

(Translation)

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BEM/E/151/M102.008/65

October 17, 2022

Re: Schedule for the Extraordinary General Meeting of Shareholders No. 1/2022

Attn: The President of the Stock Exchange of Thailand

Enclosure: 1) Information Memorandum Concerning the Acquisition of Assets from the entering into the Public-Private Partnership Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section with the Mass Rapid Transit Authority of Thailand

2) Information Memorandum Concerning the Connected Transaction for the engagement of CH. Karnchang Public Company Limited for the management and construction of civil works (West Section) and the design, procurement, installation, testing of system equipment and the trial run (East Section and West Section) of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section

Bangkok Expressway and Metro Public Company Limited (the "Company") hereby notifies the resolutions of the Board of Directors' Meeting No. 5/2022, held on October 17, 2022, as follows:

1. **The Extraordinary General Meeting of Shareholders No. 1/2022 is scheduled to be held on Monday, November 28, 2022 at 14.00 hour via electronic means (E-EGM) only.**

Whereby Monday, October 31, 2022 is scheduled to be the record date for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2022 (the XM, or the date on which the purchaser will not be eligible to attend the Extraordinary General Meeting of Shareholders No. 1/2022, will be on Friday, October 28, 2022).

2. The agenda for the Extraordinary General Meeting of Shareholders No. 1/2022 were determined with opinion of the Board of Directors in each agenda are as follows:

**Agenda 1: To consider and approve the minutes of the 2022 Annual Ordinary General Meeting of Shareholders**

**Facts and Reasons:** The 2022 Annual Ordinary General Meeting of Shareholders was held on April 4, 2022, 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 18, 2022. The Company has also

released the video recording 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 2022 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 entering into the Public-Private Partnership Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section with the Mass Rapid Transit Authority of Thailand**

Facts and Reasons: The Cabinet passed a resolution on April 19, 2016 approving the Ministry of Transport (the Mass Rapid Transit Authority of Thailand: MRTA) to carry out the construction of civil works of the MRT Orange Line Project: Thailand Cultural Centre – Min Buri (Suwinthawong) (East Section). On January 28, 2020, the Cabinet approved the implementation of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section under the PPP Net Cost arrangement, whereby

- (1) The public sector shall be responsible for land acquisition cost of the MRT Orange Line Project (West Section: Bang Khun Non – Thailand Cultural Centre); and
- (2) The private sector shall invest in civil works of the MRT Orange Line Project (West Section), and the mechanical and electrical systems (“M&E systems”) cost, rolling stocks, as well as system operation and maintenance of the entire route from Bang Khun Non – Min Buri (Suwinthawong), including the project’s consultation expense. The system operation period of the MRT Orange Line Project is 30 years starting from the commencement date of the commercial operation of the MRT Orange Line Project (East Section).

In addition, the Cabinet approved to subsidize for the civil works of the MRT Orange Line Project (West Section) according to the actual expenses at the amount not exceeding Baht 96,012 million including Provisional Sum.

In accordance with the Cabinet's resolution, the MRTA has announced the invitation of interested parties to tender the public-private partnership of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section from May 24, 2022 and requires the private sector to submit proposals on July 27, 2022. On September 16, 2022, the Selection Committee, under Section 36 of the Public-Private Partnership Act B.E. 2562 (2019), of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section (the "Selection Committee") has informed that the Company is the one who submitted the

highest evaluated tenderer. The MRTA and the Selection Committee has invited the Company to negotiate the contract until the contract is finalized on September 23, 2022.

The Public-Private Partnership (“PPP”) Project has a total value of Baht 139,127 million (VAT inclusive). The company, as a partner, has a scope of work as follows:

**Phase 1: Design and construction of the civil works and the procurement of M&E systems**

1. MRT Orange Line Project (East Section) (operation period of 3 years and 6 months from the date specified on the Notice to Proceed of the MRTA) The Company’s duties and responsibilities comprise of the design, manufacturing, procurement, and installation of the M&E systems and other related systems and computer programs for the management of the project, as well as system testing and trial run, training, and technology transfer for the readiness of public services under the terms and conditions specified by the MRTA under the PPP Contract.

2. MRT Orange Line Project (West Section) (operation period 6 years from the date specified on the Notice to Proceed of the MRTA) The Company’s duties and responsibilities comprise of the design and construction of civil works, facilities, including buildings, demolitions and/or reconstruction of utilities related to the project as specified in the contract, as well as the design, manufacturing, procurement, and installation of the M&E systems and other related systems and computer programs for the management of the project, the system testing and trial run, training, and technology transfer for the readiness of public services under the terms and conditions specified by the MRTA under the PPP Contract.

**Phase 2: Operation and Maintenance (O&M) services** (30 years from the commencement date of the commercial operation of the MRT Orange Line Project (East Section) The Company’s duties and responsibilities comprise of the provision of safe and efficient train operation services in accordance with the standards specified in the PPP Contract, and the provision of security and rescue, maintenance, inspection of service, and insurance in accordance with the requirements of the MRTA.

**(Please refer to other details in Enclosure No. 1: Information Memorandum Concerning the Acquisition of Assets)**

The MRTA shall comply with the procedures of the Public-Private Partnership Act B.E. 2562 (2019) to propose to the Cabinet to consider and approve the investment in the MRT Orange Line Project.

Therefore, in order for the Company to be able to immediately enter into a Public-Private Partnership Contract with the MRTA after the Cabinet approves the matter, the Company is required to seek for the approval from the shareholders' meeting along with the public sector's approval process.

The opinion of the Board of Directors: The Board of Directors, excluding the directors with conflict of interest, has considered and opined that the said public-private partnership in the MRT Orange Line Project is beneficial to the Company. Thus, the Board of Directors resolved to propose the shareholders' meeting to consider and approve the following matters:

- (1) The entering into a Public-Private Partnership Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section with the Mass Rapid Transit Authority of Thailand after the Cabinet's approval.
- (2) The authorization of the Board of Directors to consider and approve the details of the PPP Contract as well as any action necessary to complete the PPP Contract with the MRTA.

**Agenda 3: To consider the connected transaction concerning the engagement of CH. Karnchang Public Company Limited for the management and construction of civil works (West Section) and the design, procurement, installation, testing of system equipment and the trial run (East Section and West Section) of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section**

Facts and Reasons: The Company has negotiated and finalized the contract with the Selection Committee and the MRTA is currently in the approval process in accordance with the procedures of the Public-Private Partnership Act B.E. 2562 (2019) as detailed in Agenda 2, under which the scope of works of phase 1 concerning the design and construction of civil works and the provision of M&E systems specified that the tenderer must have experience in civil works construction management. In the event that the tenderer does not have such experience, it can propose experiences and project references of the contractors in order to fulfill the said requirement. Thus, the Company has submitted the proposal with reference based on experience in civil works construction management of CH. Karnchang Public Company Limited ("CK") as a contractor. The Company has a policy to appoint management and construction of civil works and procurement of the M&E systems in the form of turnkey contract to achieve integration in design and construction and to be able to efficiently utilize resources for the project. In order to comply with the proposal submitted to the MRTA and to be beneficial for the Company to carry out the project, the Company wishes to appoint CK under the lump sum turnkey contract for (1) the management and

construction of civil works of the MRT Orange Line Project (West Section) (excluding the appointment of consultants of the MRTA) with total remuneration of Baht 82,502 million (VAT exclusive) and (2) the design, procurement, installations, testing of system equipment, and trial run of the MRT Orange Line Project (East Section and West Section) with total remuneration of Baht 26,714 million (VAT exclusive).

**(Please refer to other details in Enclosure No. 2: 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 opined that the engagement of CK for the management and construction of civil works of the MRT Orange Line Project (West Section) and the design, procurement, installations, testing of system equipment, and trial run of the MRT Orange Line Project (East Section and West Section) is beneficial to the Company as CK has potential, experience, and expertise in such works. In addition, the remuneration of Baht 109,216 million (VAT exclusive) to be paid to CK is deemed reasonable. Thus, the Board of Directors resolved to propose the shareholders' meeting to consider and approve the following matters:

- (1) The entering into the connected transaction concerning the engagement of CH. Karnchang Public Company Limited for the management and construction of civil works (West Section) and the design, procurement, installation, testing of system equipment and the trial run (East Section and West Section) of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) in the amount of Baht 109,216 million (VAT exclusive) after the company entered into the PPP Contract for the MRT Orange Line Project with the Mass Rapid Transit Authority of Thailand.
- (2) The authorization of the Board of Directors to consider and approve the details of the PPP Contract as well as any action necessary to complete the contract with CH. Karnchang Public Company Limited.

**Agenda 4: 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 following transactions:

- (1) The acquisition of assets from the entering into the PPP Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section with the Mass Rapid Transit Authority of Thailand; and
- (2) The connected transaction concerning the engagement of CH. Karnchang Public Company Limited for the management and construction of civil works (West Section) and the design, procurement, installation, testing of system equipment and the trial run (East Section and West Section) of the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section.

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. 1/2022 of the Company.

Please be informed accordingly.

Very truly yours,

- Signature -

(Dr. Sombat Kitjalaksana)

Managing Director

Compliance and Director Office :

Tel.: 0 2641 4611 ext. 8700, 8400



**Information Memorandum Concerning the Acquisition of Assets from the  
Entering into the Public-Private Partnership Contract for the MRT  
Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section with  
the Mass Rapid Transit Authority of Thailand**

The Board of Directors' Meeting of Bangkok Expressway and Metro Public Company Limited (the "Company") No. 5/2022 held on October 17, 2022 has resolved and approved to propose the Extraordinary General Meeting of Shareholders No. 1/2022, which will be held on November 28, 2022, to consider and approve the entering into the Public-Private Partnership Contract ("PPP Contract") for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section ("MRT Orange Line Project") with the Mass Rapid Transit Authority of Thailand ("MRTA"), of which the scope of work can be divided into 2 phases: (1) the design and construction of civil works and procurement of mechanical & electrical systems ("M&E systems"), and (2) the operation and maintenance services, with an investment value of Baht 139,127 million (VAT inclusive). The entering into such contract is considered as an asset acquisition pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets 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 Acquisition and Disposition of Assets, 2004 dated October 29, 2004 (as its amendments) (the "Notifications on Acquisition or Disposition of Assets"). Details of the transaction are summarized as follows:

**1. Date of the Transaction**

The Company shall enter into the PPP Contract for the MRT Orange Line Project with the Mass Rapid Transit Authority of Thailand ("MRTA") after the Company receive the approval from the shareholders' meeting and the Cabinet approved the MRTA to enter into the contract.

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

Grantor : Mass Rapid Transit Authority of Thailand ("MRTA")

Concessionaire : Bangkok Expressway and Metro Public Company Limited (the "Company")

Relationship with the Company :

The MRTA is the shareholder of the Company. As of the Company's latest closing date of shareholders' register on September 21, 2022, the MRTA held 1,256,259,584 shares or 8.22% of the Company's paid-up capital. The MRTA has 2 representatives who serves as directors of the Company, namely Mr. Piyakorn Apibalsri (director of the MRTA) and Mr. Vithaya Punmongkol (Deputy Governor (Operations) of the MRTA).

However, the MRTA is not considered as a connected person of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 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, 2003 dated November 19, 2003 (and its amendments) (the "Notifications on Connected Transaction").

At the Board of Directors' Meeting No. 5/2022 held on October 17, 2022, Mr. Piyakorn Apibalsri and Mr. Vithaya Punmongkol, the directors representing the MRTA, did not attend the meeting and did not vote on the agenda concerning the entering into the PPP Contract for the MRT Orange Line Project.

**3. General Characteristics of the Transaction**

The Company intends to participate in the Public-Private Partnership for the MRT Orange Line Project, of which the scope of work is divided into 2 phases: (1) the design and construction of civil works and the procurement of M&E systems, and (2) the operations and maintenance services.

The entering into the PPP Contract is considered as the acquisition of assets pursuant to the Notifications on Acquisition or Disposition of Assets. In calculating the size of the asset acquisition transaction, the Company referred to the total value of the considerations of the MRT Orange Line Project of Baht 139,127 million (VAT inclusive), comprising of (1) value of the design and construction of civil works and interest during construction of Baht 95,432 million and (2) value of the procurement of M&E systems and related expenses for the right to operate the MRT services of Bath 43,695 million which is in accordance with the Company's proposed submitted to the MRTA. The details of the transaction size calculation, based on consolidated financial statements as of June 30, 2022, are as follows:



**Criteria for Calculation of  
Transaction Size**

**Calculation Formula**

- |  |  |
|--|--|
| 1. Net tangible asset (NTA) criteria     | = Not applicable as it is an acquisition of assets other than securities.  |
| 2. Net profit criteria                   | = Not applicable as it is an acquisition of assets other than securities.  |
| 3. Total value of consideration criteria | <p>= The investment value of the project, which is in accordance with the Company's proposal submitted to the MRTA / Total assets according to the Company's consolidated financial statements</p> <p>= Baht 139,127 million / Baht 115,474 million</p> <p>= 120.48%</p> |
| 4. Total value of securities criteria    | = Not applicable because there is no issuance of new securities as consideration of assets acquired  |

Size of the transaction is equal to 120.48% of the Company's total assets (as of June 30, 2022, the Company had total assets of Baht 115,474 million) based on the total value of consideration criteria. During the past 6 months, the Company has no other asset acquisition transaction. Therefore, such transactions are considered as Class 4 transaction pursuant to the Notifications on Acquisition or Disposition of Assets or a backdoor listing in the Stock Exchange of Thailand ("SET").

However, the entering into this PPP Contract is not considered as the case of the relisting application with the SET because:

- (1) The acquired business is in a similar line of business or a mutually supporting business to the listed companies

Currently, the Company operates as a concessionaire from the public sector, including concessions for expressway and the MRT projects as well as commercial

development on such concessions. The entering into the PPP Contract for the MRT Orange Line Project is the acquisition of a project that is the Company's normal business. In addition, the partnership in the MRT Orange Line Project shall promote the Company's overall business. As a result, the Company shall be able to provide a more comprehensive service and create opportunities to increase the number of passengers of the current MRT projects.

- (2) The listed company has no policy to make a significant change in its core business after the acquisition

The Company has no policy to make a significant change in its core business.

- (3) The group of listed companies resulting from the acquisition of assets has suitable qualifications for listing with the SET

After entering into the PPP Contract for the MRT Orange Line Project, the Company is still able to comply with the criteria for maintaining the status of a listed company of the SET since the acquisition of the MRT project is the Company's core business operation. The Company shall apply the same principal of the internal control for operation of the MRT Orange Line Project.

- (4) There will be no material change in the composition of the Board of Directors of the listed company or in the controlling power of the listed company or the controlling shareholders of the listed company

The Company has no plans to make significant change to its Board of Directors. In addition, after the entering into the PPP Contract for the MRT Orange Line Project, CH. Karnchang Public Company Limited will remain the major shareholder of the Company.

Thus, the entering into such transaction is in accordance with the exemptions under Clause 24 of 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 Acquisition and Disposition of Assets, 2004 dated October 29, 2004 (as its amendments). However, the Company is still obliged to (1) disclose the information memorandum of such transaction to the SET, (2) seek for approval from the shareholders' meeting with the affirmative vote 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, and (3) send the notice of the shareholders' meeting with the opinion

of the independent financial advisor to the shareholders for a period not less than 14 days prior to the date of the shareholders' meeting.

#### **4. Details of the Acquired Asset**

The asset being acquired is the PPP Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section. The project connects East Bangkok and West Bangkok with the total distance of 35.9 kilometers. There are 28 stations, divided into 2 phases as follows:

1. The MRT Orange Line Project (East Section)

Total distance of 22.5 kilometers with 17 stations from Thailand Cultural Centre Station to Suwinthawong Station, comprising of 10 underground stations and 7 elevated stations

2. The MRT Orange Line Project (West Section)

Total distance of 13.4 kilometers with 11 stations from Bang Khun Non Station to Thailand Cultural Centre Station, all of which are underground stations

The material terms of the PPP Contract between the Company and the MRTA can be summarized as follows:

##### **4.1 General Characteristics of the Contract**

The PPP Contract for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section is in a PPP net cost arrangement or the partnership between the public and private sectors. The public sector shall responsible for cost of civil works of the MRT Orange Line Project (East Section) and land acquisition cost of the MRT Orange Line Project (West Section) while the private sector invests in civil works of the MRT Orange Line Project (West Section) and the M&E systems cost, rolling stocks, as well as system operation and maintenance of the entire route for a period of 30 years starting from the commencement date of the commercial operation of the MRT Orange Line Project (East Section). In this regard, the public sector shall subsidize for the civil works of the MRT Orange Line Project (West Section). The private sector has the right to revenue from fares and commercial development rights while paying concession fee to the public sector in accordance with the conditions specified in the PPP Contract. The MRT

Orange Line Project: Bang Khun Non - Min Buri (Suwinthawong) Section connects East Bangkok and West Bangkok with a total distance of 35.9 kilometers, divided into 22.5 kilometers of the East Section (Thailand Cultural Centre – Min Buri (Suwinthawong) with 17 stations (10 underground stations and 7 elevated stations) and 13.4 kilometers of the West Section (Bang Khun Non – Thailand Cultural Centre) with 11 underground stations.

#### **4.2 Term of the Contract**

The contract period is 33 years and 6 months, divided into 2 phases as follows:

**Phase 1:** Civil design and construction and procurement of M&E systems

1. The MRT Orange Line Project (East Section): 3 years and 6 months from the date specified on the Notice to Proceed of the MRTA
2. The MRT Orange Line Project (West Section): 6 years from the date specified on the Notice to Proceed of the MRTA

**Phase 2:** The operation and maintenance service: 30 years from the commencement date of the commercial operation of the MRT Orange Line Project (East Section)

#### **4.3 Scope of Work**

Duties and responsibilities of the Company

**Phase 1:** The design and construction of civil works and procurement of M&E systems

1. The MRT Orange Line Project (East Section): The Company's duties and responsibilities comprise of the design, manufacturing, procurement, and installation of M&E systems, and other related systems and computer programs for the management of the project, as well as individual testing, integrated system testing and trial run, training, and technology transfer for the readiness of public services under the terms and conditions specified by the MRTA under the PPP Contract.
2. The MRT Orange Line Project (West Section): The Company's duties and responsibilities comprise of the design and construction of civil works, facilities, including buildings, demolitions and/or

reconstruction of utilities related to the project as specified in the contract, as well as the design, manufacturing, procurement, and installation of the M&E systems and other related systems and computer programs for the management of the project, as well as individual testing, integrated system testing and trial run, training, and technology transfer for the readiness of public services under the terms and conditions specified by the MRTA under the PPP Contract.

**Phase 2:** Operation and maintenance services (East Section and West Section)

1. **Operation:** The Company's duties and responsibilities comprise of the operational management and provision of the safe and efficient MRT service in accordance with the standards specified in the PPP Contract. It must also provide adequately skilled personnel and security and rescue, maintenance, inspection of service, and insurance in accordance with the requirements of the MRTA.
2. **Maintenance:** The Company's duties and responsibilities comprise of the inspection and maintenance of civil works, except for park & ride buildings, and the maintenance, repair, refurbishment and replacement (as necessary) for the M&E systems, including all maintenance equipment and tools of the MRT Orange Line Project provided by the Company and which have been granted the right of possession by the MRTA.

**4.4 Source of Funds**

The Company shall be responsible for the costs and necessary funding for the works, including expenses and compliance with the terms and conditions of the contract.

**4.5 Ownership of System Equipment**

The Company is responsible for transferring ownership of the M&E systems, which are assets that the Company has constructed or procured under the contract, to the MRTA after passing all the tests required under the contract and the MRTA has issued the commissioning certificate to the Company. The MRTA shall assign the right to control and possess of such assets, including the civil works of the MRT Orange Line Project (excluding park & ride buildings and areas that the MRTA does not assign the right) to

the Company on the same day for the Company to manage, operation, and maintenance the MRT Orange Line Project throughout the contractual period.

#### **4.6 Sources of Revenue**

The Company will have 2 main sources of revenue from the operation of the MRT Orange Line Project which are (1) revenue from fare collection and (2) commercial development revenue.

#### **4.7 Payment of Considerations**

1. The MRTA shall be responsible for civil works of the West Section and interest during the construction period. The payments shall be annually paid in Thai Baht to the Company in accordance with the actual payment paid for the construction for a period of 6 years starting from the 3rd - 8th year from the date specified on the Notice to Proceed of the MRTA.

2. The Company is obliged to pay consideration to the MRTA, divided it into 2 parts as follows:

Part 1: Fixed payment shall be paid to the MRTA in accordance with the Company's proposal submitted to the MRTA

Part 2: Variable payment shall be paid to the MRTA when the Company's equity internal rate of return ("Equity IRR") from the operation of the MRT Orange Line Project exceeds 9.75%. The Company agrees to share revenue with the MRTA (VAT inclusive) as follows:

1. In a year that the Company receives an equity IRR in excess of 9.75% but not more than 11%, it shall share revenue on that year with the MRTA at a rate of 50% of net cash flow which generate return in excess of 9.75% but not more than 11%.

2. In a year that the Company receives an equity IRR in excess of 11% but not more than 15%, it shall share revenue on that year with the MRTA at a rate of 60% of net cash flow which generate return in excess of 11% but not more than 15%.



3. In a year that the Company receives an equity IRR in excess of 15%, it shall share revenue on that year with the MRTA at a rate of 75% of net cash flow which generate return in excess of 15%.

#### **4.8 Delays Caused by the Company**

In case of delays caused by the Company's fault and are not the case of force majeure or exemption event:

1. In case of delay in civil works beyond the specified date, the Company is liable to pay a fine to the MRTA on a daily basis at the rate of 0.0025% of the value of phase 1 work, calculated from the first day of such delay.
2. In case of commencement of service for the MRT Orange Line Project beyond the specified date, the Company is liable to pay a fine of Baht 5 million per day, calculated from the first day of such delay.

#### **4.9 Termination of the Contract with the Company as a Non-Performing Party**

If the Company is unable to complete the work and provide services that generate revenue from some section or the entire route within 180 days from the date specified in the PPP Contract or the extended date, the MRTA has the right to terminate the contract and the MRTA will pay the company for the book value of civil works of the MRT Orange Line Project (West Section) and M&E systems that the MRTA deems functional. The said value, according to the Company's most recent financial statements, is calculated based on the cost and subtracted by depreciation (based on the service life in accordance with the principles or accounting standards acceptable by the MRTA) and cost of civil works of the West Section that the MRTA had paid to the Company.

#### **4.10 Termination of the Contract with the MRTA as a Non-Performing Party**

If the MRTA fails to perform its material duties in accordance with the contract, including the inability to deliver the construction site to the Company, or the MRTA has no authority to carry out its obligations under this contract without any other entity to accept the transfer of rights and obligations of the MRTA, the Company has the right to terminate the contract, and the MRTA will pay the company as follows:

1. Expenses incurred as a result of or directly related to legally accountable works and financing costs and cost of civil works of the West Section which have not been paid by the MRTA.
2. Book value of all M&E systems, as well as damages incurred as a result of early termination of the contract. The amount of compensation, including expenses and damages, will be determined in conjunction with the accounting audit, which will be done immediately after the termination of the contract by an internationally renowned auditing company appointed with the approval of the MRTA for such purpose.

#### **4.11 Termination of the Contract Caused by Force Majeure or Exemption Events**

In case of force majeure or exemption events (which cause severe damage to the Company's financial position) in accordance with the conditions specified in the contract, whereby either party considers that the consequences of such cause will prevent the performance to serve the objectives of the contract. The parties can mutually agree to terminate the contract, and the MRTA shall pay the Company the compensation in each case as follows:

1. If the termination occurs prior to the commencement of Phase 2, the MRTA will consider compensating the Company for any expenses incurred or related to a particular work that the MRTA deems useful and functional and can be accounted for in accordance with the law, including financing costs. Such compensation shall be calculated up to the day prior to the termination date. The costs incurred must be actual and reasonable expenses with supporting documents.
2. If the termination occurs on or after the commencement of Phase 2, the MRTA will consider compensating the Company for the cost of civil works of the West Section which have not been paid by the MRTA and the book value of the completed section of M&E systems, minus depreciation of the part that the MRTA considers useful and functional.

#### **4.12 Performance Security**

1. The Company shall submit a domestic bank guarantee as the performance security to the MRTA in the amount of Baht 4,500 million to guarantee the

performance in accordance with the PPP Contract. Such performance security must be valid throughout operating period of phase 1. The MRTA shall return such performance security of phase 1 to the Company upon the completion of works in phase 1 operations and commencement of commercial operation of the entire route.

2. Upon the MRTA's issuance of the commissioning certificate which determines the commencement date of operation that generates income from the MRT Orange Line (East Section), the Company is required to submit a domestic bank guarantee as the new performance security to the MRTA take in the amount of Baht 200 million. Such performance security must be valid throughout operating period of phase 2. The MRTA shall return the performance security of phase 2 upon the Company's release of its obligations under the PPP Contract.

#### **4.13 Insurance**

The Company shall be responsible for the provision of all risks insurance, third-party liability insurance, public liabilities insurance, business interruption insurance with the insurance companies operating in Thailand. The Company shall be the insured and the MRTA and financial lender (if any) shall be the co-insureds and co-beneficiaries. Such insurance shall be valid throughout the period of the contract.

#### **4.14 Investment Promotion**

The MRTA will coordinate with relevant government agencies as necessary in order for the Company to receive investment promotion under the Investment Promotion Act, B.E. 2520 (1977) and its amendments.

### **5. Total Value of Consideration and Criteria for Determining Value of Consideration**

The total value of consideration is equal to Baht 139,127 million (VAT inclusive), consisting of (1) value of the design and construction of civil works and interest during construction period of Baht 95,432 million and (2) value of the procurement of the M&E systems and related expenses for the right to operate the MRT service of Baht 43,695 million, which is in accordance with the Company's proposed contract submitted to the MRTA based on the feasibility report of the Company and the MRTA as references and the expected total value of consideration for entering the PPP Contract with the MRTA.

## 6. **Expected Benefits to the Company**

### 1. Enhance the Company's capability to conduct business continuously

The Company's core business involves concessions which have a maturity period. Presently, the Company has 2 MRT projects which are the concession for the MRT Purple Line Project (expire in 2043) and the concession for MRT Blue Line Project (expire in 2050). It also has 3 expressway project contracts, namely concessions for the Si Rat Expressway and the Udon Rattaya Expressway which will expire in 2035 and concession for the Si Rat – Outer Ring Road Expressway which will expire in 2042. Investing in the MRT Orange Line Project which has a period of 30 years starting from the commencement of operation of the East Section creates an opportunity for the Company to enhance its capability to continuously operate its business.

### 2. Increase revenue from project management of the MRT Orange Line

After the commencement of operation of the MRT Orange Line Project, the Company shall be able to generate more revenue from fare collection and commercial development for a period of 30 years.

### 3. Connecting and expanding the network of mass transit system under the Company's management to cover more service area

The Company currently has 2 concessions for the MRT lines, namely the MRT Blue Line, which has a circular operation covering Bangkok and Thonburi sides from Tha Phra – Bang Sue – Hua Lamphong – Lak Song for the total distance of 48 kilometers with 38 stations, and the MRT Purple Line from Khlong Bang Phai – Tao Poon for the total distance of 23 kilometers with 16 stations covering a service area in Nonthaburi and the north side of Bangkok. By obtaining the concession for the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section for the total distance of 35.9 kilometers with 28 stations covering a service area connecting the east and west sides of Bangkok, the Company shall be able to expand the network of mass transit systems to cover the main areas of Bangkok and its vicinity in all directions, resulting in higher number of passengers of the MRT system managed by the Company.

### 4. Increase the number of passengers and revenues of the MRT projects under the Company's concessions

Since the MRT Orange Line Project connects the east and west sides of Bangkok and passes through densely populated areas where no mass transit system supported by electric trains is available, thus, it is considered as the expansion of the MRT network to accommodate faster transportation of passengers from the suburban areas into the city. In addition, the MRT Orange Line Project has interchange stations with several MRT projects, enabling the project to serve higher number of passengers, including the transfer of passengers to the MRT Blue Line Project and the MRT Purple Line Project managed by the Company. This will provide an opportunity for the Company to generate more revenue.

#### **7. 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 and the subsidy from the MRTA for the civil works of the West Section. The Company views that such sources of funds are considered sufficient for the operation of the MRT Orange Line Project.

#### **8. Conditions on the Entering into the Transaction**

1. The Cabinet approves the MRTA to enter into the PPP Contract for the MRT Orange Line Project with the Company.
2. The Extraordinary General Meeting of Shareholders of the Company No. 1/2022 resolved to approve the entering into the PPP Contract for the MRT Orange Line Project with the MRTA.

#### **9. Opinion of the Board of Directors**

The Board of Directors, excluding directors with conflict of interest, has considered the feasibility and appropriateness as well as the risks involved and opines that the entering into the above transaction will benefit the Company. Therefore, it was deemed appropriate for the Company to invest in the MRT Orange Line Project by entering into the PPP Contract with the MRTA for the following reasons:

1. Benefits of the transaction

- Benefits to the nation and society as a whole

The MRT Orange Line Project will connect the mass transit network in the country's rail system to be complete and more efficient, which is for the interests of the public and the people who use the services and is to preserve the interests of the public sector.

- Benefits to the Company and its shareholders

The entering into the PPP Contract for the MRT Orange Line Project will create a great opportunity for the Company to increase its profit potential and eventually increase the opportunity for shareholders to earn capital gains and more dividends. Please refer to the benefits to the Company and its shareholders in Clause 6.

2. Risks that may arise from the transaction

- Risks from the design and construction of civil works and the procurement of the M&E systems

The design and construction of civil works and the procurement of the M&E systems in Phase 1 are related to civil engineering that is complicated and requires techniques and high-skilled construction as well as proceeding along with procurement of the M&E systems. Therefore, in order to mitigate the risk, the Company will enter into contracts with subcontractors who have expertise and experience in civil design and construction and procurement of the M&E systems in the form of lump sum turnkey and the subcontractors will be responsible for the design and construction as well as the procurement of the M&E systems until completion within the specified period.

- Risks relating the number of passengers

Since the main revenue of the MRT Orange Line Project is fare collection revenue, the deviation of the actual number of passengers using the service, both from the MRT Orange Line Project and from other MRT projects, from the forecast will affect the Company's revenue either positively or negatively. The actual number of passengers using the service depends on various factors such as the road traffic, the economic growth rate, an increase or decrease in the number of residents along the MRT Orange Line and other MRT projects, as well as passenger traffic of other mass transit systems.



However, the estimated number of passengers using the MRT Orange Line used to calculate the return is based on a study conducted by the MRTA, which considers various important factors such as the historical growth rate of actual number of passengers of other MRT projects, the population and expansion of housing and real estate surrounding the stations of the MRT Orange Line Project, the forecast of the number of passengers from other MRT projects coming to the MRT Orange Line.

- Risks relating to the fare

The concession specifies that fares shall be adjusted every 2 years in accordance with Bangkok's consumer price index: non-food & beverages announced by the Ministry of Commerce. If the consumer price index changes from the Company's estimates, it will affect the Company's revenue and financial performance.

- Risks relating to revenues from commercial development

Under the PPP Contract for the MRT Orange Line Project, the Company has made projection of revenue from commercial development such as revenue from rent of retail space, revenue from advertising services, and revenue from the provision of telecommunications equipment. If the revenue from commercial development differs from the Company's projection, it may affect the Company's revenue and financial performance.

**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 -

**Information Memorandum Concerning the Connected Transaction for  
the engagement of CH. Karnchang Public Company Limited for  
the Management and Construction of Civil Works (West Section) and  
the Design, Procurement, Installation, Testing of System Equipment and  
the Trail Running of the Electric Train (East Section and West Section) of  
the MRT Orange Line Project: Bang Khun Non – Min Buri (Suwinthawong) Section**

The Board of Directors' Meeting of Bangkok Expressway and Metro Public Company Limited (the "Company") No. 5/2022 held on October 17, 2022 has resolved and approved to propose the Extraordinary General Meeting of Shareholders No. 1/2022, which will be held on November 28, 2022, to consider and approve the engagement of CH. Karnchang Public Company Limited ("CK") for the management and construction of civil works of the MRT Orange Line Project (West Section) and the design, procurement, installation, testing of system equipment, and trail running of electric trains of the MRT Orange Line Project (East Section and West Section) during Bang Khun Non – Min Buri (Suwinthawong) ("MRT Orange Line Project") with total remuneration of Baht 109,216 million (VAT exclusive). The entering into the transaction with CK, who is the company's major shareholder, is considered as a connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 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, 2003 dated November 19, 2003 (and its amendments) (the "Notifications on Connected Transaction"). Details of the transaction are summarized as follows:

**1. Date of the Transaction**

The Company shall enter into the agreement with CK after signing the Public-Private Partnership Contract ("PPP Contract") for the MRT Orange Line Project with the Mass Rapid Transit Authority of Thailand ("MRTA") and obtaining approval from the shareholders' meeting to enter into the transaction.

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

Employer : Bangkok Expressway and Metro Public Company Limited (the "Company")

Contractor : CH. Karnchang Public Company Limited ("CK")

Relationship : CK is the major shareholder of the Company. As of the latest closing date of the shareholders' register on September 21, 2022, CK held 4,865,947,029 shares, representing 31.83% of the paid-up capital of the Company. (Please refer to details of other relationship in Clause 6)

### **3. General Characteristics of the Transaction**

The Company has negotiated and finalized the contract with the Selection Committee for the partnership of the MRT Orange Line Project. The MRTA is currently in the approval process in accordance with the procedures of the Public-Private Partnership Act B.E. 2562 (2019), under which the scope of works of phase 1 concerning the design and construction of civil works and the provision of mechanical & electrical systems (“M&E systems”) specified that the tenderer must have experience in civil works construction management. In the event that the tenderer does not have such experience, it can propose experiences and project references of the contractors in order to fulfill the said requirement. Thus, the Company has submitted the proposal with reference based on experience in civil works construction management of CK as a contractor. The Company has a policy to appoint management and construction of civil works and M&E systems procurement in the form of turnkey contract to achieve integration in design and construction and to be able to efficiently utilize resources for the project. In order to comply with the proposal submitted to the MRTA and to be beneficial for the Company to carry out the project, the Company wishes to appoint CK for (1) the management and construction of civil works of the MRT Orange Line Project (West Section) (excluding the appointment of consultants of the MRTA) and (2) the design, procurement, installations, testing of system equipment, and trail running of the electric trains of the MRT Orange Line Project (East Section and West Section) under the lump sum turnkey contract with total remuneration of Baht 109,216 million, divided into Baht 82,502 million and Baht 26,714 million for the civil works and the M&E systems procurement cost respectively (VAT exclusive).

The material terms of the employment contract between the Company and CK can be summarized as follows:

### **3.1 Scope of work**

The main duties of CK under the employment contract are as follows:

1. Civil Works (West Section)

Civil design and construction for the MRT Orange Line Project according to the requirements of the MRTA as prescribed in the PPP Contract for the MRT Orange Line Project, excluding the appointment of consultants of the MRTA, and the handover of the works to the MRTA in accordance with the terms and conditions specified in the PPP Contract.

2. Procurement of M&E systems (East Section and West Section)

The design, manufacturing, procurement, and installation of M&E systems, other related systems, and computer programs for the management of the project, including the individual testing, integrated system testing and trial run, as well as training and technology transfer for the MRT Orange Line Project (East Section and West Section) until completion so that the Company can transfer ownership of the said property to the MRTA according to the terms and conditions of the PPP Contract.

### **3.2 Value of Consideration and Payment Conditions**

The Company will pay consideration in the amount of Baht 109,216 million (VAT exclusive) according to the following conditions:

1. Civil works costs of Baht 82,502 million shall be paid in accordance with the interim payment schedule of the civil works of the MRT Orange Line Project (West Section), which correlates with the construction progress as specified in the contract and in line with the PPP Contract for the MRT Orange Line Project with the MRTA.
2. The M&E systems procurement cost of Baht 26,714 million shall be paid accordance with the interim payment schedule of the M&E systems procurement works of the MRT Orange Line Project (East Section and West Section), which correlates with the M&E systems procurement progress as specified in the contract.

### **3.3 Performance Security**

1. Domestic bank guarantee in the amount of Baht 4,500 million as the performance bond must be valid throughout the term of phase 1 operation according to the terms and conditions of the PPP Contract.
2. Domestic bank guarantee in the amount of Baht 4,500 million as the warranty must be valid for a period of 2 years from the completion of phase 1 of the PPP Contract.

### **3.4 Contractual Period**

The contract period is divided into 2 phases as follows:

1. The M&E systems procurement for the MRT Orange Line Project (East Section): 3 years and 6 months from the date specified on the Notice to Proceed of the MRTA.
2. The civil works and M&E systems procurement for the MRT Orange Line Project (West Section): 6 years from the date specified on the Notice to Proceed of the MRTA.

When CK views that works of phase 1 of the PPP Contract has been completed and ready for service, CK must notify the Company in order to coordinate with the MRTA to inspect and issue a commissioning certificate and hand over the ownership to the MRTA, by which the operation will be deemed as completed.

### **3.5 Variation Order**

The Company may issue a change of work order as stipulated in the contract, by which CK shall carry out in accordance with such change, provided that the parties agree on the responsibility, costs, conditions, and related details prior to the change of work made by CK.

### **3.6 Insurance**

CK shall be responsible for the provision of all risks insurance and third-party liability insurance with the insurance companies operating in Thailand at its own expense. The Company and CK shall be the insured and the MRTA and financial

lender (if any) shall be the co-insureds and co-beneficiaries. Such insurance shall be valid throughout the period of phase 1 of the PPP Contract.

### **3.7 Penalty**

In the event that CK is unable to complete the works according to the material schedule specified in the employment contract, CK shall pay penalty to the Company as specified in the annex of the contract.

## **4. Total Value of Consideration and Criteria for Determining Value of Consideration**

The total value of consideration is equal to Baht 109,216 million (VAT exclusive), consisting of (1) value of civil design and construction of Baht 82,502 million and (2) value of the M&E systems procurement of Baht 26,714 million, which determined from the negotiation between the Company and CK.

The Company has appointed Infra Asia (Thailand) Limited and Egis Rail (Thailand) Company Limited ("Independent Experts") as the independent expert engineers to assess the appropriate value of work. The Independent Experts has reviewed and assessed such work which the appropriate value of the civil works is Baht 86,000 million and the appropriate value of the M&E systems procurement is Baht 27,953 million, totaling of Baht 113,953 million. The value of civil works and M&E systems procurement proposed by CK (VAT exclusive) is lower than the value of works assessed by the Independent Experts, under the scope of similar work of such project, by Baht 4,737 million or 4.16%.

## **5. 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, and the subsidy from the MRTA for the civil works of the West Section. The Company views that such sources of funds are considered sufficient for the engagement of CK.

## **6. Characteristics and Scope of Interest of the Connected Person and Details of the Connected Person.**

The engagement of CK 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 from (1) value of civil design and construction works and (2) value of M&E systems procurement, which is in accordance with the employment contract between the Company and CK and is consistent with the Company's proposal submitted to the MRTA. The total value of transaction is at Baht 109,216 million, equivalent to 289.02% of net tangible asset based on consolidated financial statements as of June 30, 2022 (Baht 37,788 million x 3% = Baht 1,134 million).

In the past 6 months prior to the date on which the Board of Directors resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the entering into the employment contract with CK for the management and construction of civil works, design, procurement, installation, testing of system equipment, and trial run of the MRT Orange Line Project, the Board of Directors resolved on July 8, 2022, for the Company to enter into the connected transaction concerning the maintenance and structural improvement and system works of the Si Rat Expressway, the Si Rat – Outer Ring Road Expressway and the Udon Rattaya Expressway with the size of the connected transaction of 2.82% of net tangible assets. Therefore, the total size of the connected transaction is 291.84%, which is higher than 3% 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 September 21, 2022 and the information of the directors/executives of the Company, the connected persons are listed as follows:

1. CK: The Company's major shareholder holding 4,865,947,029 shares, equivalent to 31.83% of paid-up capital of the Company, according to the latest closing date of shareholders' registration as of September 21, 2022
2. Mr. Plew Trivisvavet: Chairman of the Board of Directors and Chairman of the Executive Board of the Company and is concurrently a director and Chairman of the Executive Board of CK
3. Mr. Phongsarit Tantisuvanitchkul: Director and executive director of the Company and is concurrently a director and senior executive vice president of CK
4. Miss Supamas Trivisvavet: Director and executive director of the Company and is concurrently a director and Vice Chairman of the Executive Board of CK

**7. 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. 5/2022 on October 17, 2022, directors with conflict of interest and/or directors who are connected persons, namely (1) Mr. Plew Trivisvavet, (2) Mr. Phongsarit Tantisuvanitchkul, and (3) Miss Supamas Trivisvavet, did not attend the meeting and were ineligible to vote on this agenda.

**8. Conditions on the Entering into the Transaction**

The entering into a contract with CK shall be executed after the completion of the following matters:

1. The Company has entered into the PPP Contract for the MRT Orange Line Project with the MRTA.
2. The Extraordinary General Meeting of Shareholders of the Company No. 1/2022 resolved to approve the entering into the connected transaction for the engagement of CH. Karnchang Public Company Limited for the management and construction of civil works of the West Section and the design, procurement, installation, testing of system equipment, and trial run of the East Section and West Section of the MRT Orange Line Project during Bang Khun Non – Min Buri (Suwinthawong) Section.

## 9. Opinion of the Board of Directors Regarding the Entering into the Connected Transaction

The Board of Directors is of the opinion that the entering into the connected transaction for the engagement of CK as mentioned earlier in the total amount of Baht 109,216 million (VAT exclusive) is reasonable and beneficial to the Company for the following reasons:

1. CK is a large construction contractor in the country with extensive records of design and construction of civil works and the procurement of M&E systems for several projects, which CK had completed as scheduled with acceptable quality. Thus, it has experience, knowledge, and expertise in civil works and the procurement of M&E systems. Track record of CK in major MRT projects can be summarized as follows:

Project Name	Contractor	Scope of Work
<b>Civil works</b>		
<b>MRT Blue Line Project</b> Bang Sue – Tao Poon Section	BCKT JV <sup>1</sup>	Design and construction of 9 underground stations, including civil works of the underground stations, tunnels, M&E systems, and structural and architectural works, with a distance of 10 kilometers
<b>MRT Blue Line Project</b> Bang Sue – Tao Poon Section	CKSL JV <sup>2</sup>	Design and construction of ballasted and ballastless trackwork and conductor rail
<b>MRT Blue Line Extension Project</b> Hua Lamphong – Bang Kae and Bang Sue – Tha Phra Section	CK	<ul style="list-style-type: none"> <li>• Design and construction of cut and cover tunnel connecting to bored tunnel with 1 intervention shaft</li> <li>• Design and construction of 2 underground stations, including station architectural works and building services works and M&amp;E works</li> <li>• Design and construction of ballasted and ballastless trackwork and conductor rail</li> </ul>
<b>MRT Purple Line Project</b> Bang Yai – Bang Sue Section	CKTC JV <sup>3</sup>	Construction of elevated structure and 8 stations, including station architectural works and M&E works, and the redesign of viaduct and station structures.

Project Name	Contractor	Scope of Work
<b>MRT Green Line Project</b> Bearing – Samut Prakarn Section	CK	<ul style="list-style-type: none"> <li>• Construction of elevated structures and 9 stations, including station architectural works, construction and improvement of utilities, and redesign of viaduct and station structures.</li> <li>• Design and construction of ballasted and ballastless trackwork for the elevated stations, viaduct, and Depot</li> </ul>
<b>Procurement of M&amp;E systems</b>		
<b>MRT Blue Line Project and MRT Blue Line Extension Project</b>	CK	Design, manufacture, procure, install, and test M&E systems such as rolling stock system, signaling and train controlling system, platform screen door, automatic fare collection system, Depot workshop equipment, power supply system, and supervisory control and data acquisition (SCADA)
<b>MRT Purple Line Project</b> Bang Yai – Bang Sue and Tao Poon – Bang Sue Section	CK	Design, manufacture, procure, install, and test M&E systems such as rolling stock system, signaling and train controlling system, platform screen door, automatic fare collection system, Depot workshop equipment, power supply system, supervisory control and data acquisition (SCADA), and management system

Remark: 1. BCKT JV is the BCKT joint venture, comprising of Bilfinger & Berger Bauaktiengesellschaft Company Limited, CK, Kumagai Gumi Company Limited, and Tokyu Construction Company Limited

2. CKSL JV is the CKSL joint venture, comprising of CK and SNC-Lavalin Inc.

3. CKTC JV is the CKTC joint venture, comprising of CK and Tokyu Construction Company Limited

2. The Company uses the experience of CK as the contractor for the technical experience in the qualification proposal and uses the blueprints and construction method documents prepared by CK in the technical proposal. The proposal is complete in accordance with the terms of the contract and the CK has been selected by the MRTA to be the civil works contractor of the MRT Orange Line Project (West Section), as the Company's subcontractor.

3. The engagement of CK to be responsible for civil works and M&E systems procurement will enable the seamless integration of civil works and M&E systems procurement.
4. CK is a financially strong company, having a stable financial position, capability to manage risks that may arise from the implementation of mega-scale projects such as exchange rate risk, risk from project delays, and risk of cost overrun.
5. CK agreed to be responsible for (1) the management and construction of civil works of the MRT Orange Line project (West Section) (excluding the appointment of consultant of the MRTA); and (2) the design, procurement, installation, testing of system equipment, and trial run of the MRT Orange Line Project for the Company in the form of lump sum turnkey that guarantees the work by taking all risks that may arise if the project cannot be completed within the specified period (Completion Risk).
6. CK is the Company's investment partners, resulting in its responsibility and commitment to successfully execute the project.

In addition, the Board of Directors of the Company is of the opinion that the employment conditions are reasonable as follows:

1. The lump sum turnkey arrangement is a condition that corresponds to the duties and obligations that the Company will have to comply with the terms and conditions of the PPP Contract that the Company will sign with the MRTA such as scope of work, performance guarantee and payment of penalty, thereby limiting the potential risks associated with the operation of the MRT Orange Line Project.
2. The total value of consideration paid by the Company to CK in the amount of Baht 109,216 million (VAT exclusive) is lower than the value of work assessed by the Independent Experts under the scope of the similar type of work of such project.

**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 -