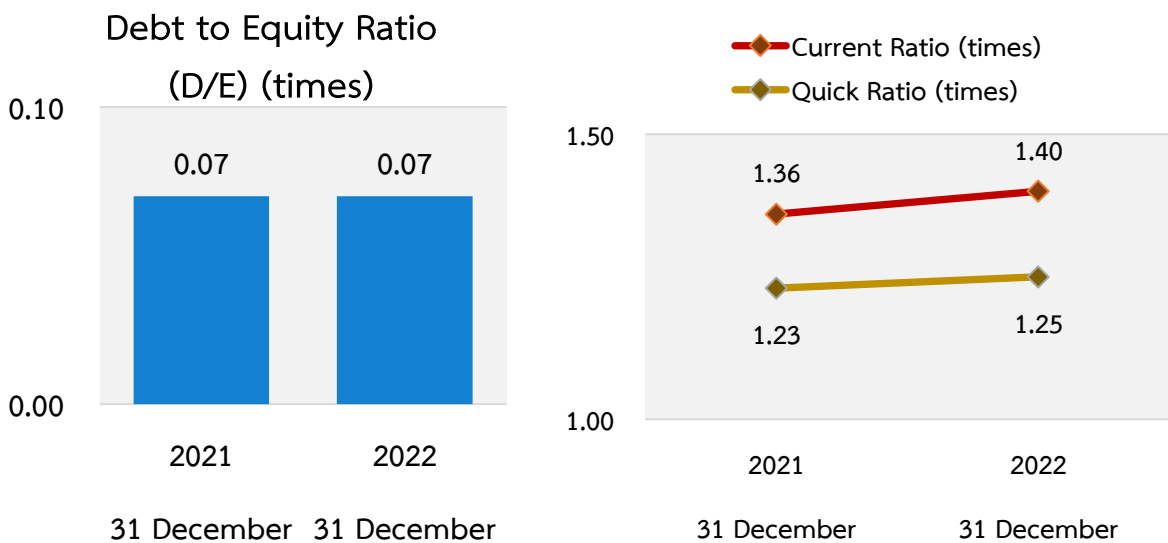


Profitability ratios



In Q4/2022, the Company's EBITDA Margin increased to 72.42% when compared to the same quarter of the previous year. The net profit margin or NPAT Margin was 42.72%, an increase from the same quarter last year due to the increase in toll revenue and operating cost and also financial cost management effectiveness. Net profit margin was equal to the previous quarter. For year 2022, EBITDA margin and net profit margin were 72.55% and 42.61% respectively which increased from the previous year.

Liquidity ratios





Debt to Equity ratio

Debt to Equity ratio as of 31 December of year 2021 and year 2022 equaled to 0.07 times. On 29 April 2021, capital increase of 140 million shares was registered and the cash flow from such listing of ordinary shares was paid to reimburse short-term and long-term loans from financial institutions, thereby the Company has no interest-bearing debt with financial institutions. The Company also has revolving line for business reserve that has not been disbursed of 1,000 MB (31 December 2021: 1,000 MB).

Current ratio and Quick ratio

Current ratio and Quick ratio equal to 1.40 times and 1.25 times, respectively, increased from 2021 due to rising of cash inflow from higher operating result.

Business Sustainability Plan 2022

The overall performance and organizational development according to the Business Sustainability Plan 2022 can be briefly summarized below:

Environment

Overview of the implementation of the project to deliver value to the environment under the 3Rs project in 2022 according to Business Sustainability Plan can be summarized as follows:

Setting the Company's greenhouse gas reduction targets to comply with Thailand's policies to achieve Carbon Neutrality goals by 2050 and zero net emissions by 2065.

Carbon Footprint of the Organization (CFO) the Company has collected data on its amount of gas emissions, prepared greenhouse gas emission data and Carbon Footprint of the Organization (CFO), which is being verified based on CFO's guidelines by the verification agency for 2022 data.

Solar Rooftop Installation Project for Office Buildings and Toll Plaza Buildings อาคาร

The study has found that there is an area for Solar Rooftop installation of approximately 380 KWp, which can produce 484,900 KWh/ Year of electricity and can save electricity consumption by 25-30%. The Company has a 2-phase investment plan. The first phase is to install at the Main Operation Center and Don Muang Toll Plaza building, with production capacity



of approximately 200 KWp, and is expected to be complete in July 2023. The second phase will be installed at buildings at toll plazas and the remaining 8 toll plaza buildings of another 180 KWp within 2023, representing a reduction in greenhouse gas emissions of 225 TonCO₂e/Year. A T-VER certification will be requested for this project.

Participation in Care the Bear Project by the Stock Exchange of Thailand, which is a project that encourages listed companies and interested organizations to adjust their behaviors in reducing greenhouse gas emissions from corporate activities, either online or onsite, such as arrangements for shareholders' meetings, e-AGM, online meetings, analyst meetings, town hall meetings, press conferences, trainings, seminars, E-Meetings, etc. Past performances of the Company have contributed and reduced greenhouse gas emissions in 2022 equal to 4,195 KgCO₂e, which is equivalent to Carbon Dioxide absorption of 466 trees.

Care the Wild Project the Company and the Stock Exchange of Thailand (SET) jointly support reforestation that aims to plant new trees and promote awareness through the network of government organizations and the private sector, with the community participating in taking care of the trees in order to expand the forest line of Thailand in the future. DMT has a mission and goal to plant 10,000 trees within a period of 5 years in a forest area of 50 rai at Ban Nong Pling Forest Community in Kanchanaburi. This represents a reduction of greenhouse gas emissions equivalent to 18,000 KgCO₂e per year.

The Green Policy performance results can purchase merchandise and products that are environmentally friendly, which is more than 22%, and prepare to enter the Green Office Project assessment and study to improve office buildings to meet the Green Building criteria, with the goal of being certified in 2024.

Promote Pollution Reduction through the ETC system the automatic toll collection system (ETC) and usage of EMV card and QR Code that the Company has already developed and launched play a part in reducing greenhouse gas emissions by enabling vehicles to pay swiftly without slowing down or waiting in line to pay in cash, resulting in pollution reduction at toll gates. The Company has the GREEN Road Project to encourage users to switch to automatic systems by giving out points for the CRM Program via LineOA, in which users receive double of normal points. Currently, ETC system users account for 35-40% and the Company is undergoing studies with experts to assess greenhouse gas reduction of the ETC system.

Electric Car Services and Awareness such as installing EV Charging Stations appropriate for both assisting DMT users and DMT's internal usage. By using mobile charger units and switching executives' cars to electric can reduce fuel consumption by approximately 200 litres per month



per car, or 60% of total fuel cost, and representing a reduction equivalent to 2.7 TonCO₂e per vehicle per year.

Legal Pollution and Waste Management the Company monitors and measures pollution values from operation by a legally authorized measurement agency to control pollution in accordance with the specified laws, namely to measure air quality in the general atmosphere, noise impact, effluent quality against standards.

Garbage and Waste Management the Company has worked together with a Start up on waste management, GEPP Sa-Ard, by sorting waste and reusing of 3,366 kilograms, representing a recycle ratio of 23.58% and equivalent to 5,508 KgCO₂e greenhouse gas reductions.

Solar Cell Installation Test, Replacing Petrol Engine the Company has replaced engines of surveillance vehicles with energy from solar cell. In the case of parking with engine running 4 hours a day, 6 litres of fuel are consumed. A vehicle is used 300 days a year (diesel price is 35 Baht per litre as of June 2022); fuel consumption is reduced 1,800 litre per year or 63,000 Baht per year. CO₂ gas is reduced by 2.745 Kg. or approximately 5,000 Kg.CO₂ per year.

Social

Promotion of Occupational Safety and Health the Company has carried out activities continuously to promote safety and occupational health and thus has a policy on safety, occupational health and working environment assigning employees with duties and responsibilities for safety of both themselves and their colleagues, against the laws and standards. There is a working team on safety, occupational health and working environment with the goal to reduce work-related accidents. In 2023, the Company plans to apply for ISO45001 certification.

Human Rights in 2022, the Company has announced a human rights policy by adhering to the principles of compliance with the United Nations Global Impact (UNGC), the Universal Declaration of Human Rights (UDHR), and the United Nations Guiding Principles on Business and Human Rights (UNGPs) as operation guidelines and frameworks, including employment equality regardless of sexual orientation of men, women, LGBTQ, and persons with disabilities. The Company promotes negotiation by conducting Human Rights Impact Assessments in accordance with the Human Rights Due Diligence (HRDD) process, covering risk groups that are consistent with the Company's business operations, namely employees, contractors, communities and surrounding societies, customers and partners, outsourced workers, and vulnerable groups



(women, children and persons with disabilities) involved within the organization covering all business processes of the Company.

Care for Employees the Company aims to develop employees at all levels to jointly drive the organization according to the CAT values in order to cope with rapid changes in the global situation in terms of economy and environment, including changes in technology and innovation that have impact on business operations, as well as using important points from the Employee Engagement Survey, which started in 2022, to develop plans to care for employees. Moreover, the Company has provided additional welfare other than those required by law to employees such as provident funds, group health insurance, personal accident insurance, scholarships for employees' children—which are divided into 2 parts: scholarships for elementary to upper secondary education and free scholarships without repayment to the Company under the “Tollway Employees’ Dreams to Graduates” Project, and relationship building activities such as Happy Birthday and Happy Work Life, which have been organized for 13 consecutive years this year.

Participation in Community and Social Development the Company has a total of 5 aspects for social responsibility guidelines in enhancing educational opportunities (Tollway Smart Way), improving the health of society (Tollway Healthy Way), enhancing road safety (Tollway Safety Way), improving quality of life (Tollway Better Way), and enhancing the environment (Tollway Green Way). The Company develops projects that are widely beneficial to society, create value and worth that can meet the needs of all stakeholders and support Sustainability Development Goals (SDGs) Goal 13: Climate action, Goal 12: Responsible consumption and production, Goal 7: Affordable, clean and modern Energy, Goal 9: Foster innovation, and Goal 8: Decent work and economic growth.

Economy

Results of Tollway Development Projects in 2022, the Company managed to ensure efficiency of tollway services to meet the standards with convenience, speed and safety for tollway users without ceasing to make improvements every year so that users are confident and impressed to become regular tollway users. The Company improved the Manual Toll Collection System (MTC) and the Electronic Toll Collection System (ETC), which opened for service on 23 April 2022. The EMV (Europay Mastercard and Visa) card payment system was developed to replace Smart Purse and QR Payment, which was implemented on 1 April 2022. The Traffic Control and Surveillance System on Uttrapimuk Tollway, or the Smart Project, by the Bureau of Highway Safety, Department of Highways studied guidelines for establishing the Highway Traffic



Operations Center (HTOC) and linked data from the Company's Operation Control Center (OCC) using Deep Learning technology to improve efficiency, which has been completed and implemented since 1 August 2022.

Results of Tollway Maintenance in 2022, the Company focused on maintaining efficient Tollway infrastructure in accordance with the service standard requirements set by the Department of Highways. The repair of HDPE drainage pipes at Ladprao and Sutthisarn overpasses was carried out as planned. The results of Project of Inspection and Assessment for Tollway Elevated Structure revealed no significant damages that may affect the stability of the structure, only deterioration from general use. The existing infrastructure can support the current load.

Results of M-Flow Technology Development in 2022, the Company studied and tested the toll collection system "Free Flow (M-Flow)" at Din Daeng toll plaza. The Company has completed testing of an automatic vehicle detection system, ready for testing data transmission with the Department of Highway's Single Platform System.

Study and follow-up on investments in tollway and expressway business the major projects that the Company has been monitoring and are likely to allow investments of private sector in 2022 consist of 3 projects, namely the intercity highway project Don Muang Tollway's Rangsit-Bang Pa-in (M5) section, the intercity highway Bang Khun Thian – Ban Phaeo (M82), and Kathu – Patong Expressway Project in Phuket. The Company has prepared in terms of cost studies and strategic planning for participating in the projects. The RFP for the Kathu – Patong Expressway Project in Phuket started selling on 26 December 2022, in which the Company already purchased the RFP to analyze and formulate a strategy for participating in project bidding according to the requirements in the RFP. Other projects are still in the action plan of the government sector, in which the Company will monitor closely.

Innovation development and studies to invest in other businesses or Start-Up groups a committee to study new projects in other business groups and an Innovation and Deep Tech Working Team have been established according to the Company's business sustainability plan with the goal to study other non-toll road businesses to generate new sources of income. In 2022, a total of 14 meetings were convened and a workshop of to consider suitable businesses for investment were conducted, in which past operating results are in line with the Company's plans. Some projects have been considered by the Board of Directors with an aim to establish a joint venture company, namely setting up an Inspection and Maintenance company. The Company signed an MOU with HANSHIN EXPRESSWAY COMPANY LIMITED (HEX) of Japan as a joint business development for expansion in maintenance business.



Risk Management and Business Continuity Plan (BCP) the Company has established management guidelines to prevent and reduce the impact of various risks that may fail the Company in achieving its objectives and goals, as well as to build confidence among stakeholders that the Company will be able to perform business under today's constantly and rapidly changing environment. Executives and employees of all levels partake in the implementation of a standardized risk management system together with processes of strategic planning and sustainable business development with environment and society. There is a Risk Management Committee to continuously oversee compliance with the plans. In summary, there were no significant operational risks and the Company has plans to consider emerging risks in 2023.

Business Sustainability Plan 2023-2027

The Company has formulated a long-term business strategy. It has been considered and received advice from all sub-committees of the Company according to the authorities and duties of that committee, which has been approved by the Board of Directors' Meeting No. 8/2022 held on 15 December 2022. The Business Sustainability Plan 2023-2027 is divided into 7 aspects consisting of:

1. **Safer Road Traffic Management/ Maintenance Strategy** is the main strategy that raises the level of being an O&M service provider on elevated roads to international standards according to the Company's vision that must make it convenient, fast and safe, raising the standard of service.
2. **Inclusive Growth Strategy** is a strategy that strengthens the organization in terms of operating cost management, both service and financial costs, in order to enhance competitive opportunities and to attract business partners to extend to new toll road projects and grow together.
3. **Other Non-Toll Road Business Strategy** is a strategy to drive innovation and ideas, which will lead to other businesses and new sources of income, including toll-road related businesses such as the joint venture with Hanshin Expressway (HEX), Japan or study other non-toll road projects such as various Startups from expertise of the management and jointly driven by our own employees.
4. **ESG Sustainability Strategy** is the main strategy to drive the business of the organization in delivering values to the environment, society, and corporate governance, which is the implementation of environmental, energy and greenhouse



gas reduction projects with the main goal to drive ESG-In-Process for maximum handling and efficiency.

5. **HPO Resilience Management Strategy** is the main strategy for developing the potential of the organization and human resources to be flexible, responsive to changes in technology and surrounding factors, which will drive the organization fluently with the ability to quickly expand opportunities.
6. **DMT Excellence Recognition Strategy** is a strategy that realizes expertise and performance of the organization certified by an external agency, as well as building confidence with the concession owner, the Department of Highways, that will make the organization outstanding and become an option for ongoing concession and other new project concessions.
7. **Efficient Cash and Cost Management Strategy** is a strategy that uses technology as a tool to help manage cash flows received by the Company for maximum benefit, reduce risks from interest rate volatility, as well as reducing the Company's financial cost and enhancing costs in every aspect to be effective.