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BEM/E/151/M102.005/22

July 8, 2022

Re: Execution of Connected Transaction on Maintenance and Improvement of Structures and System Works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattthaya Expressway

Attn.: The President of the Stock Exchange of Thailand

The Board of Directors' Meeting of Bangkok Expressway and Metro Public Company Limited (the "Company"), No. 4/2022 held on July 8, 2022 resolved to grant approval for the Company to enter into an agreement on engagement of CH. Karnchang Public Company Limited ("CH. Karnchang") to carry out maintenance and improvement of structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattthaya Expressway in an amount of Baht 1,078,094,260 (excluding VAT).

Execution of the transaction with CH. Karnchang, in its capacity as the Company's major shareholder, is considered execution of a transaction with a connected person in an ordinary course of business without any general trading conditions pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions 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 Connected Transactions B.E. 2546 (2003) and their amendments (hereinafter collectively referred to as the "Connected Transaction Notifications"), with the total transaction size representing 2.82 percent of the net tangible asset value under the consolidated financial statements as at March 31, 2022.

In this regard, to ensure compliance with the Connected Transaction Notifications, the Company hereby notifies information memorandum on connected transaction regarding engagement of CH. Karnchang to carry out maintenance and improvement of structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattthaya Expressway, as per the following details:

1. **Transaction Date** : By July 2022
2. **Related Parties**
 - Employer** : Bangkok Expressway and Metro Public Company Limited (the "Company")
 - Contractor** : CH. Karnchang Public Company Limited ("CH. Karnchang")
 - Relationship** : CH. Karnchang is the Company's major shareholder.

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3. Nature of the Transaction

The Company, as the operator of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, would engage CH. Karnchang to carry out maintenance and improvement of structures and system works of such three expressways, for the operation period of 17 months, commencing from July 2022.

The Company's engagement of CH. Karnchang, as the Company's major shareholder, to carry out the foregoing work then constitutes a connected transaction in an ordinary course of business of the Company without any general trading conditions pursuant to the Connected Transaction Notifications.

4. Total Value of Consideration and Payment Method

Total Value of Consideration : Baht 1,078,094,260 (excluding VAT)

Payment Method : By cheque according to work progress

5. Basis for Determination of Total Value of Consideration

In considering and inspecting the contractor price, the Company has still engaged PPS Oneworks Company Limited (formerly, PPS Design Co., Ltd.) as an independent consulting engineer to conduct the inspection and appraisal of this work price in the same manner as before.

Having conducted the inspection and appraisal of the price, PPS Oneworks Company Limited is of the view that the work price for maintenance and improvement of structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, covering nine items, is a total of Baht 1,161,895,640 (excluding VAT).

Furthermore, the independent consulting engineer has remarked that in considering procuring the contractor for repair of the structures of the expressways requiring the segmental box girder system, the project owner should pay significant attention to engagement of the company which carried out such construction in order to prevent any impact on the usage of the expressways. Normally, with respect to the repair of the bridge or expressway construction project of this specific nature overseas, the project owner would mostly consider engaging the company carrying out such construction to conduct maintenance and repair, due to its availability of appropriate information, personnel, and equipment.

Moreover, if there are numerous activities that need repair and maintenance on the expressways, only one contractor is considered and selected to manage and plan for traffic closures and deviations, as a result, the impact on users of the expressways will be lessened and safety will be improved because there is already a centralized planning in place for the area.

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In addition, if it is maintenance, replacement work according to maintenance schedule or improvement that must be carried out continuously, it will be most beneficial to consider choosing the same contractor who is currently in charge, in order to avoid wasting time in starting a new task. As for the maintenance and improvement works of the structures and system works during the years 2022 - 2023 on this occasion, there are many maintenance works that must be carried out continuously.

Having considered CH. Karnchang by taking into account its potential, knowledge, capacity, and readiness of engineers, experts and working teams, availability of equipment and machinery for use in the construction and repair, the Company is of the view that CH. Karnchang has the potential to perform such works well, as it has the existing competent engineers with experience in expressway construction who can start working promptly, with knowledge and abilities comparable to international construction companies, as well as its availability of full equipment and machinery for maintenance and improvement of the structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway to ensure prompt implementation, and previously carried out construction of the structures of such three expressways, thereby allowing it to gain knowledge and expertise in the projects and areas to be operated, including its ability to facilitate great coordination with relevant government authorities and communities.

The Company then contacted CH. Karnchang to have it consider proposing the work price on this occasion, and CH. Karnchang proposed the work price for the maintenance and improvement of the structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, covering nine items, in the amount of Baht 1,078,094,260 (excluding VAT), which is lower than the price appraised by the independent consulting engineer by Baht 83,801,380 (excluding VAT).

6. Calculation of Size of the Connected Transaction

This transaction has the total work value of Baht 1,078.09 Million (excluding VAT), representing 2.82 percent, as compared to the net tangible asset value under the consolidated financial statements as at March 31, 2022. According to the regulations of the Stock Exchange of Thailand, the transaction with its value of less than 3 percent (Baht 38,172.33 Million X 3% = Baht 1,145.17 Million) is subject to consideration and approval of the Board of Directors.

7. Nature and Scope of Interests of Connected Persons

CH. Karnchang is the Company's major shareholder, whereby according to the share register as at March 9, 2022, CH. Karnchang held 4,859,133,929 shares in the Company, representing 31.79 percent of the Company's registered capital.

Given that the Company engages CH. Karnchang, as the Company's major shareholder, to carry out such operations, it is therefore considered execution of a connected transaction in an ordinary course of business of the Company without any general trading conditions, due to the fact that the selection of the contractor is in accordance with the opinion provided by the independent consulting engineer that the contractor should be

(Translation)

the same person who previously conducted the construction, with its availability of information and knowledge in terms of construction technique, which is capable of maintaining and improving the structures in order to prevent any impact on the current expressway structures and not to affect the service users who regularly use the expressways.

8. Details of Connected Persons

The connected persons are listed below:

- (1) CH. Karnchang Public Company Limited is a major shareholder of Bangkok Expressway and Metro Public Company Limited, whereby according to the share register as at March 9, 2022, CH. Karnchang Public Company Limited held 4,859,133,929 shares in the Company, representing 31.79 percent of the registered capital.
- (2) Mr. Plew Trivisvavet is the Chairman of the Board of Directors and Chairman of the Executive Board of Bangkok Expressway and Metro Public Company Limited, and concurrently is a director and Chairman of the Executive Board of CH. Karnchang Public Company Limited.
- (3) Mr. Phongsarit Tantisuvanitchkul is a director and executive director of Bangkok Expressway and Metro Public Company Limited, and concurrently is a director and Senior Executive Vice President of CH. Karnchang Public Company Limited.

9. Meeting Attendance and Vote Casting by Directors who are interested parties and/or connected persons

In the Board of Directors' Meeting No. 4/2022 which was held on July 8, 2022, the directors who were interested parties and/or connected persons, namely, Mr. Plew Trivisvavet and Mr. Phongsarit Tantisuvanitchkul, who neither attended the Meeting nor had the right to vote on this agenda item.

10. Opinion of the Board of Directors

The Board of Directors is of the opinion that execution of the connected transaction on engagement of CH. Karnchang to carry out maintenance and improvement of the structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, in the amount of Baht 1,078,094,260 (excluding VAT), is justifiable and beneficial to the Company by reasons of the following:

- (1) Execution of the transaction regarding engagement of CH. Karnchang as the contractor for maintenance and improvement of the structures and system works of the expressways is beneficial to the Company and the Subsidiary because CH. Karnchang is suitably qualified in many aspects, namely:
 - Being the person who did construct the structures of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, thereby allowing it to gain knowledge and expertise in the projects and areas to be operated, in line with the advice of the independent consulting engineer;

(Translation)

- Having the operational potential, due to its availability of skilled engineers who have had experience in construction of the expressways to ensure prompt implementation, and have knowledge, abilities comparable to international construction companies;
 - Having full equipment and machinery for maintenance and improvement of the structures and system works of the Si Rat Expressway, the Si Rat - Outer Ring Road Expressway and the Udon Rattaya Expressway, contributing to rapid commencement of the works.
- (2) Having analyzed and compared the unit price of various works, the work price is appropriate and is 7.21 percent lower than the price appraised by the independent consulting engineer (the price appraised by PPS Oneworks Company Limited at Baht 1,161,895,640).
- (3) The Company has duly and completely complied with the rules on connected transactions pursuant to the relevant laws and requirements.

11. Opinion of the Audit Committee and/or of the Company's Board of Directors which is different from the opinion of the Board of Directors as per Clause 10.

-None-

Please be informed accordingly.

Very truly yours,

- Signature -

(Dr. Sombat Kitjalaksana)
Managing Director

Compliance and Directors Office :

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