

(Translation)

BEM/C/CDO/0077/24

September 13, 2024

Re: Schedule for the Extraordinary General Meeting of Shareholders No. 1/2024

Attn: The President of the Stock Exchange of Thailand

Enclosure: Information Memorandum on Execution of Connected Transaction regarding Engagement of CH. Karnchang Public Company Limited for Procurement of Additional Rolling Stocks and Improvements to the Related MRT Systems of the MRT Blue Line Project

Bangkok Expressway and Metro Public Company Limited (the "Company") hereby notifies the resolutions of the Board of Directors' Meeting No. 4/2024, held on September 13, 2024, as follows:

1. **The Extraordinary General Meeting of Shareholders No. 1/2024 is scheduled to be held on Thursday, October 31, 2024 at 14.00 hours, exclusively via electronic means (E-EGM).**

Whereby Monday, September 30, 2024 is scheduled to be the record date for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2024 (the XM, or the date on which the purchaser will not be eligible to attend the Meeting, will be on Friday, September 27, 2024).

2. The agenda for the Extraordinary General Meeting of Shareholders No. 1/2024 has been determined with the opinion of the Board of Directors in each agenda are as follows:

**Agenda 1: To consider and approve the minutes of the 2024 Annual Ordinary General Meeting of Shareholders**

Facts and Reasons: The 2024 Annual Ordinary General Meeting of Shareholders was held on April 10, 2024, of which the minutes of the meeting were completed and published via the Company's website ([www.bemplc.co.th](http://www.bemplc.co.th)) since April 23, 2024. Additionally, the Company has made available video recordings of each agenda for shareholders to view via the Company's website. None of the shareholders proposed to amend such minutes of the meeting.

The opinion of the Board of Directors: The Board of Directors considered that the recording of the Minutes of the 2024 Annual Ordinary General Meeting of Shareholders is accurate, complete, and clear. Thus, it is deemed appropriate to propose the shareholders' meeting to approve the said minutes of the meeting.

**Agenda 2: To consider the connected transaction concerning the engagement of CH. Karnchang Public Company Limited for Procurement of Additional Rolling Stocks and Improvements to the Related MRT Systems of the MRT Blue Line Project**

Facts and Reasons: According to the Company engaged CH. Karnchang to carry out project management, including procurement, installation, and testing of the M&E Equipment for the MRT Blue Line Project in 2017 and the Extraordinary General Meeting of the Shareholders No. 1/2022 resolved to approve the Company's engagement of CH. Karnchang for the management and construction of civil works (West Section) and the design, procurement, installation, testing of the M&E Equipment and the trial run (East and West Sections) of the MRT Orange Line Project, for which the engagement agreement was signed on July 23, 2024.

Due to the fact that the route of the MRT Orange Line: East Section (Thailand Cultural Centre Station – Min Buri Station) connects to the route of the MRT Blue Line at Thailand Cultural Centre Station, which is a shared station where passengers will be in transit; when the MRT Orange Line: East Section will open for service on schedule in 2028, it will transfer a large number of passengers to the MRT Blue Line. Therefore, there will be a significant increase in the number of passengers on the MRT Blue Line. Therefore, the Company needs to procure additional 21 rolling stocks and improve the related MRT systems for the MRT Blue Line Project in order to accommodate the service, by engagement of CH. Karnchang for procurement of additional rolling stocks and improvements to other related systems of the MRT Blue Line Project in the amount of Baht 6,800 Million (excluding VAT).

**(Please refer to other details in Enclosure : Information Memorandum Concerning the Connected Transaction)**

The opinion of the Board of Directors: The Board of Directors, excluding the directors with conflict of interest and/or connected person, has considered and thus, deemed it appropriate to propose that the Extraordinary General Meeting of Shareholders No. 1/2024 to consider and approve the entering into the connected transaction concerning the engagement of CH. Karnchang Public Company Limited for Procurement of 21 Additional Rolling Stocks and Improvements to the Related MRT Systems of the MRT Blue Line Project in the amount of Baht 6,800 Million (excluding VAT).

**Agenda 3: Other matters (if any)**

3. The Board of Directors has resolved to appoint Capital Advantage Company Limited as the Company's independent financial advisor to provide opinions to the shareholders of the Company regarding the entering into the connected transaction concerning the engagement of CH. Karnchang Public Company Limited for Procurement of Additional Rolling Stocks and Improvements to the Related MRT Systems of the MRT Blue Line Project.

The Company will provide the opinion report of the independent financial advisor to the shareholders for consideration along with the delivery of the notice of the Extraordinary General Meeting of Shareholders No. 1/2024 of the Company.

Please be informed accordingly.

Very truly yours,

- Signature -

(Dr. Sombat Kitjalaksana)

Managing Director

Concession and Directors Office :

Tel.: 0 2641 4611 ext. 8700, 8500

**Information Memorandum on Execution of Connected Transaction regarding  
Engagement of CH. Karnchang Public Company Limited for Procurement of  
Additional Rolling Stocks and Improvements to the Related MRT Systems of  
the MRT Blue Line Project**

The Board of Directors' Meeting of Bangkok Expressway and Metro Public Company Limited (the "Company") No. 4/2024 on September 13, 2024 has resolved to approve that the Extraordinary General Meeting of Shareholders No. 1/2024 is scheduled to be held on October 31, 2024, be proposed to consider granting approval for the Company to execute an agreement engaging CH. Karnchang Public Company Limited ("CH. Karnchang") to be responsible for procurement of additional rolling stocks and improvements to the related MRT systems of the MRT Blue Line Project in a total amount of Baht 6,800 Million (excluding VAT); as such, execution of the transaction with CH. Karnchang, who is a major shareholder of the Company, is considered a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551, Re: Rules on Connected Transactions dated August 31, 2008 (and its amendments), and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 (2003), dated November 19, 2003 (and its amendments) (the "Notifications on Connected Transactions"), essence of which can be summarized as follows:

**1. Date of the Transaction**

The Extraordinary General Meeting of Shareholders No. 1/2024 is scheduled to be held on October 31, 2024, to consider and approve such connected transaction. Should the shareholders' meeting passes a resolution to approve the transaction, the Company expects to enter into the transaction within November 2024.

**2. Contract Parties and Relationship with the Company**

Employer : Bangkok Expressway and Metro Public Company Limited  
 Contractor : CH. Karnchang Public Company Limited  
 Relationship : CH. Karnchang is the major shareholder of the Company. As of the latest closing date of the shareholders' register on March 13, 2024, CH. Karnchang held 5,402,967,284 shares, representing 35.35 percent of the paid-up capital of the Company. (Please refer to details of other relationship in Clause 7)

**3. General Characteristics of the Transaction**

The Company was granted the concession for the MRT Blue Line Project by the Mass Rapid Transit Authority of Thailand ("MRTA") needs to engage CH. Karnchang for procurement of additional rolling stocks and improvements to the related MRT Systems of the MRT Blue Line Project in order to accommodate the service for both current and potential passengers which may rise. The total amount of Baht 6,800 Million (excluding VAT). The essence of the engagement agreement as follows:

**3.1 Scope of Work**

The main duties of CH. Karnchang under the engagement agreement are:

- (1) Procurement of 21 additional rolling stocks, together with installation of signaling and communication systems on the trains;

- (2) Improvement to the central signaling system and supporting equipment installed between stations to increase the frequency of rolling stocks operations and support the increasing number of rolling stocks;
- (3) Improvement to the central communication system to support communication with the new rolling stocks;
- (4) Improvement to the remote-control system to enable the train operation control center to appropriately control the ventilation system in the tunnel and cover all possible incidents.

### **3.2 Agreement Period**

CH. Karnchang has an operational period under the agreement 3 years and 6 months, starting from the date of receipt of the notice to proceed.

### **3.3 Security**

CH. Karnchang will deliver a Performance Bond worth Baht 300 Million, which will remain effective until CH. Karnchang is released from its obligations under the engagement agreement.

## **4. Total Value of Consideration and Payment Method**

**Value of Consideration** : The total value of transaction is in a total amount of Baht 6,800 Million (excluding VAT).

**Payment Method** : The Company agrees to make payments to CH. Karnchang on a monthly basis according to the completion progress within 30 days from the date that the Company receives the invoice.

## **5. Basis of Calculation of Value of Consideration**

CH. Karnchang has proposed a work price of Baht 6,800 Million (excluding VAT) for the procurement of additional rolling stocks and improvements to the related MRT Systems of the MRT Blue Line Project

In considering the work price justification, the Company hired Infra Asia (Thailand) Company Limited as an independent expert engineer to evaluate the appropriate work value. Infra Asia (Thailand) Company Limited is a reputable independent expert with experience in assessing the value of rail transportation projects acceptable to government and private agencies in Thailand and abroad, such as the State Railway of Thailand, the BTS Skytrain project, the Gold Coast TRT project in Australia, etc. The independent expert has completed the work evaluation and prepared a report for submission to the Company. The work price under the scope of work for this Project is Baht 7,295 Million.

When comparing the work price offered by CH. Karnchang to the work price appraised by the independent expert engineer under the same type of work scope, it was found that the work value offered by CH. Karnchang was lower than the price appraised by the independent expert engineer by Baht 495 Million or 6.79 percent. Having considered the matter, the management is of the opinion that the work price offered by CH. Karnchang is reasonable.

## 6. Source of Funds

The Company expects to use external sources of funds by borrowing from financial institutions and/or issuing debentures and/or using internal sources of funds from operating cash flows. The Company views that such sources of funds are considered sufficient for the operation.

## 7. Characteristics and Scope of Interest of the Connected Person and Details of the Connected Person.

The engagement of CH. Karnchang in accordance with the aforementioned scope of work is considered as a connected transaction that is a normal business transaction without general trading conditions.

To calculate size of the connected transaction, the Company has assessed the total value consideration for procurement of additional rolling stocks and improvements to the related MRT Systems of the MRT Blue Line Project in a total amount of Baht 6,800 Million, which comply with the engagement agreement between the Company and CH. Karnchang. The total value of transaction is at Baht 6,800 million, equivalent to 18.67 percent of net tangible asset based on consolidated financial statements as of June 30, 2024 (Baht 36,414 million x 3% = Baht 1,092.42 million), which is higher than 3 percent of net tangible asset. In this regard, the Company is required to act as follows:

1. Prepare and immediately disclose the Information Memorandum concerning the entering into the transaction to the Stock Exchange of Thailand ("SET") with at least the information in accordance with the Notifications on Connected Transaction.
2. Arrange a shareholders' meeting of the Company to approve the transaction by sending the notice of the shareholders' meeting to the shareholders at least 14 days prior to the date of the shareholders' meeting. The transaction must receive the affirmative votes of at least three-fourths of the total votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interests.
3. Appoint an independent financial advisor to provide opinions on the transaction by submitting the independent financial advisor's opinion report to the shareholders for consideration along with the notice of the shareholders' meeting. In this regard, the Company has appointed Capital Advantage Company Limited, a financial advisor approved by the Securities and Exchange Commission (the "SEC"), as an independent financial advisor.

Pursuant to the list of shareholders of the Company as of the latest closing date of the shareholders' register on March 13, 2024 and the information of the directors/executives of the Company, the connected persons are listed as follows:

1. CH. Karnchang is a major shareholder of the Company whereby according to the share register as at March 13, 2024, CH. Karnchang held 5,402,967,284 shares in the Company, representing 35.35 percent of the registered capital.
2. Mr. Plew Trivisvavet is the Company's Chairman of the Board of Directors and concurrently is CH. Karnchang's director and Chairman of the Executive Board.
3. Mr. Phongsarit Tantisuvanitchkul is the Company's Chairman of the Executive Board and concurrently is CH. Karnchang's director and Senior Executive Vice President.
4. Dr. Supamas Trivisvavet is the Company's director and executive director, and concurrently is CH. Karnchang's director and Vice Chairman of the Executive Board.

**8. Participation in the Meeting and Voting of Directors with Conflict of Interest and/or Directors who are Connected Persons**

In the Board of Directors' Meeting No. 4/2024 on September 13, 2024, directors with conflict of interest and/or directors who are connected persons, namely (1) Mr. Plew Trivisvavet, (2) Mr. Phongsarit Tantisuvanitchkul, and (3) Dr. Supamas Trivisvavet, did not attend the meeting and were ineligible to vote on this agenda.

**9. Opinions of the Board of Directors on Execution of the Connected Transaction**

The Board of Directors is of the opinion that given that the Company will enter into the connected transaction regarding engagement of CH. Karnchang for procurement of additional rolling stocks and improvements to the related MRT Systems of the MRT Blue Line Project in the amount of Baht 6,800 Million, it is justifiable and beneficial to the Company by the following reasons:

- (1) Execution of the transaction with CH. Karnchang Public Company Limited on procurement of additional rolling stocks and improvements to other related systems of the MRT Blue Line Project is suitable in various aspects, namely:
  - It is the country's large construction contractor with work performance in design and procurement of the MRT systems for many projects, including management of the MRT Blue Line Project and the MRT Purple Line Project until they could be put into service on schedule. Therefore, it has great experience, knowledge, and expertise in procurement of the MRT systems.
  - Engagement of CH. Karnchang to be responsible for procurement of the electric trains and the MRT systems for both the MRT Orange Line Project and the MRT Blue Line Project simultaneously will enable management of the service opening plan and passenger volume support to be consistent and will result in the Economy of Scale.
  - It is a financially strong company, which has a solid financial position, and is capable of managing potential risks from the implementation of large-scale projects, such as risks from exchange rate fluctuations, risks from project delays, and risks from higher than expected investment.
  - The terms of engagement of CH. Karnchang are based on a lump sum turnkey basis that guarantees the work by assuming all potential risks if the project is not completed within the specified period. As a result, it limits the potential risks from the implementation of the project.
- (2) The work price has been analyzed and compared; as a result, it is justifiable and lower than that appraised by the independent expert under the same type of work scope by Baht 495 Million, representing 6.79 percent. In addition, the evaluation expert is a reputable independent expert engineer with experience in assessing the value of rail transportation projects acceptable to government and private agencies in Thailand and abroad (i.e., Infra Asia (Thailand) Company Limited).
- (3) The Company has duly and completely complied with the rules on connected transactions pursuant to the relevant laws and requirements.

**10. Opinion of the Audit Committee and/or Directors of the Company which differ from the Opinion of the Board of Directors of the Company specified in clause 9.**

- None -