

(Translation)

BEM/E/600/M102.002/17

7 April 2017

Subject: Information Memorandum on Acquisition of Assets from Investment in the MRT Blue Line Extension Project

Attention: Shareholders of Bangkok Expressway and Metro Public Company Limited

Enclosures: 1. Pending Material Lawsuits or Claims The disputes with Expressway Authority of Thailand (“EXAT”)
2. Related Party Transaction between the Company and the Directors, Management and Shareholders Directly and Indirectly Holding Shares more than 10%

The Board of Directors’ Meeting No. 2/2017 of Bangkok Expressway and Metro Public Company Limited (the “Company”) on 29 March 2017 passed a resolution, granting approval for the Company to invest in the MRT Blue Line Extension Project by entering into the MRT Blue Line Concession Agreement (the “Concession Agreement”) with the Mass Rapid Transit Authority of Thailand (the “MRTA”) for the concession period of 33 years and investment value of Baht 22,036 million. The execution of the Concession Agreement is deemed to be an acquisition of assets under 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 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of a Listed Company Concerning the Acquisition and Disposition of Assets, 2004 (“Notification Re: the Acquisition and Disposition”). The summary of key information are as following:

1. Information Memorandum (1) on Acquisition of Assets from Investment in the MRT Blue Line Extension Project

1.1 Transaction Date

The Company has signed contracts with MRTA on 31 March 2017.

1.2 Related Parties and Relationship with the Company

Concession Grantor : The Mass Rapid Transit Authority of Thailand (the “MRTA”)

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

The MRTA has the following relationship with the Company:

1. As of the latest book closing date of the Company on 9 March 2017, the MRTA is the Company's shareholder, who holds 1,256,259,584 shares of the Company's total shares, representing 8.22 percent of the Company's paid-up capital.
2. The MRTA has two representatives as the Company's Board of Directors, namely, Mr. Yuttana Yimgarund, Director of the MRTA, and Mr. Theeraphan Tachasirinugune, Deputy Governor (Strategy and Planning) of the MRTA.

However, the MRTA is not considered as a connected person of the Company. Therefore, the Company is not required to comply with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions, dated 31 August 2008 (and subsequent revisions) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of a Listed Company Concerning the Connected Transactions, 2003, dated 19 November 2003 (and subsequent revisions).

In the Board of Directors' Meeting No. 2/2017 of the Company on 29 March 2017, Mr. Yuttana Yimgarund and Mr. Theeraphan Tachasirinugune, the MRTA's representatives Directors of the Company, neither participated nor voted in this Board of Directors' Meeting in the approval of the Company's investment in the MRT Blue Line Extension Project.

1.3 General Characteristic of the Transaction

The transaction is the investment in the MRT Blue Line Extension Project by entering into the Concession Agreement with the MRTA which is considered a type of asset acquisition with the highest transaction size more than 15.00 percent but less than 50.00 percent. Such Transaction is classified as a Class 2 Transaction under the Notification Re: the Acquisition and Disposition. The Company is required to disclose the Information regarding the Acquisition of Asset to the Stock Exchange of Thailand ("SET") and shall be required to deliver an Information Memorandum with the details specified in the Notification Re: the Acquisition and Disposition to its shareholders within 21 days from the date of the Company submitted this Information Memorandum to the SET.

1.4 Details of the Acquired Asset, General Characteristics of Transaction, and Size of the Transaction

1.4.1 Details of the Acquired Assets

The acquired asset is the MRT Blue Line Extension Project which connects with the MRT Chaloem Ratchamongkhon at Bang Sue Station and Hua Lamphong Station. The project has a total distance of 27 kilometers dividing into 2 sections as follows:

1. Hua Lamphong Station – Lak Song Station Section

With total distance of 14 kilometers, the underground route starts from Hua Lamphong Station and runs for 5 kilometers with 4 stations along Rama IV Road to Charoen Krung Road, passing Wat Mangkon Kamalawat and Wang Burapa. The route then enters Sanam Chai Road, goes crossing under the Chao Phraya River at Pak Khlong Talat, and goes along Issarapab Road. Then, the line changes to elevated structure and head to Tha Phra intersection, which intersects with the MRT Blue Line Project Bang Sue Station – Tha Phra Station Section, runs along Phetkasem Road, passing Bang Pai, Bang Wa, Phasi Charoen, and Bang Kae, and ends at Kanchanapisek Road, totaling 9 kilometers of elevated structure with 7 stations.

2. Bang Sue Station –Tha Phra Station Section

With total distance of 13 kilometers, the elevated structure line has 9 stations, starts from Bang Sue Station, enters Tao Poon intersection, which intersects with the MRT Purple Line Project. The route then enters into Pracharat Sai 2 Road, passing Bang Pho intersection, crosses the Chao Phraya River, goes along Charansanitwong Road, passing Bang Phlat intersection, Borommaratchonnani intersection, and Fai Chai intersection, and ends at Tha Phra intersection, which intersects with the MRT Blue Line Project Hua Lamphong Station – Lak Song Station Section.

The Concession Agreement between the Company and MRTA is summarized as follow:

1.4.1.1 Related Parties

Grantor : The MRTA

Concessionaire : The Company

1.4.1.2 General Characteristics of the Concession Agreement

The Company has the responsibility to supply, install, and test run the M&E Systems as well as commence operation of the MRT Blue Line Extension Project and operate Through Operation system of the MRT Chaloem Ratchamongkhon Project and the MRT Blue Line Extension Project. The Company has rights, duty, and obligation to claim for, collect, and retain all fares from passengers in accordance with the Concession Agreement, to generate revenue from commercial development, which the Company is responsible for investment and operating costs, and to make remuneration payment to the MRTA under the Concession Agreement.

1.4.1.3 Term of Concession Agreement

The term of 33 years from the date the MRTA gives Notice to Proceed (“NTP”) which is divided into two phases, as following:

- 1) Phase 1: Supply, install, and test run the M&E Systems for the MRT Blue Line Extension Project as well as trial running, within an operating period of 36 months from the date the MRTA gives the Company written Notice to Proceed.
- 2) Phase 2: Provide operation and maintenance services for the MRT Blue Line Project for 30 years from the commencement date of the operation for service and able to generate revenue for the whole MRT Blue Line Project.

1.4.1.4 Scope of Work

1) Phase 1 Design and Construction

The Company has the duty to supply, install, and test run the M&E Systems as well as commence operation of the MRT Blue Line Extension Project.

2) Phase 2 Operation and Maintenance Services

The Company has the duty to effectively and safely operate Through Operation system of the whole MRT Blue Line Project, to collect all fares from passengers of the MRT Blue Line Project, and to procure and generate revenue from commercial development.

1.4.1.5 Completion Date

Within 36 months from the date the MRTA gives the Company written Notice to Proceed, the operating schedule is as follows:

Section 1 Bang Sue Station - Tao Poon Station : within 6 months

Section 2 Hua Lamphong Station – Lak Song Station : within 30 months

Section 3 Tao Poon Station – Tha Pra Station : within 36 months

1.4.1.6 Source of Revenue

The Company's source of revenue is from fares collection and commercial development. The fare rates and fare adjustments will be in accordance with the concession agreement of the MRT Chaloem Ratchamongkhon Project.

1.4.1.7 Remuneration Payment to MRTA

Part 1: In accordance with the concession agreement of the MRT Chaloem Ratchamongkhon Project

Part 2: The MRT Blue Line Extension Project and after the end of concession period of the MRT Chaloem Ratchamongkhon Project

1. In any year that the Company earns Equity Internal Rate of Return (“EIRR”) of more than 9.75 percent but less than 11.00 percent, the Company shall pay consideration to the MRTA at the rate of 50.00 of Free Cash Flow to Equity (“FCFE”), which is generated from the EIRR of more than 9.75 percent but less than 11.00 percent;

2. In any year that the Company earns EIRR of more than 11.00 percent but less than 15.00 percent, the Company shall pay consideration to the MRTA at the rate of 60.00 of FCFE, which is generated from the EIRR of more than 11.00 percent but less than 15.00 percent; and
3. In any year that the Company earns EIRR of more than 15.00 percent, the Company shall pay consideration to the MRTA at the rate of 75.00 of FCFE which is generated from the EIRR of more than 15.00 percent.

1.4.2 General Characteristics of Transaction and Size of the Transaction

The investment in the MRT Blue Line Extension Project by entering into the Concession Agreement with the MRTA is deemed to be an acquisition of assets under the Notification Re: the Acquisition and Disposition. The transaction size of such acquisition of assets of the Company shall be determined from value of the M&E System, procurement, and installation in the proposal of the MRT Blue Line Extension Project to the MRTA. The details of calculation of the transaction size are based on information from the Company's consolidated financial statements as of 31 December 2016 are as follows:

Calculation Basis	Calculation Formula
1. Net Tangible Assets	= Not applicable as the transaction is the acquisition of asset other than securities
2. Net Profit	= Not applicable as the transaction is the acquisition of asset other than securities
3. Total Value of Consideration	= Value of the M&E System, procurement, and installation in the proposal of the MRT Blue Line Extension to the MRTA / Total assets of the Company from the Company's consolidated financial statements = Baht 22,036 Million / Baht 82,786 Million = 26.62 percent

4. Value of Securities = Not applicable as the Company will not issue its Issued by the Company securities as consideration for the assets acquired. as consideration for the assets acquired

The highest transaction size of this transaction is calculated from total value of consideration method which equals to 26.62 percent. During the past 6 months, the Company has no other asset acquisition, thus, the total highest transaction size is 26.62 percent, according to the total value of consideration method. The transaction is classified as a Class 2 Transaction with the transaction size of 15.00 percent or more but lower than 50.00 percent. As a result, the Company is required to prepare and disclose the information memorandum of the acquisition of asset to the SET immediately. The information memorandum shall contain at least the information specified in schedule (1) annexed to the Notification Re: the Acquisition and Disposition. The Company shall also deliver a written notice on its shareholders within 21 days from the date of disclosure of the information memorandum to the SET.

1.5 Value of Consideration and Basis of Consideration

- 1.5.1 Value of Consideration : Baht 22,036 Million
The payment will be made in accordance with the construction progress within 36 months.
- 1.5.2 Basis of Consideration : Value of the M&E System, procurement, and installation in the proposal of the MRT Blue Line Extension to the MRTA.

1.6 Expected Benefits for the Company

1.6.1 Increase capabilities in ongoing business operation

Since the concession agreement of the MRT Chaloe M Ratchamongkhon Project which has concession period of 25 years will be expired in 2029 and the concession agreement of the MRT Purple Line Project which has concession period of 30 years will be expired in 2043, the investment in

the MRT Blue Line Extension Project with concession period of 33 years will be the opportunity for the Company to operate rail system business continuously from 2017 to 2050.

1.6.2 Enable the Company to operate Through Operation system for the whole MRT Blue Line Project

The Company can operate Through Operation system for the whole MRT Blue Line Project continuously, which will extend the route to connect the whole MRT network, and increase effectiveness of the Company in providing services. The passengers will also benefit from the convenience and time saving as well as commute to/from inner Bangkok from/to suburban areas, including Charansanitwong or Bang Kae. In addition, the route will also connect with the MRT Purple Line Project, which will enable passengers to travel from suburban areas of Bangkok and Nonthaburi to Bangkok downtown by connecting at Tao Poon Station to the MRT Blue Line Project via both directions. As a result, it can cover larger MRT network and make travelling from suburban areas of Bangkok to Bangkok downtown more conveniently.

1.6.3 Increase ridership and revenue of existing MRT system under the Company's operation

Since the MRT Blue Line Extension Project will connect with the MRT Chaloem Ratchamongkhon Project from Through Operation system, the number of passengers from the MRT Chaloem Ratchamongkhon Project under the Company's operation and the turnover of trips of passengers who will have more convenience from such connection services will increase, resulting in the increase in revenue and cash flows of the Company.

1.7 Source of Financing

The Company will use cash flows from operation and/or external sources of financing. The Company is in the process of securing credit facilities from financial institutions and/or may also consider issuing bonds to finance the investment in the MRT Blue Line Extension Project.

1.8 Opinion of the Board of Directors

The Board of Directors has considered the feasibility and suitability of the execution of the Concession Agreement as well as the potential risks associated and deemed it appropriate for the Company to enter into the Concession Agreement with the MRTA for the following reasons.

1.8.1 Expected Benefits of the Transaction

1.8.1.1 Expected Benefits to the Nation and Society overall

The MRT Blue Line Project will make the rail transportation network in Thailand more completely and effectively, benefiting passengers and securing benefits to the government.

1.8.1.2 Expected Benefits to the Company and Shareholders of the Company

The execution of the Concession Agreement will benefit the performance of the Company and increase the potential to generate profits and chance for shareholders of the Company to achieve higher return in form of capital gain or higher dividend. Details are as follow.

- Increase capabilities in ongoing business operation: Since the concession agreement of the MRT Chaloem Ratchamongkhon Project which has concession period of 25 years will be expired in 2029 and the concession agreement of the MRT Purple Line Project which has the concession period of 30 years will be expired in 2043, the investment in the MRT Blue Line Extension Project with the concession period of 33 years will be the opportunity for the Company to operate rail system business continuously from 2017 to 2050.
- Enable the Company to operate Through Operation system for the whole MRT Blue Line Project: The Company can operate Through Operation system for the whole MRT Blue Line Project continuously, which will extend the route to connect the whole MRT network, and increase effectiveness of the Company in providing services. The passengers will also

benefit from the convenience and time saving as well as commute to/from inner Bangkok from/to suburban areas, including Charansanitwong or Bang Kae. In addition, the route will also connect with the MRT Purple Line Project, which will enable passengers to travel from suburban areas of Bangkok and Nonthaburi to Bangkok downtown by connecting at Tao Poon Station to the MRT Blue Line Project via both directions. As a result, it can cover larger MRT network and make travelling from suburban areas of Bangkok to Bangkok downtown more conveniently.

- Increase ridership and revenue of existing MRT system under the Company's operation: Since the MRT Blue Line Extension Project will connect with the MRT Chaloe M Ratchamongkhon Project from Through Operation system, the number of passengers from the MRT Chaloe M Ratchamongkhon Project under the Company's operation and the turnover of trips of passengers who will have more convenience from such connection services will increase, resulting in the increase in revenue and cash flows of the Company.

1.8.2 Potential Risks Associated with the Transaction

The Board of Directors has considered potential risks and mitigation by the Company's management and is of the opinion as follows

- Risk from supplying, installing, and testing M&E System

As the Company is obliged to supply, install, test run the M&E System, and connect the network with the MRT Chaloe M Ratchamongkhon Project within the specified timeframe in accordance with the Concession Agreement, therefore, in case the procedures are delayed and cannot be completed according to schedule, or should in the future the investment cost of the M&E System, procurement, or installation is different from the projection, such factors may affect the Company's operation.

To minimize such risk and potential impact, the Company will execute an engineering, procurement, and construction contract with a contractor who has expertise and experience in supplying, installing,

and testing M&E system in a Lum Sum Turnkey basis. The contractor then shall be responsible for supplying , installing and testing M&E system within the specified timeframe and investment cost.

- Risk from the difference of actual and projection of ridership

The Company engaged Team Consulting Engineering Management Limited (“Team Consulting”) to study the number of ridership of the MRT Blue Line Extension Project and found that the number of ridership under the study of Team Consulting was in line with that of the MRTA’s projection.

Nevertheless, since the revenue of the MRT Blue Line Extension Project depends mainly on the number of ridership throughout the concession period of 30 years, if the actual number of ridership is significantly different from that of Team Consulting’s study, either higher or lower, this will have positive or negative impact to the revenue and operating performance of the MRT Blue Line Extension Project.

1.9 Opinion of the Audit Committee and/or of the Company’s Directors which is different from the opinion of the Board of Directors under Clause 1.8

- None -

2. Responsibility of Directors with respect to the Information in Documents sent to the Shareholders.

The Board of Directors will be responsible for the information set out in this Information Memorandum delivered to the shareholders. In this regard, the Board of Directors has verified the information proposed to it with prudence and hereby certifies that such information set out in this Information Memorandum contains no false statement, omission of any facts that are material, necessary, or required, and also contains no misleading statements.

3. Qualifications of the Independent Expert on Entering into the Transaction

- None –

4. Financial Projections in the Present Year

- None -

5. Pending Material Lawsuits or Claims

The disputes with Expressway Authority of Thailand (“EXAT”)


- Enclosure 1 -

6. Related Party Transaction between the Company and the Directors, Management and Shareholders Directly and Indirectly Holding Shares more than 10%

- Enclosure 2 -

Please be informed accordingly

Very truly yours



(Mrs. Payao Marittanaporn)

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Managing Director Office

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(Translation)

5. Pending Material Lawsuits or Claims

The disputes with Expressway Authority of Thailand (“EXAT”)

The Company and the subsidiary had a total of 11 disputes with EXAT, which were referred to the Arbitral Tribunal in accordance with the dispute settlement procedures under the Agreements and in the Administrative Court, The essence of each dispute was as follows:

5.1 Disputes submitted by the Company and the subsidiary claiming for damages in 8 disputes, with the total amount until the date of submission of the disputes of approximately Baht 28,179.8 million

5.1.1 Priority Component Opening Date under the Second Stage Expressway Agreement

On 9 July 2001, the Company submitted a statement of claim requiring EXAT to compensate for the deficient revenue with interest in the amount of Baht 3,831.4 million, due to different opinions as to which date was the Priority Component Opening Date, which affected the commencement of the toll revenue sharing with the Company under the Agreement.

On 15 December 2008, the Arbitral Tribunal rendered its arbitral award on the dispute requiring EXAT to pay the toll revenue sharing including interest under the Agreement as required by the Company. EXAT subsequently issued a letter refusing to comply with the arbitral award.

And, on 20 April 2009, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award or order refusing to enforce compliance with the arbitral award, and on 19 October 2011, the Company submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award. The interest was calculated up to the date on which the Company submitted the petition to the Court, amounting to Baht 1,189.7 million, with the total disputed amount of Baht 5,021.1 million.

On 13 September 2013, the Central Administrative Court adjudged to dismiss EXAT’s petition requesting the Court to revoke the arbitral award and adjudged to enforce the Company’s petition.

On 11 October 2013, EXAT lodged an appeal against the Central Administrative Court's judgment with the Supreme Administrative Court.

The Supreme Administrative Court has determined the end of fact inquisitorial date on 5 January 2017.

At present, it is among processes of appointing of the judges for issuance of the opinion, determining of the first trial date and determining the adjudication date of the case.

5.1.2 Competing road with the Udon Rattaya Expressway

On 20 December 2004, the subsidiary submitted a statement of claim requiring EXAT to compensate for the deficient revenue, based on the ground that the Government granted permission for construction of the Extension of the Don Muang Tollway Project, from the National Memorial to Rangsit Section, which constituted a competing road under the Agreement, and affected the financial position of the subsidiary, thereby rendering such damages until the date of submission of the dispute (excluding interest) to Baht 1,790 million.

On 27 November 2008, the Arbitral Tribunal rendered its arbitral award on the dispute requiring EXAT to compensate for the deficient revenue with interest under the Agreement as required by the subsidiary. EXAT then issued a letter to the subsidiary refusing to comply with such arbitral award. And, on 3 March 2009, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

On 1 September 2011, the subsidiary submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award, with the disputed amount of Baht 3,296.7 million.

On 3 May 2013, the Central Administrative Court adjudged to dismiss EXAT's petition requesting the Court to revoke the arbitral award and the Central Administrative Court also issued a judgment to enforce compliance with the arbitral award.

On 31 May 2013, EXAT lodged an appeal against the Central Administrative Court's judgment with the Supreme Administrative Court.

At present, it is pending the Supreme Administrative Court's consideration.

5.1.3 Issuance of variation orders by EXAT

On 9 December 2009, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by EXAT's issuance of additional variation orders for certain construction work of the Si Rat Expressway in the total amount of Baht 209.1 million (excluding interest).

On 20 October 2013, the Arbitral Tribunal unanimously rendered its arbitral award requiring EXAT to pay the construction costs and expenses as per the Notice of Variation in the total amount of Baht 382.5 million, including interest under the Agreement.

On 4 February 2014, EXAT issued a letter refusing to comply with such arbitral award. And, on 26 March 2014, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

The Central Administrative Court has determined the end of fact inquisitorial date on 23 September 2016.

On 21 October 2016, the Company submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award. At present, it is pending EXAT to submit its statement.

5.1.4 Revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2003

On 14 November 2008, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by the revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for 2003, which was not in accordance with the Agreement, thereby causing the damages, including interest, in the total amount of Baht 4,368 million.

On 12 February 2016, the Arbitral Tribunal, by the majority of votes, rendered its arbitral award requiring EXAT to compensate the Company for damages in the amount of Baht 4,368 million, including interest under the Agreement.

EXAT then issued a letter refusing to comply with such arbitral award. And, on 30 May 2016, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

On 4 November 2016, the Company submitted its answer to the petition to the Central Administrative Court.

At present, it is pending EXAT to submit its opposition.

5.1.5 Revision of toll rates of Sector D of the Si Rat Expressway for the year 2003

On 24 July 2008, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2003, which was not in accordance with the Agreement, in the total amount of Baht 1,048.2 million.

At present, it is pending the Parties to submit their closing statement. The Company is required to submit its closing statement within 22 February 2017 and EXAT is required to submit its closing statement within 17 March 2017.

5.1.6 Revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2008

On 13 June 2013, the Company submitted a statement of claim to the Thai Arbitration Institute requiring EXAT to compensate the Company for damages caused by the revision of toll rates (of the Chalerm Mahanakorn Expressway and the Si Rat Expressway) for the year 2008, which was not in accordance with the Agreement, in the total amount of Baht 9,091.8 million, together with interest under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

5.1.7 Revision of toll rates of Sector D of the Si Rat Expressway for the year 2008

On 28 June 2013, the Company submitted a statement of claim to the Thai Arbitration Institute requiring EXAT to compensate the Company for damages caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2008, which was not in accordance with the Agreement, together with interest calculated up to 31 May 2013, in the total amount of Baht 4,062.8 million, including interest under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

5.1.8 Revision of toll rates of Udon Rattaya Expressway for the year 2003

On 22 October 2013, the subsidiary submitted a statement of claim to the Thai Arbitration Institute requiring EXAT to compensate the subsidiary for damages, caused by the revision of toll rates of the Udon Rattaya Expressway for the year 2003, which was not in accordance with the Agreement, in the amount of Baht 908.7 million, together with interest under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

5.2 Disputes submitted by EXAT claiming for damages in 3 disputes, with the total amount until the date of submission of the disputes of approximately Baht 1,589.2 million**5.2.1 Construction of the Udon Rattaya Expressway, Phase 2**

On 29 January 2016, EXAT submitted a statement of claim to the Thai Arbitration Institute requiring the subsidiary to complete the construction of the Udon Rattaya Expressway, Phase 2, in accordance with Clause 8.5 a. of the conditions of the Bang Pa-In - Pak Kret Expressway Agreement, and compensate for the amount of Baht 1,587.7 million, together with interest under the Agreement. The Agreement states that although the conditions of the Agreement to commence the construction has been fulfilled, the subsidiary shall not yet obliged to carry out the construction if EXAT breach of the Agreement causing the subsidiary to suffer financial set back materially. EXAT are in breach of the Agreement with the competing road and the revision of toll rates. Therefore, the subsidiary acquired its rights to not commence the construction and EXAT is not entitled to claim for indemnity.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

5.2.2 Cost of utilization of the Control Center Building (Bang Phun)

On 27 February 2009, EXAT submitted a statement of claim to the Thai Arbitration Institute requiring the subsidiary to be responsible for the cost of utilization of the Control Center Building (Bang Phun) in the amount of Baht 1.1 million, which the subsidiary was of the view that such cost

claimed by EXAT was not within its scope of responsibility under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

5.2.3 Cost of arrangements of the entrance - exit and resolution of complaints

On 11 May 2007, EXAT submitted a statement of claim requiring the Company to be responsible for the cost of arrangements of the entrance - exit claimed by complainants, and the cost of free flow drains, in the total amount of Baht 0.4 million, which the Arbitral Tribunal rendered its arbitral award ruling that EXAT had no right to claim for such costs.

On 7 May 2014, EXAT submitted a petition for revocation of the arbitral award.

At present, it is pending the Central Administrative Court's consideration.

6. Related Party Transaction between the Company and the Directors, Management and Shareholders Directly and Indirectly Holding Shares more than 10%

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited	<ul style="list-style-type: none"> - This company is a major shareholder of the Company, with 29.73 percent of shares in the Company as at September 15, 2016. - Mr. Plew Trivisvavet, director, executive director, and executive of CH. Karnchang Public Company Limited, serves as director and Chairman of the Executive Board of the Company. 	<u>The Company</u>				
		- Advance Payment	-	398,250,000	- Advance Payment and Fee for Management of the Si Rat - Outer Ring Road Expressway Project:	- CH. Karnchang Public Company Limited has expertise, experience and know-how in the Segment Box Girder construction methodology in accordance with the terms of reference of the Si Rat - Outer Ring Road Expressway Project, together with experience in administering the lump sum turnkey contracts for the Company with good
		- Project Management Fee	4,100,011,478	8,370,000,000	On September 14, 2012, the Company engaged CH. Karnchang Public Company Limited as Project Manager of the Si Rat - Outer Ring Road	
		- Trade accounts payable	65,002,500	1,954,890,000		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
	<ul style="list-style-type: none"> - Mr. Prasert Marittanaporn, director and Senior Executive Vice President of CH. Karnchang Public Company Limited is the spouse of Mrs. Payao Marittanaporn, director, executive director, Managing Director of the Company and Acting Managing Director of NECL. - Mr. Phongsarit Tantisuvanitchkul, executive of CH. Karnchang Public Company Limited, serves as director and executive director of the Company. 				Expressway Project, in the total value of Baht 22,500 million, with a construction period of not exceeding 48 months, commencing on December 15, 2012.	quality of work and low maintenance costs as well as construction completion according to schedule and within the fixed budget; and its strategic investment partnership with the Company which would assure its responsibility and commitment for the successful operation of the Project.

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>The Company</u> - Costs of inspection and repair of the structure of the expressway	-	14,644,976	- Inspection and repair of the structure of the Si Rat Expressway, No. 3, Phase 3: On September 1, 2014, the Company executed a contract engaging CH. Karnchang Public Company Limited to carry out the inspection and repair of the structure of the Si Rat Expressway, No. 3,	- The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to carry out the work properly and is well-prepared to promptly start the work.
		- Trade accounts payable	-	14,644,976		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		- Costs of inspection and repair of the structure of the expressway	6,300,106		<p>Phase 3, in the total value of Baht 26,771,325, with a contract term of 10 months from the date of the contract signing.</p> <p>- Inspection and repair of the structure of the Si Rat Expressway, No. 3, Phase 5: On October 1, 2016, the Company executed a contract engaging CH.</p>	

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		- Trade accounts payable	2,416,794	-	Karnchang Public Company Limited to carry out the inspection and repair of the structure of the Si Rat Expressway, No. 3, Phase 5, in the total value of Baht 32,341,810, with a contract term of 10 months from the date of the contract signing.	

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>The Company</u>				
		- Gain on sale of investment	-	1,235,536,377	- Sale of ordinary shares in Bangkok Metro Public Company Limited:	- The selling price of shares is reasonable and comparative to market price. Such price was concluded after negotiation and agreement based on the weighted average price of Bangkok Metro Public Company Limited's shares for the past 60 days, less discount of approximately 5 percent due to big lot trading. The conditions on payment were set to allow the Company to be able to sell
		- Interest income	35,985,138	44,994,038	On July 2, 2015, the Company sold its 2,050,134,895 shares in Bangkok Metro Public Company Limited to CH. Karnchang Public Company Limited, at the price of Baht 1.79 per share, whereby the Company received	
		- Subscriptions receivable net of deferred interest income	756,834,379	1,320,849,241		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
					<p>payment on the transaction date in the amount of Baht 2,000 million, with the remaining payment to be gradually made until completion by August 2017.</p>	<p>all such shares on a single occasion at the agreed price.</p>

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>The Company</u> - Other accounts receivable	12,840,000	17,120,000	- Engineering Services and Commissioning for Operation Service in the MRT Purple Line Project, Contract 4: On May 2, 2014, the Company executed the Contract engaging CH. Karnchang Public Company Limited for Engineering Services and Commissioning for Operation Service in	- The contract was made with clear terms of payment. CH. Karnchang Public Company Limited is an experienced and specialized company in this type of work and was also responsible for the civil infrastructure work in relation to each train station. CH. Karnchang Public Company Limited has information of electric systems and civil work, which would enhance the
		- Advance payment received under the Contract for Engineering Services (which was recorded in deferred project cost	104,000,000	86,000,000		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		of rail in the Company's statement of financial position)			the MRT Purple Line Project, Contract 4: Concession for Supply of M&E Systems and O&M Services (Klong Bang Phai Station - Tao Poon Station), for the total contract value of Baht 450 million.	efficiency in construction of such project.

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Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>The Company</u> - Cost of maintenance of civil infrastructure and electrical and mechanical systems	87,555,556	2,444,444	- Civil Infrastructure and Electrical and Mechanical Systems Maintenance for the MRT Chaloe M Ratchamongkhon Line Project (MRT Blue Line): On November 17, 2015, the Company executed the Project Management Agreement engaging CH. Karnchang Public Company Limited for Civil	- The value of the Project Management Agreement with CH. Karnchang Public Company Limited for Civil Infrastructure and Electrical and Mechanical Systems Maintenance for the MRT Blue Line is reasonable and lower than the price assessed by the independent consulting company under the same scope of work. In addition, CH. Karnchang Public Company Limited is a large-sized construction
		- Trade accounts payable	41,441,667	2,615,556		

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Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
					<p>Infrastructure and Electrical and Mechanical Systems Maintenance for the MRT Chaloem Ratchamongkhon Line Project (MRT Blue Line) for a period of 9 years, for the total contract value of Baht 1,270 million.</p>	<p>company in Thailand, having experience and expertise, and familiarity to equipment, including civil infrastructure of the metro, as it was responsible for the construction of tunnels and metro stations in the southern part of the MRT Blue Line Project. Therefore, it is well prepared for management of the maintenance and supply of equipment for the maintenance service.</p>

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>The Company</u> - Cost of maintenance of civil infrastructure and electrical and mechanical systems	55,000,000	-	- On November 17, 2015, the Company executed the Project Management Agreement engaging CH. Karnchang Public Company Limited for Civil Infrastructure and Electrical and Mechanical Systems Maintenance, as well as supply of equipment and tools for train operation and maintenance services, for the MRT Purple Line is reasonable and lower than the price assessed by the independent consulting company under the same	
		- Improvement of civil infrastructure in stations and depot, as well as supply of	53,000,000	-		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		related spare parts and equipment (which was recorded in deferred project cost of rail in the Company's statement of financial position)			metro stations, elevated structures and depot, as well as supply of equipment, tools, spare parts and personnel for maintenance services, for the MRT Purple Line for a period of 8 years from November 17, 2015 to November 16, 2023, for the contract value of Baht 1,520 million. Subsequently, on December 14, 2016,	scope of work. In addition, CH. Karnchang Public Company Limited is a large-sized construction company in Thailand, having experience and expertise, and familiarity to equipment, including engineering structures of the MRT Purple Line.

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		- Trade accounts payable	52,715,333	-	the Company executed additional Project Management Agreement engaging CH. Karnchang Public Company Limited for Civil Infrastructure and Electrical and Mechanical Systems Maintenance for the MRT Purple Line, for the contract value of Baht 155 million, for a period of 7 years from January 1, 2017 to December 31, 2023.	

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>Northern Bangkok Expressway Company Limited (“NECL”)</u> - Costs of inspection and repair of the structure of the expressway	24,972,181	608,350	- Inspection and repair of the structure of the Udon Rattaya Expressway, No. 3, Phase 4: On December 1, 2015, the subsidiary (NECL) executed a contract engaging CH. Karnchang	- The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to

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Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
		- Trade accounts payable	-	650,935	Public Company Limited to carry out the inspection and repair of the structure of the Udon Rattaya Expressway, No. 3, Phase 4, in the total value of Baht 25,580,531, with a contract term of 10 months from the date of the contract signing.	carry out the work properly and is well-prepared to promptly start the work.

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Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
1. CH. Karnchang Public Company Limited (Continued)		<u>Bangkok Metro Networks Limited</u> (“BMN”)				
		- Office space rental and service charge	7,188,358	6,675,592	- BMN entered into the office space lease agreement in Viriyathavorn Building with CH. Karnchang Public Company Limited, with a term of three years until February 9, 2016, and extended the lease term for another five months until July 9, 2016.	- This rental rate is comparable to the rental rates charged by the lessor to third party lessees.
		- Trade accounts payable	1,800,900	81,187		

Persons who may have a conflict of interests	Relationship	Nature of Transaction	Transaction Value (Baht)		Necessity/ Details	Opinion of the Audit Committee
			2016	2015		
					Subsequently, BMN relocated its office by entering into the office space lease agreement in Viriyathavorn 2 Building with CH. Karnchang Public Company Limited, with a term of three years, from July 10, 2016 to July 9, 2019.	

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