



## MANAGEMENT DISCUSSION AND ANALYSIS

(MD&A) Q2/2023

DON MUANG TOLLWAY PUBLIC COMPANY LIMITED

10 August 2023



## Business Overview in 2<sup>nd</sup> Quarter 2023

Thailand's economy in the second quarter 2023 tended to continuously expand. The Bank of Thailand (BOT)<sup>1</sup> maintained its forecast of economic growth in 2023 and 2024 at the rates of 3.6% and 3.8% respectively with the main supporting factors from tourism sector and private consumption. The recovery of tourist sector was faster than expectation, leading the BOT to revise its projection of foreign visitors in 2023 to 29 million people (increased from the previous estimate of 28 million people). The overall outlook for the first half of the year shows a significant increase in the number of foreign tourists, particularly from Malaysia, China, and Europe. For the second quarter 2023, the number of tourists from Malaysia, China, and India continued to increase significantly from the first quarter. The accumulated number of Chinese tourists in 2023 reached 328,414 in April, increased from 269,773 in March, signaling the return of Chinese tourists who once was the top of foreign tourists in Thailand in 2019 with 11 million visitors, accounting for 30% showing the potential for further growth. The growth opportunity of tourism sector results from alleviation of travel concerns during the COVID-19 period and promotional campaign to stimulate tourism from both public and private sectors which drive sustained growth of tourism industry. The recovery of the tourism sector also be a key factor which stimulate private consumption and has a continuous impact on job creation and income generation, especially in the service sector and for self-employed person. While private sector investments have slowed down due to the delay in some Public Private Partnership (PPP) projects, which require reconsideration from the new government, it is anticipated that private sector investments will significantly rebound in 2024. This is expected as several infrastructure projects are projected to commence, including investments in new target industries such as electric vehicles and the Bio Circular Green Economy (BCG), as the Board of Investment's approval for expanding large-scale business investments. Additionally, the export sector shows a tendency to expansion recovery.

In terms of finance, the BOT raised the policy rate by 0.25% from 1.75% to 2.00% on 31 May 2023. Despite the headline inflation rate has been reduced to the projected range, there are still high risks amid ongoing economic recovery due to business cost increase from government's economic policies in the near future. Overall financial system of Thailand remains stable while needs closely monitoring of market developments and its fluctuations including ability to repay debt of SMEs and low-income households with high levels of debt.

The inflationary pressure in Thailand has decreased. The BOT forecasted the headline inflation rate for the year 2023 at 2.5%, aligning with monetary policy that increased the policy rate continuously this year. Moreover, many pressures have been relieved such as electricity cost which

---

<sup>1</sup> Source: Bank of Thailand, Monetary Policy Report Q2/2023



decreased as a result from government measures, and the retail gasoline price within the country. However, the prices of fresh food items tend to increase by relevant factors such as the El Niño phenomenon and the ongoing conflict between Russia and Ukraine. These factors may lead to higher production costs and prices of goods. Despite the downward trend, the overall inflationary situation in the major economic countries still remains at a relatively high level.

The business operation of Don Muang Tollway Public Company Limited in second quarter 2023 still adhered to a standard-level tollway management with focus on convenience, speed, safety, and meet the needs of stakeholders, along with developing organizational sustainability. These include improving our services, personnel, cost management, environmental care, and stakeholder engagement. In addition, to expanding to new businesses for sustainable growth, the Company has the organizational management restructuring to accommodate the new business expansion and develop the business into advanced technologies. On 10 July 2023, Grand Opening Ceremony was held to introduce ASIAM Infra company limited, the Company's subsidiary with 68.50% investment proportion. The Company joined with the expert companies from Japan; Hanshin Expressway company limited, KFC company limited and AKROS Trading company limited, established ASIAM Infra company limited to conduct the business of inspection and maintenance of bridges, expressways, elevated roads and other infrastructures. Therefore, the subsidiary is such an additional source of the Company's income. For system development, the Company is currently in process of developing system under project of the Robotic Process Automation (RPA) and Enterprise Resource Planning (ERP) to manage company resources and new projects in the future. The Company aims to use information technology to increase work efficiency in a concise, agile, and fast forms including alerting mechanism and responding to management decision-making functions. The systems are structured to accommodate changes and future expansions. On 19 July 2023, the Company was evaluated and certified for ISO 45001:2018, the standard for an occupational health and safety management. Moreover, other projects have been processed as the Company's action plan such as upgrading the underground water drainage system of an elevated road at Bang Khen Intersection, refurbishing the ZINC coating of electrical poles, and upgrading the grounding system of the electrical transmission line on gantries. Furthermore, the Company emphasizes on environmental care and sustainable development under the concept that the business is a part of society and environment, and raises awareness of the importance of limited natural resources and environmental protection. The Company implemented projects to reduce greenhouse gas emissions, such as promoting the Green Building and Green Office projects, installing EV charging station at Head Office, installing Solar Rooftop at Head Office & Don Muang toll plaza building and planned to expand to the remaining 8 toll plaza locations in the third quarter, and replacing 20 units of 1KVA outdoor



backup power generators with solar energy systems. Additionally, the Company and Stock Exchange of Thailand under Care the Wild project jointly carried out planting activities at Ban Nong Pling Community Forest, Thung Krabum Sub district, Lao Khwan District, amounting to 10 rai of forest area, where the Company's goal is to get 50 rai of forest.

#### **Dividend payments for the operating results of the year 2022**

- Legal Reserve Allocation: The Company allocated profit for the year 2022 as a legal reserve in the amount of 30,827,639.76 Baht (Thirty million eight hundred twenty-seven thousand six hundred thirty-nine Baht and seventy-six Satang), which is fully reserve according to the laws and regulations of the Company. After the profit allocation as a legal reserve, the Company has an accumulated legal reserve totaling 614,241,056.00 Baht (Six hundred fourteen million two hundred forty-one thousand and fifty-six Baht only), or 10 percent of the registered capital.
- At the Board of Directors' meeting held on 21 February 2023, the Board of Directors approved the profit allocation as the interim dividends for the operating result of the 12 months period of 2022 in a rate of 0.63 Baht per share for the number of shareholders 1,181,232,800 shares, totaling 744,176,664 Baht (Seven hundred forty-four million one hundred seventy-six thousand six hundred and sixty-four Baht only). The Company has paid the interim dividend for the first 6 months from operating profit of the first 6 months of 2022 at the rate of 0.10 Baht per share, totaling 118,123,280 Baht (One hundred eighteen million one hundred twenty-three thousand two hundred and eighty Baht only) on 9 September 2022 and the interim dividend for the first 9 months from operating profit of the first 9 months of 2022 at the rate of 0.15 Baht per share, in amount of 177,184,920 Baht (One hundred seventy-seven million one hundred eighty-four thousand nine hundred and twenty Baht only) on 14 December 2022. For the interim dividend for operating results of 12 months, the Company paid from retained earnings at the rate of 0.38 Baht per share for the registered and paid-up shares in amount of 1,181,232,800 shares, totaling 448,868,464 Baht (Four hundred forty-eight million eight hundred sixty-eight thousand four hundred and sixty-four Baht only). The Company paid the interim dividend to shareholders on 20 March 2023.
- At the Annual General Meeting of Shareholders for 2023 held on 25 April 2023, the Meeting approved the dividend payment for the operating results for the accounting period ending 31 December 2022 and retained earnings at the rate of 1.13 Baht per share for the number of shareholders 1,181,232,800 shares, in amount of



1,334,793,064 Baht (One billion three hundred thirty-four million seven hundred ninety-three thousand and sixty-four Baht only). The interim dividend payment for operating results of the first 6 months and the first 9 months of 2022 from net profit, and for the 12 months of 2022 from retained earnings for a total 3 times in 2022 and March 2023 at total rate of 0.63 Baht per share, or a total dividend amount of 744,176,664 Baht (Seven hundred forty-four million one hundred seventy-six thousand six hundred and sixty-four Baht only). As a result, the Company paid the dividend payment for the operating results of 2022 at the rate of 0.50 Baht per share, totaling 590,616,400 Baht (Five hundred ninety million six hundred sixteen thousand and four hundred Baht only) from the net profit for the year 2022 at the rate of 0.38 Baht per share, which is the operating results for the year 2022, totaling 448,868,464 Baht (Four hundred forty-eight million eight hundred sixty-eight thousand four hundred and sixty-four Baht only) and from retained earnings at the rate of 0.12 Baht per share, amounting to 141,747,936 Baht (One hundred forty-one million seven hundred forty-seven thousand nine hundred and thirty-six Baht only). The Company has paid the dividend to shareholders on 25 May 2023.

- At the Board of Directors' meeting held on 11 May 2023, the Board of Directors approved the interim dividend payment for the Company's operating result of the first 3 months period of 2023 at a rate of 0.35 Baht per share for the number of shareholders 1,181,232,800 shares, the total amount of 413,431,480 Baht (Four hundred thirteen million four hundred thirty-one thousand four hundred and eighty Baht only). The Company has paid the interim dividend from operating profit of the first 3 months of 2023 at the rate of 0.20 Baht per share, totaling 236,246,560 Baht (Two hundred thirty-six million two hundred forty six thousand five hundred and sixty Baht only) and from retained earnings at the rate of 0.15 Baht per share, totaling 177,184,920 Baht (One hundred seventy-seven million one hundred eighty-four thousand nine hundred and twenty Baht only). The Company has paid the interim dividend to shareholders on 9 June 2023.
- At the Board of Directors' meeting held on 10 August 2023, the Board of Directors approved the interim dividend payment for the Company's operating result of the first 6 months period of 2023 at a rate of 0.70 Baht per share for the number of shareholders 1,181,232,800 shares, the total amount of 826,862,960 Baht (Eight hundred twenty-six million eight hundred sixty-two thousand nine hundred and sixty Baht only). The Company has paid the interim dividend for the first 3 months at the rate of 0.35 Baht per share, the total amount of 413,431,480 Baht (Four hundred



thirteen million four hundred thirty-one thousand and four hundred and eighty Baht only) which was from operating profit of the first 3 months of 2023 at the rate of 0.20 Baht per share, totaling 236,246,560 Baht (Two hundred thirty-six million two hundred forty-six thousand five hundred and sixty Baht only) and retained earnings at the rate of 0.15 Baht per share, totaling 177,184,920 Baht (One hundred seventy-seven million one hundred eighty-four thousand nine hundred and twenty Baht only). The Company paid the interim dividend for the first 3 months on 9 June 2023. As a result, the Company will pay the rest of interim dividend for the Company's operating result of the first 6 months period of 2023 at the rate of 0.35 Baht per share for the number of shareholders 1,181,232,800 shares, total amount of 413,431,480 Baht (Four hundred thirteen million four hundred thirty-one thousand four hundred and eighty Baht only) which from operating profit of the first 6 months of 2023 at the rate of 0.20 Baht per share, totaling 236,246,560 Baht (Two hundred thirty-six million two hundred forty six thousand five hundred and sixty Baht only) and from retained earnings at the rate of 0.15 Baht per share, totaling 177,184,920 Baht (One hundred seventy-seven million one hundred eighty-four thousand nine hundred and twenty Baht only). The Company will pay the interim dividend to shareholders on 8 September 2023.

#### **Investment in subsidiary**

On April 20, 2023, the Company registered the establishment of ASIAM Infra company limited with a registered capital of 40 million Baht (4,000,000 shares at a par value of 10 Baht per share). The Company holds a 68.50% of shares equivalent to 27.40 million Baht. Therefore, ASIAM Infra Company Limited become the Company's subsidiary and the financial statement of the second quarter 2023 is the first consolidated financial statement which combining the subsidiary's operating results from 20 April 2023 to 30 June 2023.

For the financial results in Q2/2023, when compared to Q2/2022, the overall average daily traffic volume was 102,165 vehicles per day increased by 29%, Toll revenue was in amount of 553.50 MB increased by 31%, and net profit was in amount of 233.71 MB increased by 25%. Due to the continuous improvement in performance compared to the same period of the previous year, and the strong financial position, including effective management of financial cost and return on investment, the Company utilized working capital for period of 1-3 months. As of 30 June 2023, the Company had interest bearing debt in amount of 850 MB where debt to equity ratio (D/E Ratio) was equal to 0.19 times. The Company also has revolving line for business reserve that has not been disbursed of 350 MB (31 December 2022: 1,000 MB) and also be ready

for corporate expansion by participating in bidding various Government projects (Public-Private Partnership) in the future.

Unit: Million Baht

Operating Results	2022 Q2	2023 Q1	2023 Q2	%Increase/ (Decrease)	
				QoQ	YoY
Toll revenue	423.04	576.53	553.50	(4)	31
EBITDA	306.98	443.16	415.17	(6)	35
Net Profit	186.23	253.01	233.71	(8)	25
Earnings per share (Baht per share)	0.16	0.21	0.20	(5)	25
Debt to Equity (Time)	0.07	0.13	0.19	46	173

#### Operating Results in Q2/2023 compared to the Q1/2023

The Company's toll revenue, EBITDA and net profit were 553.50 MB, 415.17 MB and 233.71 MB, respectively which decreased from the previous quarter due to the decreased traffic on the toll roads 5% from seasonal effect where there are long holidays in this quarter. As a result, toll revenue decreased by 23.03 MB or 4% and net profit decreased by 19.30 MB or 8%

#### Operating results in Q2/2023 compared to the Q2/2022

The Company's toll revenue increased by 130.46 MB or 31% due to the increased traffic on the toll roads. EBITDA increased by 108.19 MB or 35% and net profit was increased by 46.51 MB or 25%. The Debt-to-Equity ratio as of 30 June 2023 was equal to 0.19 times.

### Important events for Q2/2023

#### 1. Service



- The Company has applied for the ISO 45001: 2018 Occupational Health and Safety Management System standard certification. SGS (Thailand) Limited conducted the Stage 1 audit on 8 June 2023, and the Stage 2 audit on 18-19 July 2023, at the Main Operation Center (MOC), Don Muang Toll Plaza, Laksi Toll Plaza, and Din Daeng Toll Plaza. The verification process was successful, with no non-conformities found, and the Company has been officially certified for the ISO 45001:2018 standard.



- The Company warmly welcomed a high-level management delegations from Hanshin Expressway, KFC Limited, and Arkros Trading to visit the 24-hour Operation Control Center which commands for traffic management and emergency assistance. During the visit, there was an exchange of experiences in management and elevated toll road management practices including maintenance methods for the structures on 11 July 2023.

## 2. Sustainability



- The Company has been honored with a commemorative plaque and a certificate of recognition for the CHIEF INNOVATION OFFICER (CIO) award from the National Innovation Agency (Public Organization). This prestigious award is given to individuals who play a crucial role in driving innovation within the organization and contribute to creating a sense of pride in being key participants in promoting and supporting Thailand's innovation journey towards becoming the "Nation of Innovation." The award ceremony took place on 13 July 2023, at the Ballroom, Park Hyatt Hotel, Bangkok.



- The company presented a study comparing fuel consumption and emissions between elevated toll roads and surface streets (Smart Drive) at the 28th National Civil Engineering Conference during 24-26 May 2023 in Phuket. The study found that using elevated toll roads during rush hours resulted in significant time and fuel savings, valued at 120 Baht (morning) and 189 Baht (evening). Additionally, it led to a combined reduction in air pollutants (NOx, CO, HC, CO2) of 0.37 kilograms per trip (morning) and 1.13 kilograms per trip (evening).



### 3. Cooperate Image



- The Company has been honored with a certificate of appreciation from the National Community Forest Day for its contribution to supporting community forests. The project aims to empower communities to manage and benefit from the community forests, leading to their responsible care and preservation of natural resources and the environment, ensuring sustainability. The honor was presented by Mr. Varawut Silpa-archa, Minister of Natural Resources and Environment on 24 May 2023.

### 4. Cooperation with Partners



- On 10 July 2023, the Grand Opening Ceremony of ASIAM Infra Co., Ltd. Which the Company partnered with Hanshin Expressway Co., Ltd., KFC Limited, and AKROS Trading Co., Ltd., all of which are experts from Japan. The main focus of the business is on Inspection & Maintenance services for bridges, expressways, elevated roads, and other infrastructure structures. The event was held at the Eastin Grand Hotel Phayathai in Bangkok.

### 1. Dividend Payments in 2023 2022 and 2021

	Approval Date	Payment Due Date	Rate per Share (Baht)	Amount (Million Baht)
<b>2023</b>				
Interim dividend 2022	21 February 2023	March 2023	0.38	448.87
Annual dividend 2022	25 April 2023	May 2023	0.50	590.62
Interim dividend 2023	11 May 2023	June 2023	0.35	413.43
Interim dividend 2023	10 August 2023	September 2023	0.35	413.43

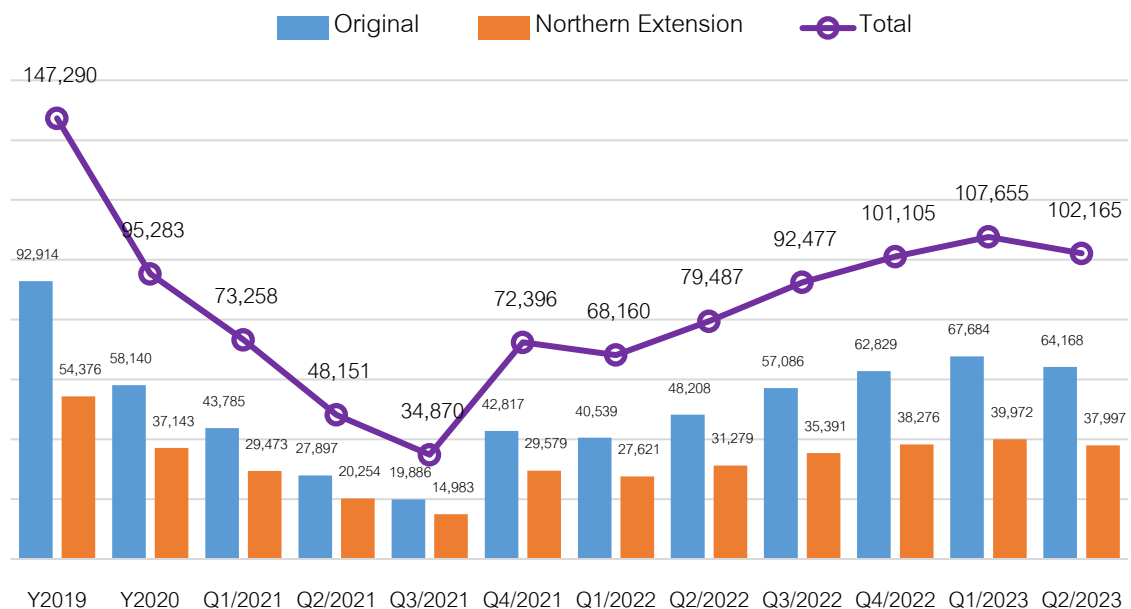


	Approval Date	Payment Due Date	Rate per Share (Baht)	Amount (Million Baht)
<b>2022</b>				
Annual dividend 2021	26 April 2022	May 2022	0.25	295.31
Interim dividend 2022	10 August 2022	September 2022	0.10	118.12
Interim dividend 2022	14 November 2022	December 2022	0.15	177.18
<b>2021</b>				
Annual dividend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

The Company has a policy to pay dividends to shareholders at a rate 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 2<sup>nd</sup> Quarter 2023



In the 2<sup>nd</sup> quarter of 2023, the average daily traffic volume of Original Section was 64,168 vehicles per day, while the average daily traffic volume for the Northern Extension was 37,997 vehicles per day, representing an decrease of 5.2% and 4.9% respectively, compared to the first quarter of 2023, which had an average daily traffic volume of 67,684 vehicles per day for the Original Section and 39,972 vehicles per day for the Northern Extension. This decrease can be



attributed to the extended holidays in April for the Songkran Festival and other special holidays which is affected the traffic on Don Muang Tollway during the Seasoning period as the management's forecasted. However, when compared to the 2<sup>nd</sup> quarter of 2022, which had an average daily traffic volume of 42,208 vehicles per day for the Original Section and 31,279 vehicles per day for the Northern Extension, the increase is 33.1% and 21.5%, respectively. It is still in the management forecasted.

For the important events in the 2<sup>nd</sup> quarter of 2023, the Ministry of Public Health revealed that the World Health Organization has ended the global public health emergency of COVID-19 and that travel restrictions do not include mandatory testing or vaccination results certification. But still need to monitor the mutation of the disease. In the 2<sup>nd</sup> quarter of 2023, no epidemic has been found the significant impact on travel activities and in all activities can be carried out as usual. For economic issues, oil prices, war conditions in foreign countries, it did not affect the traffic volume in management's assumptions. The business and industry sectors were in recovery period after the end of COVID-19 epidemic, transportation activities are the main activities that are still necessary and tend to grow back to the same level as before the COVID-19 epidemic. Although the overall traffic volume of the Don Muang Tollway in the 2<sup>nd</sup> quarter of 2023 is lower than the 1<sup>st</sup> quarter of 2023 and higher than the 2<sup>nd</sup> quarter of 2021 and 2022 as mentioned above. The reason why the traffic volume has not returned to the pre-pandemic levels is mainly due to the international flights at Don Mueang International Airport Terminal 1, which is adjacent to Don Muang Tollway, is not yet fully operational, and only some airlines are currently providing services. As for the issues of inflation and rising oil prices, it is noted that using the Don Muang Tollway to avoid congested road traffic on Vibhavadi Rangsit Road can save time and reduce fuel consumption, making the use of the Don Muang Tollway more cost-effective.

### Outlook for toll road usage in 2023

For the trend of traffic volume in the next quarter, which the company closely monitors, it was found that there is significant increase due to the confidence in living and conducting businesses, including the opening of the school classes, which resulted in an increase in travel activities. Also, by collecting other transportation data from government sources also confirms a similar upward trend. For the spread of COVID-19, the government has announced a clear policy that the COVID-19 outbreak has reached the end of its epidemic phase, and there will be no more travel restrictions or lockdowns, as the majority of the population has been infected and developed natural immunity, while the at-risk groups have been largely vaccinated. Therefore, the company is confident that all activities will gradually return to normalcy as before the COVID-19 pandemic, including the policy of opening the country to foreign tourists. Thailand is the top



destinations that tourists wish to visit, especially Chinese tourists, who will help the tourism industry recover once again. This is expected to increase the overall volume of travel, and it is anticipated that there will be more international flights, which will consider to use Don Mueang International Airport Terminal 1 as a gateway to other regions of the country. Additionally, the Company has been monitoring the progress of the Don Mueang International Airport Expansion Plan Phase 3, which has shown significant progress in its implementation. This indicates that air travel is expected to expand further from now on, resulting in a significant increase in traffic volumes on Don Muang Tollway. Regarding the monitoring of the travel on the Red Line train system, which runs in parallel to Don Muang Tollway, it was found that the users of the Red Line train system are a different group from the users of the elevated roads. Furthermore, the current cost of using the Red Line train system, including travel, connections, and station access (Feeder), is still higher than that of the elevated roads. This is expected to have no effect on the change in travel behavior yet. However, the Company is observing the traveler's behavior. In addition, travelling by cars remains necessary in the transportation system of Bangkok and the surrounding areas. Particularly, the policy to support electric vehicles has resulted in an increase in electric vehicle registrations, which also reduces the cost of travel by passenger vehicles.

### Operating Results

Unit: Million Baht

	2022 Q2	2023 Q1	2023 Q2	%Increase/ (Decrease)		2022 Jan-Jun	2023 Jan-Jun	%Increase/ (Decrease)
				QoQ	YoY			
				Toll revenue	423.04			
Cost of toll road operations	147.95	207.24	204.67	(1)	38	283.97	411.91	45
<b>Gross profit</b>	<b>275.09</b>	<b>369.29</b>	<b>348.83</b>	<b>(6)</b>	<b>27</b>	<b>494.37</b>	<b>718.12</b>	<b>45</b>
Investment income	1.52	7.43	5.46	(27)	259	3.19	12.89	304
Other income	2.06	0.34	0.20	(41)	(90)	2.14	0.54	(75)
Distribution cost	3.72	3.19	5.25	65	41	7.06	8.44	20
Administrative expenses	40.88	53.39	55.19	3	35	78.07	108.58	39
Financial costs	0.20	1.29	4.56	253	2,180	0.42	5.85	1,293
Tax expense	47.64	66.18	55.78	16	17	83.71	121.96	46
<b>Profit for the period</b>	<b>186.23</b>	<b>253.01</b>	<b>233.71</b>	<b>(8)</b>	<b>25</b>	<b>330.44</b>	<b>486.72</b>	<b>47</b>



	2022 Q2	2023 Q1	2023 Q2	%Increase/ (Decrease)		2022 Jan-Jun	2023 Jan-Jun	%Increase/ (Decrease)
				QoQ	YoY			
				Total comprehensive income for the period	185.40			
Basic earnings per share (Baht)	0.16	0.21	0.20	(5)	25	0.28	0.41	46

#### Operating Results in Q2/2023 compared to the Q1/2023

For the Q2/2023, the Company had a profit for the period of 233.71 MB, a decrease of 19.30 MB or 8% from the Q1/2023, mainly due to a decrease in toll revenue of 23.03 MB or 4%. Additionally, the cost of toll road operations decreased by 2.57 MB or 1%, while the distribution costs and administrative expenses increased by 2.06 MB or 65% and 1.80 MB or 3%, respectively. The increased expenses were from donations to the Dream for Achievement Foundation and directors' remuneration for the year 2022, according to the resolution of Annual General Meeting of Shareholders no. 1/2023.

#### Operating Results in Q2/2023 compared to the Q2/2022

Comparing the operating results of the Q2/2023 to the same period of the previous year, the Company had an increase in profit of 47.48 MB or 25%, mainly due to an increase in toll revenue of 130.46 MB or 31%, cost of toll road operations increased by 56.72 MB or 38%. The increase in expense was mainly driven by amortization of concession cost, electricity charge, and the expense of electronic toll collection system etc. The administrative expenses increased by 14.31 MB or 35% mainly from donations to the Dream for Achievement Foundation, directors' remuneration for the year 2022, according to the resolution of Annual General Meeting of Shareholders no. 1/2023, and business expansion expenses etc.

#### Performance of the first half of 2023 compared to the same period of 2022

For the 1<sup>st</sup> half of 2023, the Company had a profit of 486.72 million baht, an increase of 156.28 MB or 47% from the same period last year due to an increase in toll revenue of 351.69 MB or 45%. The amortization of concession cost increased due to the increase in traffic volume of 112.52 MB. The total amount of toll operations, distribution costs, and administrative expenses increased in the amount of 47.32 MB where 20% from employee expenses, the donations to the Dream for Achievement Foundation, directors' remuneration for the year 2022, according to the resolution of Annual General Meeting of Shareholders no. 1/2023, public relations expenses for the automatic toll collection system, and business development expenses. The company has generated income

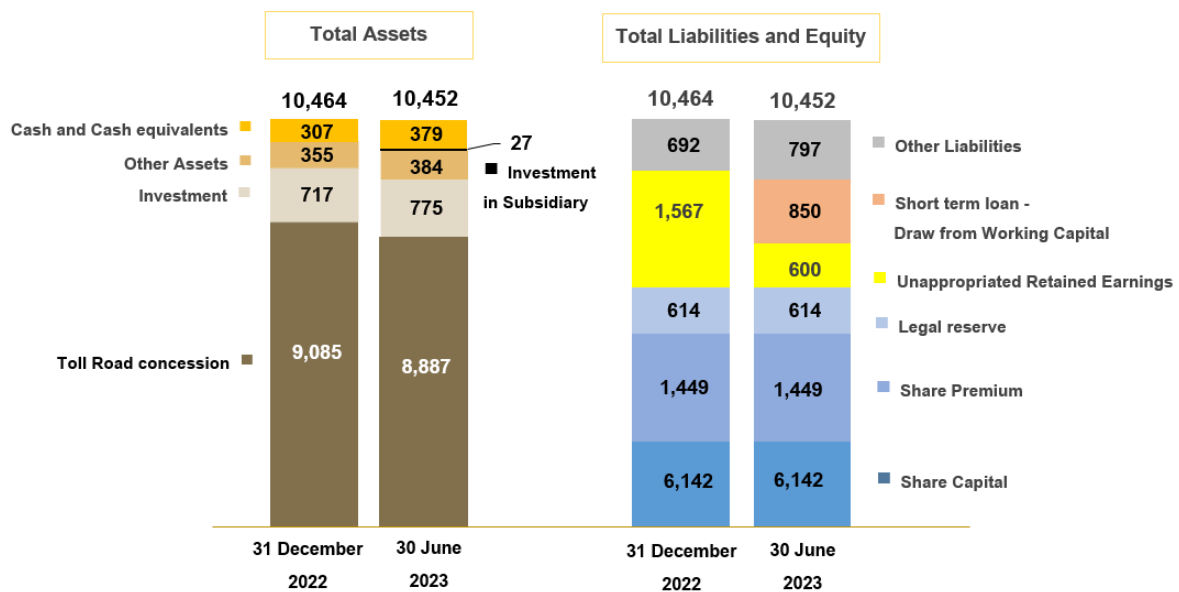


from investments totaling 12.89 MB, an increase from the same period last year by 9.70 MB, due to effective financial management and returns from high-yield investments, while the Company had utilized revolving credit line with 1-3 months terms, resulting in an increase in financial costs by 5.43 MB.

## Financial Positions

As of 30 June 2023, in comparison to 31 December 2022

Unit: Million Baht



Unit: Million Baht

	2022 31 December	2023 30 June	Increase/(Decrease)	
			MB	%
Total assets	10,463.81	10,452.12	(11.69)	(0.11)
Total liabilities	692.11	1,647.18	955.07	138
Total equity	9,771.70	8,804.94	(966.76)	(10)

Financial status as of 30 June 2023, compared to 31 December 2022, the Company had total assets of 10,452.12 MB, decreased by 11.69 MB and total liabilities of 1,647.18 MB, increased by 955.07 MB or 138% due to the utilization of revolving credit line with 1-3 months terms from financial institutions amounting to 850 MB and an increase in corporate income tax payable which was accrual by increasing of profit. Total shareholders' equity was 8,804.94 MB, decreased by 966.76 MB or 10% where the retained earnings was increased by comprehensive income in



the first half of the year 2023 amounting to 486.16 MB. and the retained earnings was decreased by paying out the interim dividend payment for the operating result of the 12- month period of 2022, the dividend payment of year 2022, and the interim dividend payment for the operating result of first 3 month of 2023 which were at the rate of 0.38 Baht per share, 0.50 Baht per share, and 0.35 Baht per share, respectively. The total amount of dividend paid was 1,452.92 MB

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

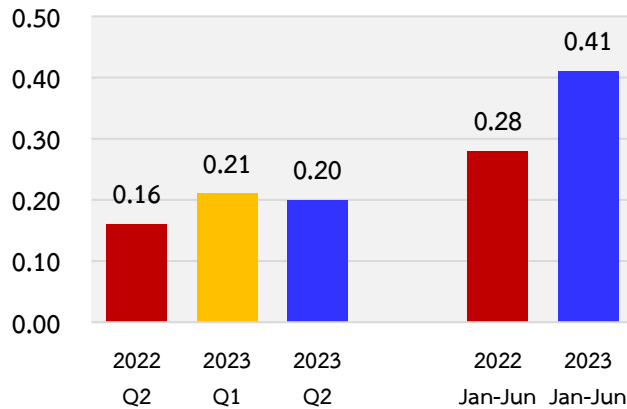
	Unit: Million Baht			
	2022 30 June	2023 30 June	Increase/(Decrease)	
			MB	%
Net cash from operating activities	469.84	770.50	300.66	64
Net cash used in investing activities	(7.01)	(88.93)	(81.92)	1,169
Net cash used in financing activities	(297.76)	(609.52)	(311.76)	105
<b>Net increase in cash and cash equivalents</b>	<b>165.07</b>	<b>72.05</b>	<b>(93.02)</b>	<b>(56)</b>
Cash and cash equivalents at 1 January	321.75	306.94	(14.81)	(5)
<b>Cash and cash equivalents at 31 March</b>	<b>486.82</b>	<b>378.99</b>	<b>(107.83)</b>	<b>(22)</b>

As of 30 June 2023, the Company has cash and cash equivalents of 378.99 MB decreased by 107.83 MB or 22% when compared to 30 June 2022. The Company had net cash flow from operating activities of 770.50 MB, increased from the same period of the year 2022 by 300.66 MB or 64%, mainly due to the increase in revenue and traffic volumes. Net cash flows used in investing activities of 88.93 MB, which included cash paid for investment in the subsidiary (ASIAM Infra Co., Ltd.) amounting to 27.40 MB, net cash received from short-term and long-term investments for managing financial return amounted to 58.39 MB, net cash paid to purchasing assets of 15.27 MB, and interest received of 12.13 MB. Cash flow used in financing activities amounting to 609.52 MB from the interim dividend payment for the operating result of the 12-month period of 2022, the dividend payment of year 2022, and the interim dividend payment for the operating result of first 3 month of 2023, which were paid from March to June 2023, totaling 1,448.62 MB. The Company managed financial cost and investment returns, resulting in net cash received from revolving credit utilization of 850 MB, and payment of debts under the lease agreements with their interest expenses in amount of 10.90 MB.



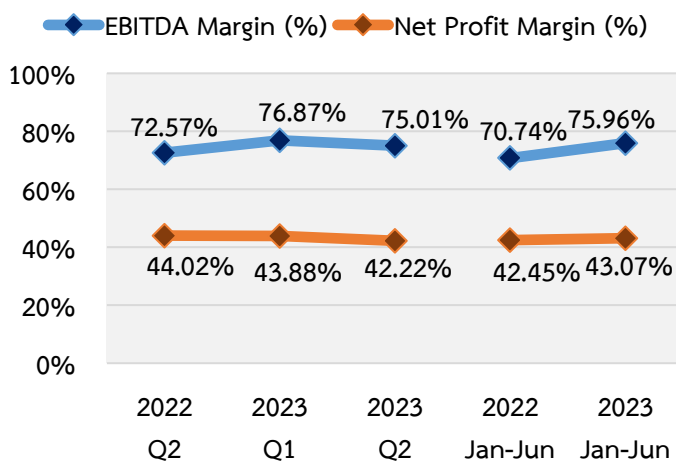
Significant financial ratios

Earnings per share (Baht per Share)



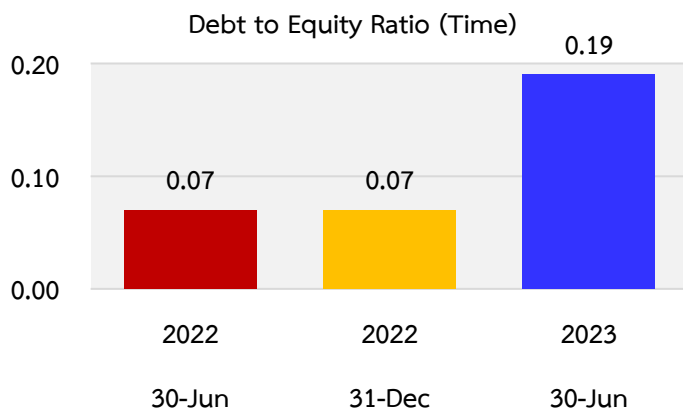
Operating results in the Q2/ 20 2 3 , the Company had earnings per share of 0.20 Baht, which slightly decreased from the Q1/2023, according to the decrease in profit. However, it showed improvement compared to the same quarter of the previous year by 0.04 Baht per share from increasing in operating results where the number of registered and paid-up shares was 1,181,232,800 shares.

Profitability ratios



In Q2/ 2023, the Company's EBITDA Margin and Net Profit Margin (NPAT Margin) equal to 75.01% and 42.22%, respectively. The cumulative half-year figures were 75.96% and 43.07% , respectively. The margins increased compared to the previous year due to increased revenue from toll revenue and efficient operating cost management, while the financial cost increased due to the utilization of short- term loans as working capital.

Liquidity ratios

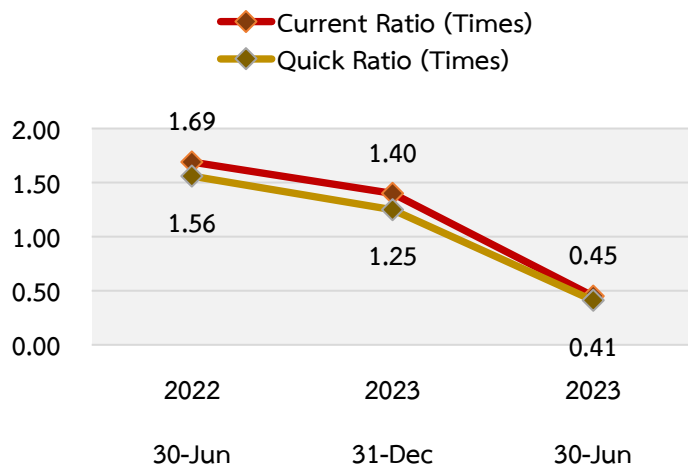


As of 30 March 2023, and 31 December 2022, the debt-to-equity ratios equal to 0.19 and 0.07 times respectively. The ratio increased from revolving line utilization in amount of 850 MB. On 30 June 2023, the Company had revolving line for business reserve that had not been disbursed of 350 MB (31 December 2022: 1,000 MB).





Current ratio and Quick ratio



As of 30 June 2023, Current ratio and Quick ratio equal to 0.45 times and 0.41 times, respectively, which decreased from end of year 2022, due to the interim dividend payment for the operating results of 12-month period of 2022, the dividend payment for year 2022, and the interim dividend payment of year 2023 with the increase of utilization of revolving line/short term loan from financial institutions.

Business Sustainability Plan 2023 – 2027

The Company has developed a long-term business strategy through consideration and advice from each sub-committee of the Company in accordance with their respective authorities and duties. The strategy has been approved by the Board of Directors’ meeting No. 8/2022 held on 15 December 2022, and is designated as a sustainable business plan for the years 2023 to 2027 which is divided into 7 aspects. The results of the first quarter are in line with the plan and are briefly summarized as follows:

Business Strategy	The results for 2 <sup>nd</sup> quarter of 2023
<p><b>1. Safer Road Traffic Management/Maintenance:</b> The main strategy to elevate our expertise in O&amp;M and service level to international standards, in agreement with the company's vision, which aims to provide convenience, speed, and safety, and elevate the standards of our service.</p>	<ul style="list-style-type: none"> <li>✓ The service and maintenance are in compliance with the standards.</li> <li>✓ Study of the energy saving benefits for travel time and pollution reduction from using the Don Muang Tollway (Tollway Smart Drive) result that using elevated toll roads during rush hours resulted in significant time and fuel savings, valued at 120 Baht (morning) and 189 Baht ( evening) . Additionally, it led to a combined reduction in air pollutants (NOx, CO, HC, CO2) of 0.37 kilograms per trip (morning) and 1.13 kilograms per trip (evening), Therefore, the summary of this study is using elevated toll roads during rush hours can save up to 38 minute/trip equal to value of time saving at</li> </ul>



Business Strategy	The results for 2 <sup>nd</sup> quarter of 2023
	146 Baht/trip, fuel consumption saving 0.26 liter/trip which is approximately 10 Baht and also help emission reduction.
<p><b>2. Inclusive Growth:</b> The strategy that strengthens the organization's management and cost control, both in terms of service and financial costs, in order to enhance opportunities for competition and attract business partners for further growth.</p>	<p>✓ The Company has conducted a feasibility study on the possibility of investing in new projects that the government has opened up to private sector investment, in accordance with the government's schedules. The projects that 3 projects are in business plan including M82, M5, M9, Kathu-Patong</p>
<p><b>3. Other Non- Toll Road Business:</b> This strategy aims to encourage innovation and new ideas that will lead to new business opportunities and revenue streams related to expressways.</p>	<p>✓ The grand opening of ASIAM Infra Co., Ltd. On 10 July 2023. ✓ The Company aims to consider another business project other than the expressway within the second quarter of 2023.</p>
<p><b>4. ESG Sustainability:</b> The key strategy to drive the organization's business by delivering value to the environment, society, and corporate governance. This is accomplished by implementing projects in the areas of environment, energy, and greenhouse gas reduction. The primary goal is to drive ESG-In-Process for maximum management and efficiency.</p>	<p>✓ The organization's carbon footprint (CFO) is certified by Thailand Greenhouse Gas Management Organization (TGO), the Company has received CFO label. This is aimed at maximum efficiency and management through ESG-In-Process. ✓ The 3Rs project has been implemented to achieve the goal of reducing resource consumption and greenhouse gas emissions, such as reducing of paper usage, installing Solar Rooftop phase 1 will be finished in August 2023 which is 30% electric cost saving, and supporting the use of electric vehicles, including the installation of an electric vehicle charging station at the main office building. The Company plans to switch from ICE cars to EV Cars at 100% rate.</p>
<p><b>5. HPO Resilience Management:</b> The key strategy for developing the potential of an organization and its personnel to be flexible and adaptable to technological and environmental changes. This will enable the</p>	<p>✓ The ISO 45001 standard management system for occupational health and safety is certified on 19 July 2023. ✓ To manage part of our workforce and mitigate the risk of employee shortages, we</p>



Business Strategy	The results for 2 <sup>nd</sup> quarter of 2023
organization to move forward smoothly and expand opportunities quickly.	have developed our staff's capabilities and implemented staff plus and managed service outsourcing according to the plan.
<b>6. DMT Excellence Recognition:</b> The strategy that creates awareness of the organization's expertise and accomplishments through certification by external agencies and establishes confidence in the partnering organization, which is the Department of Highways, to make the organization stand out and be a choice for continuous and new partnering projects.	✓ The Company arranged activities with all stakeholders such as Tollway Rally Thank you user 2023, CSR with SET and communities around Don Muang Tollway according to the plan. ✓ The quarterly performance report on the awards received by the Company to the Department of Highways who is responsible for supervision and monitoring of Tollway.
<b>7. Efficient Cash and Cost Management Strategy:</b> The 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.	✓ The study of technology in financial management (Fin Tech) is being developed in conjunction with the ERP project. ✓ Administrative cost management and maintenance work can be controlled according to the plan.