



## MANAGEMENT DISCUSSION AND ANALYSIS

(MD&A) Year 2023

DON MUANG TOLLWAY PUBLIC COMPANY LIMITED

21 February 2024



## Business Overview in 2023

Thailand's economy in 2023 continued to recover from the 4<sup>th</sup> quarter of 2022 with the lower growth rate than expectation. The Bank of Thailand (BOT)<sup>1</sup> downgraded its forecast of economic expansion in 2023 to the rate of 2.4% (the previous rate of 2.8%) and in 2024 estimated to increase to 3.2% (the previous rate of 4.4%). The economy in 2023 rebounded from the expansion of private consumption, including an expenditure on services, employment, and labor income. Even though, the tourism industry experienced an increase but lower than anticipated. The number of foreign tourists entering Thailand was 28.15 million, increased from the previous year, of 11.20 million foreign tourists. Among the 2023 foreign visitors, Chinese tourists accumulated 3.52 million, less than the expected of 4.40 million. For the economy of year 2023, the service sector and the manufacturing sector are expected to increase. Likewise, export sector is projected to expand from the recovery of electronics group cycle and partners economies. This includes the revival of private sector investment and public-private partnerships (PPP).

The general inflation was within the BOT's target range, where expected to be at 1.3% in 2023. The rate has been reduced from a high base in 2022 as a result of measures to support cost of living, particularly in energy and fresh food prices. For the year 2024, the inflation rate is projected to be approximately 1.2%. However, there are uncertain economy factors from the cost of food due to the El Niño phenomenon and global energy prices that might increase from conflicts in the Middle East.

For financial situations of the year 2023, the policy interest rate has been adjusted in upward trend where 5 times increasing in the 1<sup>st</sup> to 3<sup>rd</sup> quarters from 1.25% to 2.50%. In the 4<sup>th</sup> quarter, the Monetary Policy Committee had a resolution to maintain the policy interest rate at 2.5%, aligning with the economic recovery trend and the targeted inflation rate. The Thai Baht, which weakened in the 3<sup>rd</sup> quarter, showed a trend of strengthening by the end of the year, with the exchange rate returning to around 34 THB/USD during a global economic recovery trend at the end of the year.

The business operation of Don Muang Tollway Public Company Limited in the year 2023, the Company operated toll road management with focus on convenience, speed, and safety, with concerns to the needs of all stakeholders as its major goals. The Company committed to drive the organization toward sustainability, aligned with environmental considerations in the work processes of all units or ESG in-process; using resources efficiently (Environment dimension), managing human resources in a fair and equitable manner both inside and outside the Company (Social dimension), and operating in good corporate governance with clear risk management

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<sup>1</sup> Source: Bank of Thailand, Monetary Policy Report Q4/2023



guidelines, anti-fraud and corruption (Governance Dimension) which applied across the subsidiary company. On 20 April 2023, the Company jointly established ASIAM Infra Co., Ltd. (subsidiary) in an investment proportion of 68.50% together with experts from Japan which are Hanshin Expressway Co., Ltd., KFC Co., Ltd., and AKROS Trading Co., Ltd., to engage in the business of inspection and maintenance of bridges, expressways, elevated roads, and other infrastructure projects which will be another source of the Company's income.

To develop work processes toward sustainability ensuring adaptability under various circumstances in aspects of technology, legal, and customer's behaviors of Tollway usage and payment methods, the Company has transformed by integrating technology into the organization to maximize benefits and efficiency, both in core operations and support functions such as a diverse payment collection system that caters to consumer behaviors, an elevated road maintenance system, a traffic management and convenience system, application systems, and support systems. The Company's technology has been transformed to RISE with SAP to elevate and develop service delivery, staff development, and the application of innovative information technology within the organization. The work system has been developed under the Robotic Process Automation (RPA) and Enterprise Resource Planning (ERP) development project which has been in operation since January 2023 and Go-Live on 1 December 2023 to manage the Company's resources and new projects in the future. In terms of international quality standards in 2023, the Company obtained certification for ISO 45001:2018, which is the standard for Occupational Health and Safety Management System. This is in addition to the ISO 9001:2015 certification for Quality Management System and ISO 14001:2015 certification for Environmental Management System, which were earlier obtained in the year 2022. In addition, the operations in various functional areas have been completely conducted according to the plan, including environmental initiatives under various projects such as Green Building, Green Office, Solar Rooftop installation at Head Office, Don Muang toll plaza building and extension in the remaining 8 toll plazas, the projects of replacing outdoor backup power units with 1KVA solar power systems, and installation of online electrical measuring devices at Head Office and all toll plaza buildings to reduce greenhouse gas emissions.



Dividend payments in 2023 as details below

Resolution	Paid from Retained Earnings	Paid from Operating Result	Total
The resolution of the Board of Directors on 21 February	0.38	-	0.38
The resolution of the Annual General Meeting (AGM) on 25 April	0.12	0.38	0.50
The resolution of the Board of Directors on 11 May	0.15	0.20	0.35
The resolution of the Board of Directors on 10 August	0.15	0.20	0.35
The resolution of the Board of Directors on 9 November	0.15	0.20	0.35
<b>Total</b>	<b>0.95</b>	<b>0.98</b>	<b>1.93</b>
Number of Shares	1,181,232,800		
<b>Amount of Dividend Paid in January – December 2023</b>			
Paid from Retained Earnings	0.95	1,122,171,160.00	Baht
Paid from Operating Result	0.98	1,157,608,144.00	Baht
<b>Total</b>	<b>1.93</b>	<b>2,279,779,304.00</b>	<b>Baht</b>

- 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 reserved 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 profits 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 has 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 has paid the interim dividend to shareholders on 8 September 2023.
- At the Board of Directors' meeting held on 9 November 2023, the Board of Directors approved the interim dividend payment for the Company's operating result of the first 9 months period of 2023 at a rate of 1.05 Baht per share for the number of



shareholders 1,181,232,800 shares, the total amount of 1,240,294,440 Baht (One thousand two hundred forty million two hundred ninety-four thousand four hundred and fourth Baht only). The Company has paid the interim dividend for the first 6 months at the rate of 0.70 Baht per share, the total amount of 826,862,960 Baht (Eight hundred twenty-six million eight hundred sixty-two thousand nine hundred and sixty Baht only) which was from operating profit of the first 6 months of 2023 at the rate of 0.40 Baht per share, totaling 472,493,120 Baht (Four hundred seventy-two million four hundred ninety-three thousand one hundred and twenty Baht only) and retained earnings at the rate of 0.30 Baht per share, totaling 354,369,840 Baht (Three hundred fifty-four million three hundred sixty-nine thousand eight hundred and forty Baht only). As a result, the Company will pay the rest of interim dividend for the Company's operating result of the first 9 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 December 2023.

For the financial results in 2023, an average daily traffic volume was 106,907 vehicles per day increased by 25.16% comparing to the year 2022, which had an average daily traffic volume of 85,417 vehicles. The total toll revenue for the year amounted to 2,324.97 MB, increased by 26.9% and the net profit was 1,003.05 MB, increased by 28.50% which were attributed to the continuous increase in traffic volume compared to the previous year, and efficient cost management and return on investment. Besides, The Company utilized revolving credit line during the year where the interest-bearing debt as of 31 December 2023 was amounting to 800 MB and debt to equity ratio (D/E Ratio) was equal to 0.18 times. The Company also has revolving line for business reserve that has not been disbursed amounting to 900 MB (31 December 2022: 1,000 MB). Overall, the Company is well-prepared for corporate business expansion by participating in bidding Government projects (Public-Private Partnership) in the future.



Unit: Million Baht

Operating Results	2022 Q4	2023 Q3	2023 Q4	%Change		2022 Jan-Dec	2023 Jan-Dec	%Change
				QoQ	YoY			
Toll revenue	551.67	589.85	605.08	3	10	1,832.08	2,324.97	27
EBITDA	399.51	470.65	445.05	(5)	11	1,329.22	1,774.03	33
Net Profit	235.68	269.49	246.84	(8)	5	780.58	1,003.05	29
Earnings per share (Baht per share)	0.20	0.23	0.21	(9)	5	0.66	0.85	29
Debt to Equity (Time)	0.07	0.18	0.18	-	157	0.07	0.18	157

#### Operating Results in Q4/2023 compared to the Q3/2023

The Company's toll revenue, EBITDA and net profit were 605.08 MB, 445.05 MB and 246.84 MB, respectively. For this quarter, the toll revenue increased 15.23 MB or 3%, in line with the increased traffic volume on the toll roads, while employee expenses and maintenance of toll road increased from the previous quarter. As a result, EBITDA and net profit decreased by 5% and 8%, respectively.

#### Operating results in Q4/2023 compared to the Q4/2022

The Company's toll revenue increased by 53.41 MB or 10% due to the growth of traffic on the toll roads. EBITDA increased by 45.54 MB or 11% and net profit was increased by 11.16 MB or 5%. The Debt-to-Equity ratio as of 31 December 2023 was equal to 0.18 times which increased from 31 December 2022, due to the utilization of revolving credit line.



## Important events for Year 2023

### 1. Service



- The Company has been honored with a certificate of international standard certification for the establishment of Occupational Health and Safety Management Systems (ISO 45001:2018) from Mr. Montree Tangtermsirikul, General Manager, SGS (Thailand) Limited, at the Company's head office. The Certificate represents readiness of the Company in conducting business and giving importance to the management of Occupational Health and Safety in employees' practice areas and covers all Company's stakeholder groups on 4 September 2023.



- On 1- 2 November 2023, the Company participated in the Roads & Traffic Expo Thailand 2023, which was an exhibition and conference showcasing new products and knowledge from technology partners in the automotive transportation industry, both domestically in Thailand and internationally. The event was held at the Bangkok International Trade and Exhibition Centre (BITEC) in Bangna.

### 2. Corporate Governance

- **Decision of the Administrative Court of Don Muang Tollway PLC.** On 24 February 2023, the Supreme Administration Court has ruled that the Cabinets resolution regarding the entering into MOA 3/2007 was the lawful resolution, therefore, reversed the Central Administrative Court's decision and dismissed the lawsuit which is a favorable decision to the Company. In this regard, the Supreme Administrative Court's decision dissolved the dispute with respect to the lawfulness of the Cabinet's

resolution regarding the entering into MOA 3/2007 resulting in the dispute being final by law. The same parties can no longer file the lawsuit against each other on the same grounds as the previous dispute.



- On 7 November 2023, the Company was evaluated for "SET ESG Ratings" and received an "A" rating, taking into consideration the sustainable operations focusing on environmental concerns, social responsibility, and adherence to corporate governance principles ( Environmental, Social and Governance: ESG).



- On 31 October 2023, the Company received a 5-star rating, or "Excellent CG Scoring", after being listed on the Stock Exchange of Thailand for just over 2 years. This assessment was part of the Corporate Governance Survey of Thai Listed Companies (CGR) for the year 2023, conducted by the Institute of Directors Thailand (IOD), which surveyed a total of 782 registered companies. This survey was conducted with the support of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC).



- On 25 November 2023, the Company signed the Declaration of Intent to join the Thai Private Sector Collective Action against Corruption (CAC) by submitting supporting documents for self- assessment and developing an anti-corruption system based on a 71-point checklist to seek certification from the CAC. The results of the evaluation will be announced by 31 March 2024.

### 3. Sustainability



- On 21 December 2023, the Company received the Sustainability Disclosure Acknowledgement for the year 2023, which is an award recognizing sustainability disclosure. This award is presented to registered companies and business organizations that are members of the Sustainability Disclosure Community (SDC). It aims to raise awareness and importance of disseminating operational information covering economic, social, and environmental aspects, as well as ESG (Environmental, Social, and Governance) issues, in addition to financial data. This demonstrates the Company's sustainability, benefiting stakeholders and aligning with Sustainable Development Goals (SDGs) for Section 12.6 collectively.



- 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 has been honored with a certificate of Carbon Footprint Certification for the year 2023 from Thailand Greenhouse Gas Management Organization (Public Organization) on 21 July 2023.



- The Company has been honored with the Royal Forestry Department Assistant Award for the year 2023 in the Community Forest Promotion and Development category to honor the Company's participation in supporting and helping the government to promote and develop community forests of the Royal Forest Department on 18 September 2023.



- On 6 September 2023, the Company was awarded the national-level Green Office certification for the year 2023, achieving the "Excellent" (Gold) level through the assessment criteria. This highest level of recognition demonstrates the Company's commitment to sustainable business practices, aiming to become a global model office by integrating environmental and social responsibility into its operations.



- On 21 November 2023, Dr. Sakda Panwai, the Managing Director, along with representatives from the management team, attended the AMCHAM Corporate Social Impact Awards 2023 hosted by The American Chamber of Commerce in Thailand (AMCHAM). The award was presented to organizations that have consistently contributed to the social and environmental well-being of Thailand.



- On 6 December 2023, the Company received the commendation badge from the Thai Chamber of Commerce Ethics Club for the year 2023. The award aims to honor organizations that uphold ethical principles in their business operations. Additionally, within the event, the Thai Chamber of Commerce announced the recipients of the Outstanding Ethical Organization award for the year 2023 during the 21st TCC BEST AWARDS 2023 ceremony.

#### 4. Corporate Image



- The Company received a certificate for conforming to Occupational Safety and Health Management System Standard 2022 from Thailand Institute of Occupational Safety and Health (Public Organization) on 30 March 2023.



- The Company has been honored with the 2023 Model Organization Award for Human Rights in the “Good” category from the Rights and Liberties Protection Department, Ministry of Justice on 22 September 2023.

## 5. 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.



## 6. Approval of the New Business Venture Structure.

On 15 December 2023, the Board of Directors' meeting No. 5/2022 resolved to approve the Company's organizational restructuring within the Office of the Managing Director by adding a new business venture structure to the organizational hierarchy in the position of 1 assistant managing director (senior executive) and 1 position of director (middle executive) to drive the Company's growth. This initiative aligns with the business strategy to explore and invest in other businesses beyond Toll road and expressway businesses to be in line with the vision that has been revised according to the business plan for sustainability 2024-2028.

## 7. Dividend Payment in 2023 2022 and 2021

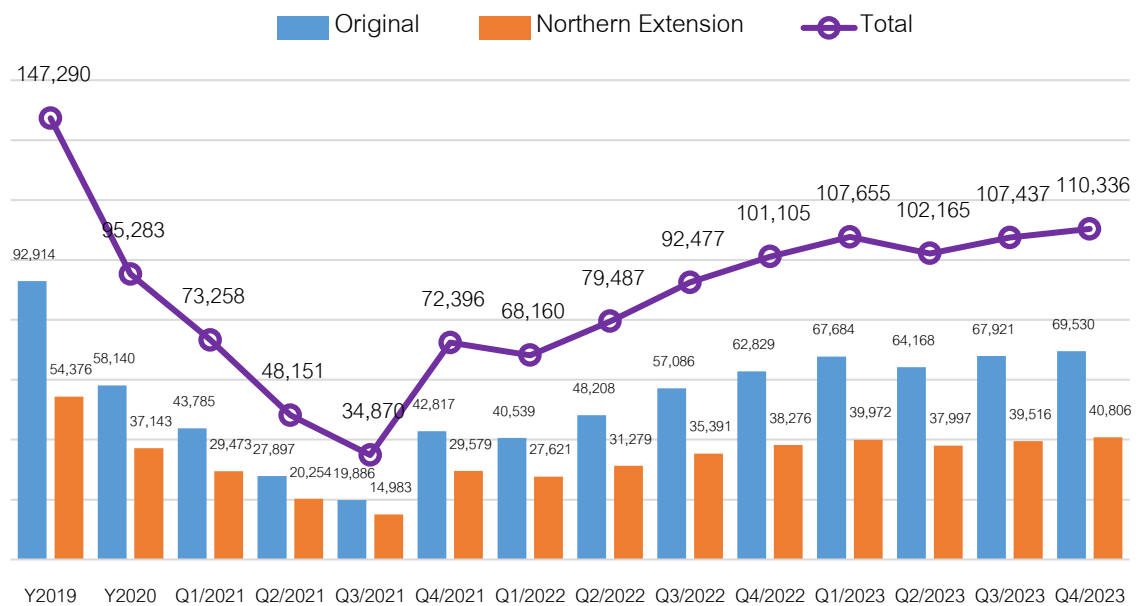
	Approval Date	Payment Due Date	Rate per Share (Baht)	Amount (Million Baht)
<b>2023</b>				
Interim dividend 2022	21 February 2023	March 2023	0.38	448.87
Annual dividend 2022	25 April 2023	May 2023	0.50	590.62
Interim dividend 2023	11 May 2023	June 2023	0.35	413.43
Interim dividend 2023	10 August 2023	September 2023	0.35	413.43
Interim dividend 2023	9 November 2023	December 2023	0.35	413.43
<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 2023



In the 4<sup>th</sup> quarter of 2023, the average daily traffic volume of Original Section was 69,530 vehicles per day, while the average daily traffic volume for the Northern Extension was 40,806 vehicles per day, representing an increase of 2.4 % and 3.3 % respectively, compared to the 3<sup>rd</sup> quarter of 2023 which had an average daily traffic volume of 67,921 vehicles per day for the Original Section and 39,516 vehicles per day for the Northern Extension. In the 4<sup>th</sup> quarter, it was the highest point in three years and continued to increase from the third quarter. This shows that travel activities have increased as the business and tourism sectors have gradually recovered. This is true both for businesses in Bangkok and for the expanding urban communities in the metropolitan area. The increase in travel is a result of the easing of COVID-19 restrictions. In addition, when compared to the 4<sup>th</sup> quarter of 2022, which had an average daily traffic volume of 62,289 vehicles per day for the Original Section and 38,276 vehicles per day for the Northern Extension, the increase is 10.7 % and 6.6 %, respectively. The average annual daily traffic (AADT) in 2023 was 67,332 vehicles per day for the Original Section and 39,575 vehicles per day for the Northern Extension, for 2023 total traffic volume Original and Northern Extension 106,907 vehicles per day is higher than in 2022, when the average traffic volume was 52,240 vehicles per day for the original concession and 33,177 vehicles per day for the northern extension, for a total of 85,417 vehicles per day. In 2023, traffic volume increased by 25.2% from 2022, in line with management's expectations.





For the important events in the 4<sup>st</sup> quarter of 2023, the global ending of COVID-19, 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 situation, 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 3<sup>rd</sup> quarter of 2023 still not back to the level before the COVID-19 outbreak. 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, the management analyzed that it would only have a slight effect on traffic volume on Don Muang Tollway reasons of recovery of all business sectors. 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. The road users have more willingness to pay the toll road for speedy travel time.

#### Outlook for toll road usage in 2024

For the trend of traffic volume in the next year, which the Company closely monitors, it was found that there is stable traffic volume, for 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. The increasing significant upward trend must follow the new government policy that aims to accelerate tourism by providing urgent measures. 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, The Ministry of Transport supported the travel policy via the railway on 16 October 2023. The Cabinet approved the pilot policy for a 20-Baht maximum fare on two railway lines, the Purple and Red lines. The management closely monitored the potential impact



on changing travel patterns. However, expert analysis found that the users of the Red Line train system are a different group from the users of the elevated roads. Even though the electric train fare has been reduced to 20 baht per person per trip, there are other factors to be considered toward the total cost of using the Red Line train system such as travel connections and station access (Feeder), Factors that must be considered in travel costs must also include fares for connecting other transportation systems, such as motorcycle taxis, minibuses, and buses to connect the train station. As a result, the average cost per person is still higher than using the elevated toll road. Because most users of the Don Muang Tollway travel with more than 2 people and it is still a convenient journey using Door to Door Service. This is expected to have no effect on the change in travel behavior yet. However, the Company will continue observing the traveler's behaviors. In addition, travelling by cars remains necessary in the transportation system of Bangkok and the surrounding areas. Particularly, the policy to support electric vehicles (EV) 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 Q4	2023 Q3	2023 Q4	%Increase/ (Decrease)		2022 Jan-Dec	2023 Jan-Dec	%Increase/ (Decrease)
				QoQ	YoY			
Toll revenue	551.67	589.85	605.08	3	10	1,832.08	2,324.97	27
Cost of toll road operations	184.75	194.55	233.16	20	26	654.96	839.62	28
<b>Gross profit</b>	<b>366.92</b>	<b>395.30</b>	<b>371.92</b>	<b>(6)</b>	<b>1</b>	<b>1,177.12</b>	<b>1,485.35</b>	<b>26</b>
Investment income	3.92	7.07	5.90	(17)	51	9.39	25.86	175
Other income	2.21	0.11	4.96	4,409	124	4.52	5.61	24
Distribution cost	6.20	9.88	4.86	(51)	(22)	19.53	23.18	19
Administrative expenses	70.73	48.75	59.24	22	(16)	192.43	216.57	13
Financial costs	1.40	7.00	9.57	37	584	2.04	22.42	999
Tax expense	59.04	67.36	62.27	(8)	5	196.45	251.59	28
<b>Profit for the period</b>	<b>235.68</b>	<b>269.49</b>	<b>246.84</b>	<b>(8)</b>	<b>5</b>	<b>780.58</b>	<b>1,003.06</b>	<b>29</b>
<b>Total comprehensive income for the period</b>	<b>236.79</b>	<b>266.97</b>	<b>247.70</b>	<b>(7)</b>	<b>5</b>	<b>788.94</b>	<b>1,000.83</b>	<b>27</b>
Basic earnings per share (Baht)	0.20	0.23	0.21	(9)	5	0.66	0.85	29



**Operating Results in Q4/2023  
compared to the Q3/2023**

For the Q4/2023, the Company had a profit for the period of 246.84 MB, a decrease of 22.65 MB or 8% from the Q3/2023. This was mainly due to the cost of toll road operations which increased according to the increase of traffic volumes and the expenses for maintenance of toll road which increased according to accounting standards for estimated liabilities for the maintenance.

**Operating results in Q4/2023  
compared to the Q4/2022**

The performance of Q4/2023 comparing to the same quarter in 2022, the Company's profit increased by 11.16 MB or 5%, mainly due to the increase of traffic volume which drove an increase in toll revenue by 53.41 MB or 10%. The total of cost of toll road operations-amortization of concession cost increased consistent to an increase of traffic volume.



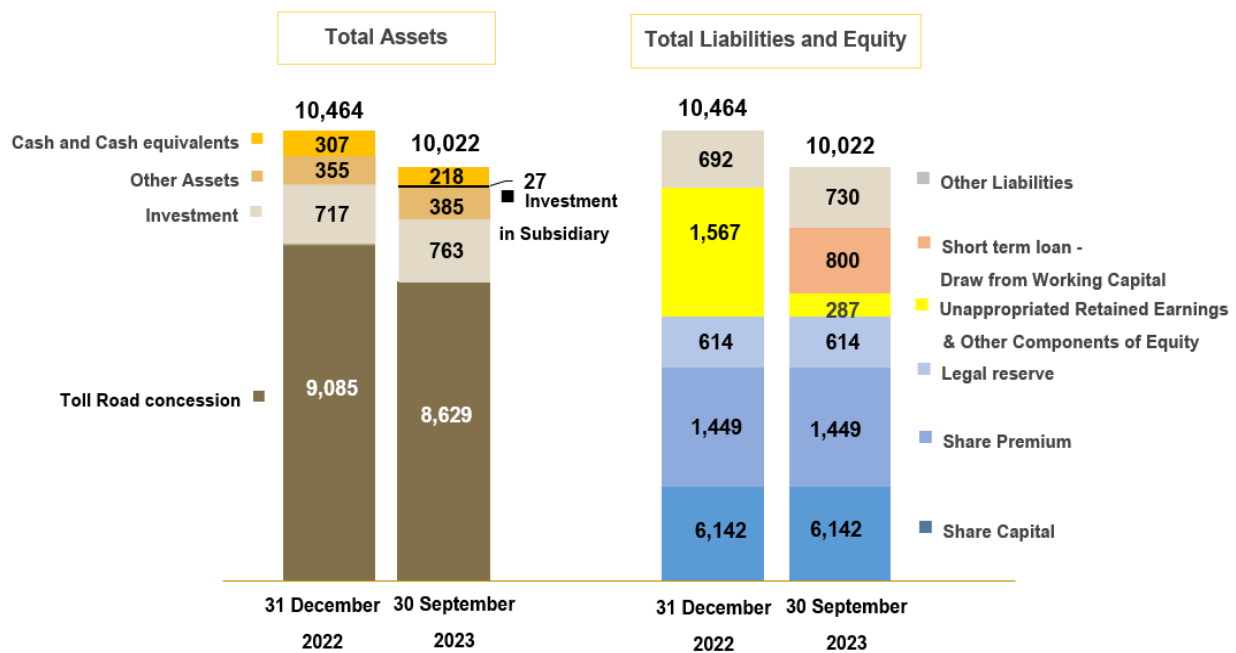
### The performance of year 2023 compared to year 2022

For the year 2023, the Company achieved a profit of 1,003.06 MB, an increase of 222.48 MB or 29% comparing to the previous year due to the growth of traffic volume, leading to an increase in toll revenue of 492.89 MB or 27%. The amortization of concession cost increased due to the higher traffic volumes. The total amount of toll operations expenses, distribution costs, and administrative expenses increased in the amount of 212.45 MB, or 25%. The Company generated income from investment totaling 25.86 MB, an increase from the year 2022 by 16.47 MB, due to effective financial cost management and returns from investment, while the Company had utilized revolving credit line with 1-3 months terms, resulting in an increase in financial costs by 22.42 MB, an increase of 20.38 MB.

### Financial Positions

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

Unit: Million Baht



Unit: Million Baht

	2022 31 December	2023 31 December	Increase/(Decrease)	
			MB	%
Total assets	10,463.81	10,022.33	(441.48)	(4)
Total liabilities	692.11	1,529.58	837.47	121
Total equity	9,771.70	8,492.75	(1,278.95)	(13)



Financial status as of 31 December 2023, compared to 31 December 2022, the Company had total assets of 10,022.33 MB, decreased by 441.48 MB, or 4% and total liabilities of 1,529.58 MB, increased by 837.47 MB or 121% due to the utilization of revolving credit line with 1-3 months terms from financial institutions amounting to 800 MB. Total shareholders' equity was 8,492.75 MB, decreased by 1,278.95 MB or 13%. The shareholder's equity increased from comprehensive income for the year in the amount of 1,000.83 MB and decreased from retained earnings which were paid out for 12-month interim dividends of 2022, the year 2022, and the first 3-quarter interim dividends of 2023 at the rate of 0.38 baht. per share, 0.50 baht per share and 1.05 baht per share, respectively, representing a total amount of 2,279.78 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

Cash Flow	2022 31 Dec	2023 31 Dec	Unit: Million Baht	
			Increase/(Decrease)	
			MB	%
Net cash from operating activities	1,160.45	1,535.28	374.83	32
Net cash used in investing activities	(573.18)	(133.74)	439.45	77
Net cash used in financing activities	(602.08)	(1,490.69)	(888.61)	(148)
<b>Net decrease in cash and cash equivalents</b>	<b>(14.81)</b>	<b>(89.15)</b>	<b>(74.33)</b>	<b>(502)</b>
Cash and cash equivalents at 1 January	321.75	306.94	(14.81)	(5)
<b>Cash and cash equivalents at 31 December</b>	<b>306.94</b>	<b>217.79</b>	<b>(89.15)</b>	<b>(29)</b>

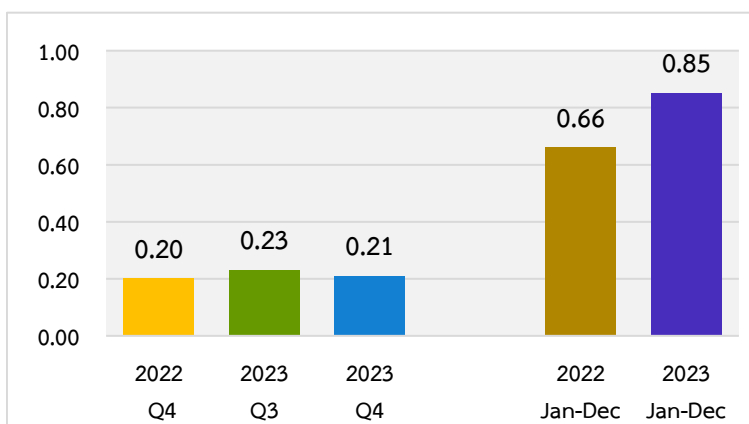
As of 31 December 2023, the Company has cash and cash equivalents of 217.79 MB decreased by 89.15 MB or 29% when compared to 31 December 2022. In 2023, the Company had net cash flow from operating activities of 1,535.28 MB, increased from the same period of the year 2022 by 374.83 MB or 32%, mainly due to the increase in revenue and traffic volumes. Net cash flows used in investing activities of 133.74 MB, which included cash paid for investment in the subsidiary (ASIAM Infra Co., Ltd.) amounting to 27.40 MB, net cash paid to short-term and long-term investments for managing financial return amounted to 53.08 MB, net cash paid to purchasing assets of 78.78 MB, and received return on equity and bond investment, and interest received in amount of 25.52 MB. Cash flow used in



financing activities amounting to 1,490.69 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 three-month, six-month, and nine-month of 2023, which were paid from March to December 2023, totaling 2,255.99 MB. The Company managed financial cost and investment returns, resulting in net cash received from 1-3-month terms revolving credit utilization of 800 MB, and payment of debts under the lease agreements with their interest expenses in amount of 34.70 MB.

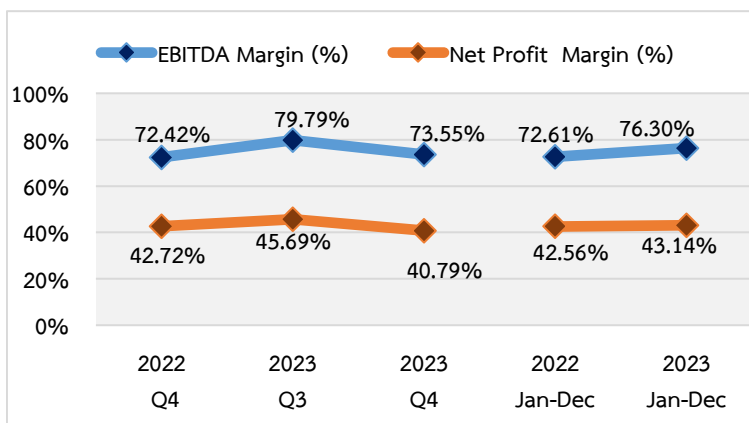
**Significant financial ratios**

**Earnings per share (Baht per Share)**



Operating results in the year 2023, the Company had earnings per share of 0.85 Baht, which increased by 0.19 Baht when comparing to the previous year and the earnings per share of Q4/2023 was 0.21 Baht, increased from the same quarter of year 2022 which the ratio was 0.20 Baht per share. The number of registered and paid-up shares was 1,181,232,800 shares.

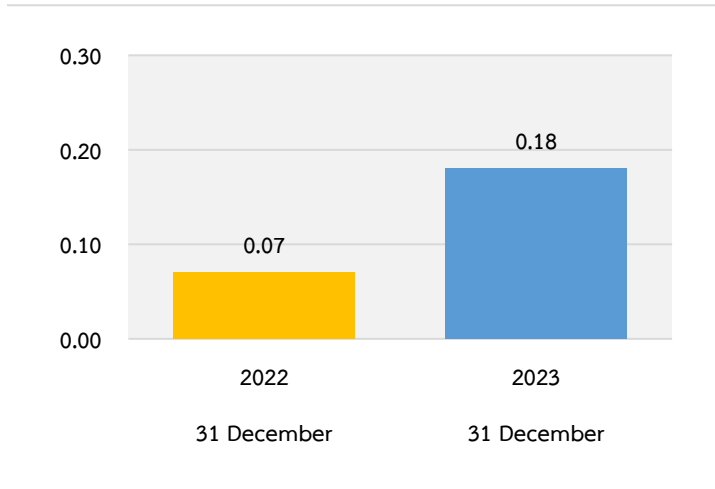
**Profitability ratios**



For the year 2023, the Company's EBITDA Margin and Net Profit Margin (NPAT Margin) equal to 76.30% and 43.14%, respectively which increased comparing to the previous year due to the increase of revenue from toll revenue and efficient operating cost management.

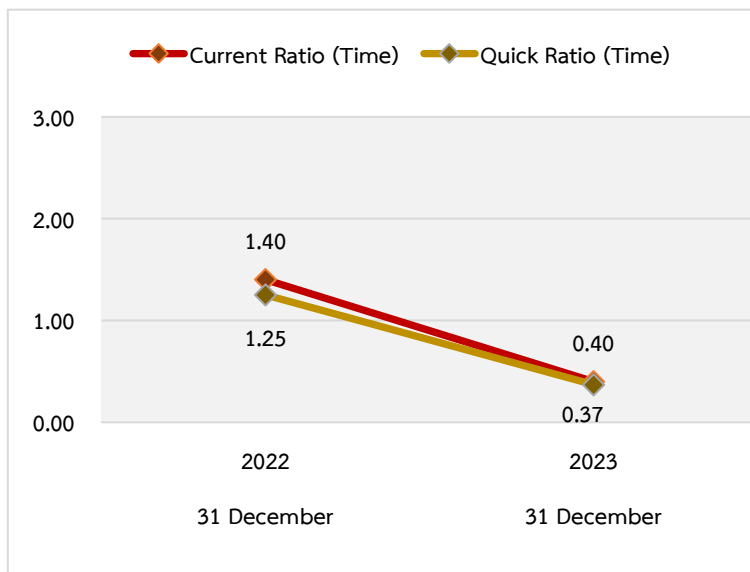


Debt to Equity Ratio (Time)



As of 31 December 2023, and 31 December 2022, the debt- to-equity ratios equal to 0.18 and 0.07 times respectively. The ratio increased from revolving line utilization in amount of 800 MB. On 31 December 2023, the Company had revolving line for business reserve that had not been disbursed of 900 MB (31 December 2022: 1,000 MB).

Current ratio and Quick ratio



As of 31 December 2023, Current ratio and Quick ratio equal to 0.40 times and 0.37 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 and the increase of utilization of revolving line 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 4<sup>st</sup> quarter are in line with the plan and are briefly summarized as follows:

Business Strategy	The results for 4 <sup>st</sup> quarter of 2023
<b>1. Safer Road Traffic Management/Maintenance:</b> The main strategy to elevate our expertise in O&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.	<ul style="list-style-type: none"><li>✓ Operation result comply with DOH KPI.</li><li>✓ The development of O&amp;M services is in line with the goals.</li><li>✓ Transformation by applying technology to create maximum benefit and efficiency in main work areas, such as the toll collection system to respond to consumer behavior needs, road maintenance system, convenience and traffic management system on the elevated tollway.</li></ul>
<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.	<ul style="list-style-type: none"><li>✓ 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 in business plan including M82, M5, M9, and Kathu-Patong.</li><li>✓ Transformation by bringing technology to apply in the organization for maximum benefit and efficiency in both support work and in the application system and has transformed to RISE with SAP on 1 December 2023.</li></ul>
<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.	<ul style="list-style-type: none"><li>✓ Grand opening of ASIAM Infra Co., Ltd. Was on 10 July 2023.</li><li>✓ The Company under the process to consider another business project other than the expressway continues in 2024</li></ul>





Business Strategy	The results for 4 <sup>st</sup> quarter of 2023
<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>✓ 3Rs project, including the Solar Rooftop installation project, using EV cars, waste separation, and managing resource use for the goal of reducing greenhouse gases, is in line with the plan. In 2024, there will be continuous planning for the E-in Process goal to reduce greenhouse gases by 30 percent by creating the ISO14064 standard.</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 organization to move forward smoothly and expand opportunities quickly.</p>	<p>✓ The ISO 45001 standard management system for occupational health and safety was certified on 19 July 2023.</p> <p>✓ To manage part of our workforce and mitigate the risk of employee shortages, we have developed our staff's capabilities and implemented staff plus and managed service outsourcing according to the plan.</p>
<p><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.</p>	<p>✓ The Company arranged activities with all stakeholders, There are activities with road users through the CRM Loyalty Program system, CSR with SET and communities around Don Muang Tollway according to the plan.</p> <p>✓ 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.</p>
<p><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.</p>	<p>✓ The study of technology in financial management (Fin Tech) is being developed in conjunction with the ERP project.</p> <p>✓ Administrative cost management and maintenance work can be controlled according to the plan.</p> <p>✓ Operating results are on target, with cost management in line with revenue</p>



### Business Sustainability Plan 2024 – 2028

The Company has prepared a business strategy as a long-term plan. It has been considered and received recommendations from board committee of the Company according to the powers and duties of that committee. By receiving policies and opinions in revising the vision of the Company “To lead in transportation and related sectors with a sustainable, efficient, and modern management approach”. The business plan for sustainability for 2024 - 2028 has a total of 7 strategies as follows:

No.	Strategies	Goals/Objectives
1	Safer Road Traffic Management/ Maintenance	To develop and create work standards in operations and maintain to the highest satisfaction of regulatory agencies and road users.
2	Inclusive Growth	To create partners to participate in bidding on motorway and expressway projects for business sustainability.
3	New Business Venture	To study of new businesses other than the expressway and expressway business to reduce the risk of having only one source of revenue and long-term business stability driven by a new department, “New Business Venture”.
4	ESG In Process	To strategically plan for E-In Process S - In Process G -In Process to respond to changes in the environment, laws, and consumer behaviors.
5	HPO & Smart Working Place	To develop employees to have advanced expertise and have flexibility in working and creating a good working environment.
6	Relationship/Partnership/Synergy Development	To engage all stakeholders to increase competitive potential and keep up with changes.
7	DMT Excellence Recognition	To create awareness of the Company's expertise to be known to stakeholders for confidence in business operations.