

22 OCTOBER 2020

THAILAND / TRANSPORT & LOGISTICS

BANGKOK EXPRESSWAY AND METRO

BEM TB

BUY
UNCHANGED

TARGET PRICE	THB11.00
CLOSE	THB8.20
UP/DOWNSIDE	+34.1%
PRIOR TP	THB11.40
CHANGE IN TP	-3.5%
TP vs CONSENSUS	+4.7%

การปิดสถานีบางส่วนส่งผลกระทบเพียงเล็กน้อย

คาด 3Q20 โตดี

เราคาดว่ารายรับของ BEM ใน 3Q20 จะอยู่ที่ 3.6 พัน ลบ. (-13% y-y, +43% q-q) โดยคาดว่าธุรกิจหลักทั้งสองจะรายงานผลประกอบการที่ดี q-q ดังนี้: 1) รายได้จากธุรกิจทางด่วนอาจลดลง 17% y-y แต่เพิ่ม 45% q-q ตามการฟื้นตัวของปริมาณจราจรสู่ระดับใกล้เคียงก่อน COVID-19; และ 2) รายได้จากธุรกิจรถไฟฟ้าควรเพิ่มอย่างมีนัยสำคัญ q-q ถึง 47% แต่ลดลง 5% y-y เนื่องจากปริมาณผู้โดยสารเพิ่มเป็นสองเท่าเมื่อเทียบกับช่วงปิดเมืองใน 2Q20 ในด้านต้นทุน เราคาดว่าค่าใช้จ่ายจะสูงขึ้นเล็กน้อย q-q ตามการเพิ่มของรายได้ ดังนั้นเราจึงคาดว่ากำไรของ BEM ใน 3Q20 จะอยู่ที่ 716 ลบ. (-24% y-y, +370% q-q)

ปรับลดประมาณการปริมาณจราจรและผู้โดยสาร

แม้ว่าทั้งปริมาณจราจรและผู้โดยสารจะเพิ่มต่อเนื่อง แต่อัตราการเพิ่มยังต่ำกว่าที่เราคาดเล็กน้อย ดังนั้นเราจึงปรับลดสมมติฐานปริมาณจราจรเฉลี่ยต่อวันของเราในปี 2020E ลงเหลือ 1.06 ล้านเที่ยวจาก 1.09 ล้านเที่ยว และสมมติฐานปริมาณผู้โดยสารเฉลี่ยต่อวันจาก 0.31 ล้านเที่ยวเหลือ 0.27 ล้านเที่ยว (ดู Exhibit 3) ความล่าช้าในการเปิดพรมแดนของประเทศไทยกำลังส่งผลกระทบต่อกิจกรรมทางเศรษฐกิจและกดดันให้ตัวเลขนักท่องเที่ยวอยู่ในระดับต่ำ ในปัจจุบันรัฐบาลยอมให้นักท่องเที่ยวเข้าประเทศผ่านวีซ่าท่องเที่ยวชนิดพิเศษเพียง 1,200 คน ในขณะที่เราเชื่อว่าการเปิดพรมแดนจะมีต่อไปจนถึงสิ้นปีนี้

ปรับลดประมาณการกำไร

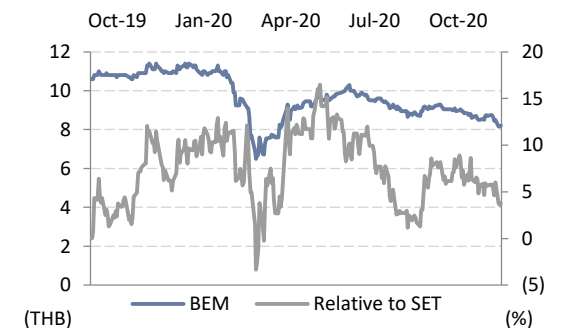
จากการปรับลดตัวเลขปริมาณจราจรและผู้โดยสารในปี 2020-2021E เราปรับลดประมาณการกำไรของ BEM ลง 16% เหลือ 2 พัน ลบ. (-63% y-y) สำหรับปี 2020 และ 4% เหลือ 4.2 พัน ลบ. (+106% y-y) สำหรับปี 2021 โดยปัจจัยหลักประกอบด้วย การปรับปริมาณผู้โดยสารและการปรับสมมติฐานการยกเว้นค่าผ่านทางสำหรับวันหยุดราชการภายใต้สัญญาใหม่กับกรมทางพิเศษแห่งประเทศไทย

คงคำแนะนำซื้อหลังปรับราคาเป้าหมายเป็น 11 บาท

แม้ว่าเราจะปรับลดประมาณการกำไรของเราในปี 2021 เราเชื่อว่าหากสถานการณ์ COVID-19 ในประเทศไทยยังเป็นปกติ ปริมาณจราจรของ BEM จะคงอยู่ที่ระดับปัจจุบัน (ลดลงเล็กน้อย) นอกจากนี้ การปิดบริการในบางสถานีตามคำสั่งของสำนักงานตำรวจแห่งชาติตามเหตุประท้วงที่กำลังขยายตัวได้ส่งผลกระทบเพียงเล็กน้อยต่อกำไรของ BEM แม้ว่าการปิดดังกล่าวเป็นปัจจัยลบในระยะสั้น เราเชื่อว่าหากการประท้วงในกรุงเทพฯ ไม่ขยายตัวจนกลายเป็นความรุนแรง บรรยากาศการลงทุนในหุ้น BEM ควรกลับสู่ปกติ เราคงคำแนะนำซื้อ BEM หลังปรับราคาเป้าหมายเป็น 11 บาท

KEY STOCK DATA

YE Dec (THB m)	2019	2020E	2021E	2022E
Revenue	16,107	13,754	16,854	18,113
Net profit	5,435	2,019	4,162	4,939
EPS (THB)	0.36	0.13	0.27	0.32
vs Consensus (%)	-	(26.6)	(4.3)	(3.3)
EBITDA	8,881	5,364	8,052	9,039
Core net profit	2,719	2,019	4,162	4,939
Core EPS (THB)	0.18	0.13	0.27	0.32
Chg. In EPS est. (%)	-	(16.3)	(4.4)	(2.2)
EPS growth (%)	(15.4)	(25.7)	106.1	18.7
Core P/E (x)	46.1	62.1	30.1	25.4
Dividend yield (%)	1.8	0.6	1.7	2.0
EV/EBITDA (x)	21.4	34.7	23.0	20.4
Price/book (x)	3.2	3.1	3.0	2.8
Net debt/Equity (%)	166.1	151.9	142.7	132.2
ROE (%)	7.3	5.1	10.1	11.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.3)	(10.9)	(22.6)
Relative to country (%)	(2.9)	0.9	3.1
Mkt cap (USD m)	4,010		
3m avg. daily turnover (USD m)	8.2		
Free float (%)	53		
Major shareholder	CH.Karnchang PCL (31%)		
12m high/low (THB)	11.60/6.05		
Issued shares (m)	15,285.00		

Sources: Bloomberg consensus; FSSIA estimates



Naruedom Mujjalinkool

naruedom.muj@fssia.com
+66 2611 3566

PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 22 ตุลาคม 2020

Investment thesis

BEM is the only public company that has been granted concessions to construct and operate expressways, which presently total 87.56km. The company has also secured two mass transit lines (Blue and Purple), and is ranked as the second largest mass transit operator in Thailand.

The company has solid historical growth, and we expect that momentum to continue thanks to Bangkok's continued expansion and its citizens' demand for public transportation.

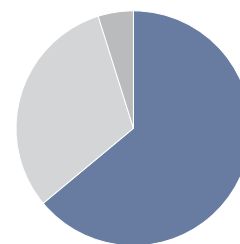
Company profile

Construction and operation of the Expressway and Operation Management of Mass Rapid Transit System Business, including related business.

www.bemplc.co.th

Principal activities (revenue, 2019)

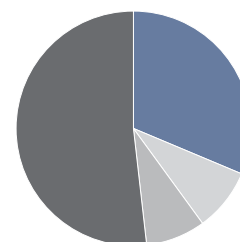
- Expressway - 64.0 %
- Mass transit - 31.2 %
- Commercial development - 4.9 %



Source: Bangkok Expressway and Metro

Major shareholders

- CH.Karnchang PCL - 31.3 %
- Thai NVDR - 8.7 %
- Mass Rapid Transit Authority of Thailand - 8.2 %
- Others - 51.8 %



Source: Bangkok Expressway and Metro

Catalyst

1. A minimal impact from COVID-19 – a ridership recovery could drive the company's earnings growth;
2. Gaining the upper hand in the bidding for the MRT Orange Line.

Risk to our call

The key downside risks to our SOTP based TP are 1) traffic and ridership recovering more slowly than our expectation; and 2) the company being unable to win the new mass transit project bids.

Event calendar

Date	Event
Nov-20	3Q20 results announcement
Nov-20	Oct-20 traffic and ridership announcement

Key assumptions

	2020E	2021E	2022E
Troll traffic (trips/day)	1,058,990	1,205,082	1,241,840
Troll traffic growth (%)	(14.4)	13.8	3.1
Mass transit ridership (trips/day)	273,000	424,111	487,728
Mass transit ridership growth (%)	(19.0)	55.4	15.0

Source: FSSIA estimates

Earnings sensitivity

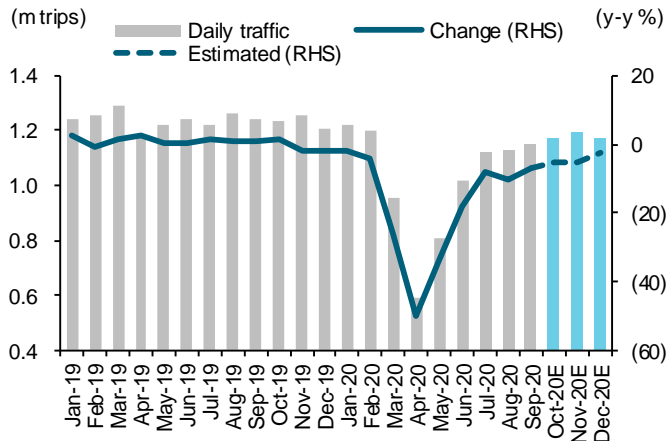
- For every 10,000 passenger increase in average daily expressway traffic, we project 2021 earnings to rise by 1.6%, and vice versa, all else being equal;
- For every 10,000 passenger increase in average daily mass transit ridership, we project 2021 earnings to rise by 1.8%, and vice versa, all else being equal.

Source: FSSIA estimates

Toll-free holiday travel under the new contract

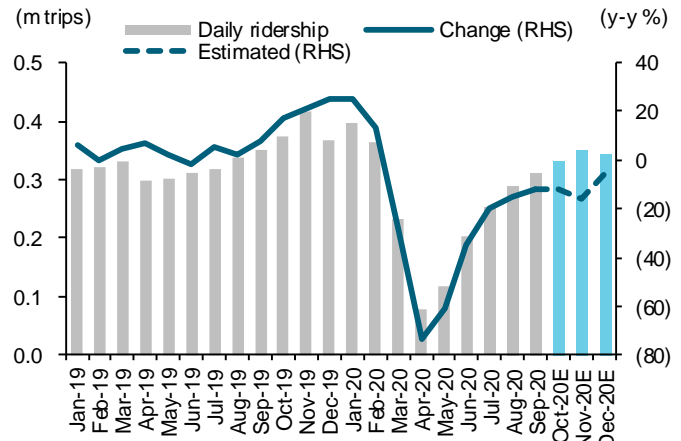
The contract extension agreement with EXAT – for 15 years and 8 months, ratified in Feb-20 – includes a requirement for BEM to allow toll-free travel on Thai holidays for customers using the First Stage Expressway (belonging to EXAT), the Second Stage Expressway (Sector A, B, C and D) and the Bang Pa-in – Pak Kret Expressway (Sector C+). Thai holidays normally account for 19 days per year. This is a key change to BEM's revenue, because those three expressways generate about THB22-24m per day. Therefore, ceteris paribus, BEM stands to lose about THB456m per year (around 3% of its total revenue).

Exhibit 1: BEM's expressway traffic



Sources: BEM; FSSIA estimates

Exhibit 2: BEM's Blue Line ridership



Sources: BEM; FSSIA estimates

Exhibit 3: 3Q20E results preview

	3Q19	2Q20	3Q20E	Change		9M19	9M20E	Change	2020E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Expressway revenue	2,609	1,506	2,176	44.5	(16.6)	7,711	5,981	(22.4)	8,366
Rail revenue	1,266	815	1,201	47.3	(5.1)	3,639	3,310	(9.0)	4,667
Commercial development revenue	199	167	185	10.4	(6.8)	555	556	0.2	720
Revenue	4,073	2,489	3,561	43.1	(12.6)	11,905	9,847	(17.3)	13,754
Operating costs	(2,592)	(1,821)	(2,050)	12.6	(20.9)	(7,522)	(6,366)	(15.4)	(8,708)
Gross profit	1,481	668	1,511	126.2	2.0	4,383	3,481	(20.6)	5,046
SG&A expenses	(303)	(340)	(358)	5.2	18.3	(947)	(1,004)	5.9	(1,400)
EBIT	1,179	328	1,153	251.9	(2.1)	3,435	2,478	(27.9)	3,646
Depn & amort.	1,006	245	245	(0.1)	(75.7)	2,711	2,958	9.1	1,718
EBITDA	2,185	573	1,398	144.0	(36.0)	6,146	5,436	(11.6)	5,364
<i>EBITDA margin (%)</i>	54	23	39	<i>nm</i>	<i>nm</i>	52	55	<i>nm</i>	39
Interest expense	(422)	(548)	(555)	1.2	31.5	(1,246)	(1,558)	25.0	(2,009)
Other income	334	345	296	(14.1)	(11.3)	608	729	19.8	847
Associates	0	0	0	<i>n.a.</i>	<i>n.a.</i>	173	0	<i>n.a.</i>	0
Extra items	24	0	0	(100.0)	(100.0)	3,586	4	(99.9)	0
Pretax profit	1,115	124	895	620.0	(19.7)	6,556	1,652	(74.8)	2,484
Tax	(175)	29	(179)	(720.7)	2.1	(1,628)	(273)	(83.2)	(460)
<i>Tax rate (%)</i>	(16)	23	(20)	<i>nm</i>	<i>nm</i>	(25)	(17)	<i>nm</i>	(19)
Minority interests	3	1	(1)	(185.8)	(123.3)	15	3	(81.2)	5
Net profit	937	152	716	370.2	(23.5)	4,913	1,376	(72.0)	2,019
Core net profit	916	152	716	370.2	(21.8)	2,436	1,373	(43.6)	2,019
EPS (THB)	0.06	0.01	0.05	370.2	(23.5)	0.32	0.09	(72.0)	0.13
Core EPS (THB)	0.06	0.01	0.05	370.2	(21.8)	0.16	0.09	(43.6)	0.13

Sources: BEM; FSSIA estimates

Exhibit 4: Assumption and forecast changes

	-----New-----		-----Previous-----		-----Change-----	
	2020E	2021E	2020E	2021E	2020E	2021E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Expressway traffic (trips/day)	1,058,990	1,205,082	1,093,561	1,208,199	(3.2)	(0.3)
Mass transit ridership (trips/day)	273,000	424,111	305,000	424,111	(10.5)	0.0
Revenue	13,754	16,854	14,369	17,501	(4)	(4)
Gross profit*	5,046	7,828	5,344	8,167	(6)	(4)
EBITDA	5,364	8,052	6,073	8,647	(12)	(7)
Net profit	2,019	4,162	2,416	4,352	(16)	(4)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross profit margin	36.7	46.4	37.2	46.7	(1.4)	(0.5)
Net profit margin	14.7	24.7	16.8	24.9	(12.7)	(0.7)

* Including depreciation and amortisation

Source: FSSIA estimates

Exhibit 5: BEM's SOTP valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3	Pretax cost of debt		3.9
Market risk premium		8	Marginal tax rate		20.0
Stock beta		1			
Cost of equity, Ke		11	Net cost of debt, Kd		3.12
Weight applied		45	Weight applied		55
WACC		6.7			
SOTP valuation	(THB m)		(THB/share)		Comments
Mass transit	103,064		6.74		WACC 6.7%, beta 0.99, zero terminal growth
Expressway	94,405		6.18		WACC 6.9%, beta 0.95, zero terminal growth
Commercial development	11,632		0.76		WACC 7.9%, beta 1.05, 2% terminal growth
Investment	19,172		1.25		17% stake in CK Power (CKP TB) using FSSIA TP of THB6.60 and 18% stake in TTW (TTW TB) using consensus TP of THB13.90
Net debt	60,839		3.98		At end-2020E
Total	167,434				
Number of shares (m)	15,285				
TP (THB)	11				

Sources: BEM, Bloomberg, FSSIA estimate

Financial Statements

Bangkok Expressway and Metro

Profit and Loss (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Revenue	15,614	16,107	13,754	16,854	18,113
Cost of goods sold	(5,552)	(5,890)	(6,990)	(7,268)	(7,462)
Gross profit	10,063	10,217	6,764	9,586	10,651
Other operating income	-	-	-	-	-
Operating costs	(1,364)	(1,336)	(1,400)	(1,534)	(1,612)
Operating EBITDA	8,699	8,881	5,364	8,052	9,039
Depreciation	(4,222)	(4,420)	(1,718)	(1,758)	(1,870)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	4,477	4,460	3,646	6,294	7,170
Net financing costs	(1,407)	(1,330)	(1,679)	(1,699)	(1,633)
Associates	433	173	0	0	0
Recurring non operating income	459	487	517	543	560
Non recurring items	2,996	3,590	0	0	0
Profit before tax	6,525	7,207	2,484	5,138	6,097
Tax	(1,189)	(1,755)	(460)	(951)	(1,128)
Profit after tax	5,336	5,452	2,024	4,188	4,969
Minority interests	(19)	(17)	(5)	(25)	(30)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	5,317	5,435	2,019	4,162	4,939
Non recurring items & goodwill (net)	(2,104)	(2,716)	0	0	0
Recurring net profit	3,213	2,719	2,019	4,162	4,939
Per share (THB)					
Recurring EPS *	0.21	0.18	0.13	0.27	0.32
Reported EPS	0.35	0.36	0.13	0.27	0.32
DPS	0.15	0.15	0.05	0.14	0.16
Diluted shares (used to calculate per share data)	15,285	15,285	15,285	15,285	15,285
Growth					
Revenue (%)	3.0	3.2	(14.6)	22.5	7.5
Operating EBITDA (%)	(0.4)	2.1	(39.6)	50.1	12.3
Operating EBIT (%)	(6.8)	(0.4)	(18.3)	72.6	13.9
Recurring EPS (%)	2.9	(15.4)	(25.7)	106.1	18.7
Reported EPS (%)	70.2	2.2	(62.8)	106.1	18.7
Operating performance					
Gross margin inc depreciation (%)	37.4	36.0	36.7	46.4	48.5
Gross margin of key business (%)	37.4	36.0	36.7	46.4	48.5
Operating EBITDA margin (%)	55.7	55.1	39.0	47.8	49.9
Operating EBIT margin (%)	28.7	27.7	26.5	37.3	39.6
Net margin (%)	20.6	16.9	14.7	24.7	27.3
Effective tax rate (%)	18.2	24.4	18.5	18.5	18.5
Dividend payout on recurring profit (%)	71.4	84.3	40.0	50.0	50.0
Interest cover (X)	3.5	3.7	2.5	4.0	4.7
Inventory days	-	-	-	-	-
Debtor days	11.0	11.3	11.9	10.0	10.6
Creditor days	124.6	112.2	93.6	84.2	84.9
Operating ROIC (%)	(275.6)	(1,125.7)	777.2	1,204.5	1,383.0
ROIC (%)	4.2	3.9	3.2	5.2	5.8
ROE (%)	9.7	7.3	5.1	10.1	11.4
ROA (%)	4.3	3.5	3.0	4.8	5.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue By Division (THB m)					
Expressway	10,174	10,302	8,366	9,672	9,988
Mass transit	4,736	5,022	4,667	6,246	7,002
Commercial development	705	783	720	936	1,123

Sources: Bangkok Expressway and Metro; FSSIA estimates

Financial Statements

Bangkok Expressway and Metro

Cash Flow (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Recurring net profit	3,213	2,719	2,019	4,162	4,939
Depreciation	4,222	4,420	1,718	1,758	1,870
Associates & minorities	(414)	(156)	5	25	30
Other non-cash items	2,398	2,430	31	38	33
Change in working capital	(1,352)	(1,672)	336	1,560	1,462
Cash flow from operations	8,067	7,741	4,110	7,543	8,333
Capex - maintenance	(23)	(47)	(50)	(50)	(50)
Capex - new investment	(285)	(707)	0	0	0
Net acquisitions & disposals	2,629	(35)	5,129	0	0
Other investments (net)	(9,674)	(6,774)	(4,749)	(4,769)	(4,769)
Cash flow from investing	(7,353)	(7,563)	330	(4,819)	(4,819)
Dividends paid	(1,987)	(2,293)	(808)	(2,081)	(2,469)
Equity finance	0	0	0	0	0
Debt finance	1,009	3,922	2,927	0	(1,097)
Other financing cash flows	(1,837)	(1,630)	5	25	30
Cash flow from Financing	(2,815)	(1)	2,125	(2,056)	(3,536)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(167)	(125)	0	0	0
Movement in cash	(2,268)	53	6,565	668	(22)
Free cash flow to firm (FCFF)	2,571.63	1,901.59	6,448.69	4,732.48	5,456.99
Free cash flow to equity (FCFE)	(280.79)	2,345.57	7,372.64	2,749.06	2,447.65
Per share (THB)					
FCFF per share	0.17	0.12	0.42	0.31	0.36
FCFE per share	(0.02)	0.15	0.48	0.18	0.16
Recurring cash flow per share	0.62	0.62	0.25	0.39	0.45
Balance Sheet (THB m) Year Ending Dec	2018	2019	2020E	2021E	2022E
Tangible fixed asset (gross)	749	775	825	875	925
Less: Accumulated depreciation	(425)	(463)	(528)	(596)	(667)
Tangible fixed assets (Net)	324	311	297	279	257
Intangible fixed assets (Net)	71,703	75,373	78,455	81,516	84,475
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	13,057	17,097	11,968	11,968	11,968
Cash & equivalents	1,809	1,861	8,426	9,094	9,072
A/C receivable	2,164	2,131	2,064	2,158	2,196
Inventories	-	-	-	-	-
Other current assets	244	455	344	404	417
Current assets	4,217	4,448	10,834	11,656	11,684
Other assets	14,530	14,468	13,071	11,698	10,333
Total assets	103,831	111,697	114,625	117,116	118,717
Common equity	35,499	38,781	39,997	42,104	44,603
Minorities etc.	113	42	47	73	102
Total Shareholders' equity	35,612	38,823	40,045	42,176	44,705
Long term debt	51,544	57,416	61,000	61,000	63,000
Other long-term liabilities	2,068	4,028	2,980	3,309	3,337
Long-term liabilities	53,612	61,445	63,980	64,309	66,337
A/C payable	1,683	1,938	1,646	1,706	1,764
Short term debt	10,856	8,916	8,260	8,260	5,164
Other current liabilities	2,067	574	693	665	746
Current liabilities	14,607	11,429	10,599	10,631	7,674
Total liabilities and shareholders' equity	103,831	111,697	114,625	117,116	118,717
Net working capital	(1,343)	73	69	191	102
Invested capital	98,272	107,322	103,859	105,651	107,134
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	2.32	2.54	2.62	2.75	2.92
Tangible book value per share	(2.37)	(2.39)	(2.52)	(2.58)	(2.61)
Financial strength					
Net debt/Equity (%)	170.1	166.1	151.9	142.7	132.2
Net debt/total assets (%)	58.4	57.7	53.1	51.4	49.8
Current ratio (x)	0.3	0.4	1.0	1.1	1.5
CF interest cover (x)	1.0	3.3	5.4	2.6	2.5
Valuation	2018	2019	2020E	2021E	2022E
Recurring P/E (x) *	39.0	46.1	62.1	30.1	25.4
Recurring P/E @ target price (x) *	52.3	61.8	83.3	40.4	34.0
Reported P/E (x)	23.6	23.1	62.1	30.1	25.4
Dividend yield (%)	1.8	1.8	0.6	1.7	2.0
Price/book (x)	3.5	3.2	3.1	3.0	2.8
Price/tangible book (x)	(3.5)	(3.4)	(3.3)	(3.2)	(3.1)
EV/EBITDA (x) **	21.4	21.4	34.7	23.0	20.4
EV/EBITDA @ target price (x) **	26.3	26.2	42.7	28.4	25.1
EV/invested capital (x)	1.9	1.8	1.8	1.8	1.7
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Bangkok Expressway and Metro; FSSIA estimates

Corporate Governance report of Thai listed companies 2019

EXCELLENT LEVEL										
AAV	ADVANC	AIRA	AKP	AKR	AMA	AMATA	AMATAV	ANAN	AOT	AP
ARROW	BAFS	BANPU	BAY	BCP	BCPG	BOL	BRR	BTS	BTW	BWG
CFRESH	CHEWA	CHO	CK	CKP	CM	CNT	COL	COMAN	CPALL	CPF
CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC	EA	EASTW	ECF
EGCO	GBX	GC	GCAP	GEL	GGC	GGC	GOLD	GPSC	GRAMMY	GUNKUL
HANA	HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN
JSP	K	KBANK	KCE	KKP	KSL	KTB	KTC	KTIS	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	MFEC	MINT	MONO*
MTC	NCH	NCL	NKI	NSI	NVD	NYT	OISHI	OTO	PAP	PCSGH
PDJ	PG	PHOL	PJW	PLANB	PLANET	PORT	PPS	PR9	PREB	PRG
PRM	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS**	RS	S	S & J	SABINA	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SCN	SDC	SEAFCO	SEAOL	SE-ED	SELIC	SENA	SIS	SITHAI
SNC	SORKON	SPALI	SPI	SPRC	SSSC	STA	STEC	SVI	SYNTEC	TASCO
TCAP	THAI	THANA	THANI	THCOM	THIP	THREL	TIP	TISCO	TK	TKT
TMB	TMILL	TNDT	TOA	TOP	TRC	TRU	TRUE	TSC	TSR	TSTH
TTA	TTCL	TTW	TU	TVD	TVO	U	UAC	UV	VGI	VIH
WACOAL	WAVE	WHA	WHAUP	WICE	WINNER					
VERY GOOD LEVEL										
2S	ABM	ADB	AF	AGE	AH	AHC	AIT	ALLA	ALT	AMANAH
AMARIN	APCO	APCS	AQUA	ARIP	ASAP	ASIA	ASIAN	ASIMAR	ASK	ASN
ASP	ATP30	AUCT	AYUD	B	BA	BBL	BDMS	BEC	BEM	BFIT
BGC	BGRIM	BIZ	BJC	BJCHI	BLA	BPP	BROOK	CBG	CEN	CENTEL
CGH	CHG	CHOTI	CHOW	CI	CIMBT	CNS	COLOR	COM7	COTTO	CRD
CSC	CSP	DCC	DCON	DDD	DOD	EASON	ECL	EE	EPG	ERW
ESTAR	ETE	FLOYD	FN	FNS	FORTH	FPI	FPT	FSMART	FSS	FVC
GENCO	GJS	GL	GLOBAL	GLOW**	GULF	HPT	HTC	HYDRO	ICN	IFS
INET	INSURE	IRC	IRCP	IT	ITD***	ITEL	J	JAS*	JCK	JCKH
JMART	JMT	JWD	KBS	KCAR	KGI	KIAT	KOOL	KWC	KWM	L&E
LALIN	LANNA	LDC	LHK	LOXLEY	LRH	LST	M	MACO	MAJOR	MBAX
MEGA	METCO	MFC	MK	MODERN	MOONG	MPG	MSC	MTI	NEP	NETBAY
NEX	NINE	NOBLE	NOK	NTV	NWR	OCC	OGC	ORI	OSP	PATO
PB	PDG	PDI	PL	PLAT	PM	PPP	PRECHA	PRIN	PRINC	PSTC
PT	QLT	RCL	RICHY	RML	RWI	S11	SAAM	SALEE	SAMCO	SANKO
SAPPE	SAWAD	SCG	SCI	SCP	SE	SFP	SIAM	SINGER	SIRI	SKE
SKR	SKY	SMIT	SMK	SMPG	SMT	SNP	SONIC	SPA	SPC	SPCG
SPVI	SR	SRICHA	SSC	SSF	SST	STANLY	STPI	SUC	SUN	SUSCO
SUTHA	SWC	SYMC	SYNEX	T	TACC	TAE	TAKUNI	TBSP	TCC	TCMC
TEAM	TEAMG	TFG	TFMAMA	THG	THRE	TIPCO	TITLE	TIW	TKN	TKS
TM	TMC	TMD	TMI	TMT	TNITY	TNL	TNP	TNR	TOG	TPA
TPAC	TPBI	TPCORP	TPOLY	TRITN	TRT	TSE	TSTE	TVI	TVT	TWP
TWPC	UBIS	UEC	UMI	UOBKH	UP	UPF	UPOIC	UT	UWC	VNT
WIIK	XO	YUASA	ZEN	ZMICO						
GOOD LEVEL										
A	ABICO	ACAP***	AEC	AEONTS	AJ	ALUCON	AMC	APURE	AS	ASEFA
AU	B52	BCH	BEAUTY	BGT	BH	BIG	BLAND	BM	BR	BROCK
BSBM	BSM	BTNC	CCET	CCP	CGD	CHARAN	CHAYO	CITY	CMAN	CMC
CMO	CMR	CPL	CPT	CSR	CTW	CWT	D	DIMET	EKH	EMC
EPCO	ESSO	FE	FTE	GIFT	GLAND	GLOCON	GPI	GREEN	GTB	GYT
HTECH	HUMAN	IHL	INGRS	INOX	JTS	JUBILE	KASET	KCM	KKC	KWG
KYE	LEE	LPH	MATCH	MATI	M-CHAI	MCS	MDX	META	MGT	MJD
MM	MVP	NC	NDR	NER	NNCL	NPK	NUSA	OCEAN	PAF	PF
PICO	PIMO	PK	PLE	PMTA	POST	PPM	PROUD	PTL	RCI	RJH
ROJNA	RPC	RPH	SF	SGF	SGP	SKN	SLP	SMART	SOLAR	SPG
SQ	SSP	STI	SUPER	SVOA	TCCC	THE	THMUI	TIC	TIGER	TNH
TOPP	TPCH	TPIPP	TPLAS	TQM	TTI	TYCN	UTP	VCOM	VIBHA	VPO
WIN	WORK	WP	WPH	ZIGA						
Score Range		Number of Logo					Description			
90-100							Excellent			
80-89							Very Good			
70-79							Good			
60-69							Satisfactory			
50-59							Pass			
Less than 50		No logo given					-			

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator

CERTIFIED										
ADVANC	AIE	AKP	AMANAH	AP	APCS	AQUA	ARROW	ASK	ASP	AYUD
BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG	BGRIM	BJCHI	BKI	BLA
BROOK	BRR	BSBM	BTS	BWG	CEN	CENTEL	CFRESH	CGH	CHEWA	CIG
CIMBT	CM	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FSS	GBX	GC
GCAP	GEL	GFPT	GGC	GJS	GOLD	GPSC	GSTEEL	GUNKUL	HANA	HARN
HMPRO	HTC	ICC	IFS	INET	INSURE	INTUCH	IRPC	IVL	K	KASET
KBANK	KBS	KCAR	KCE	KGI	KKP	KSL	KTB	KTC	KWC	L&E
LANNA	LHK	LPN	LRH	M	MAKRO	MALEE	MBAX	MBK	MBKET	MC
MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NBC	NINE	NKI	NMG
NNCL	NSI	OCC	OCEAN	OGC	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPS
PREB	PRG	PRINC	PSH	PSTC	PT	PTG	PTT	PTTEP	PTTGC	PYLON
Q-CON	QH	QLT	QTC	RATCH	RML	S & J	SABINA	SAT	SC	SCB
SCC	SCCC	SCG	SCN	SE-ED	SELIC	SENA	SGP	SIRI	SIS	SITHAI
SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK	SPC	SPI	SPRC	SRICHA
SSF	SSI	SSSC	SST	STA	SUSCO	SVI	SYNTEC	TASCO	TCAP	TFG
TFI	TFMAMA	THANI	THCOM	THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT
TMB	TMD	TMILL	TMT	TNITY	TNL	TNP	TNR	TOG	TOP	TPA
TPCORP	TRU	TRUE	TSC	TSTH	TTCL	TU	TVD	TVI	TWPC	U
UBIS	UEC	UKEM	UOBKH	VGI	VIH	VNT	WACOAL	WHA	WICE	WIIK
DECLARED										
2S	ABICO	AF	AI	AIRA	ALT	AMA	AMARIN	AMATA	ANAN	B
BM	BPP	BUI	CHG	CHO	CHOTI	CHOW	CI	CMC	COL	DDD
DELTA	EFORL	EPCO	ESTAR	ETE	FPI	FTE	ICHI	INOX	IRC	ITEL
JAS	JSP	JTS	KWG	LDC	LIT	META	MFEC	MPG	NEP	NOK
NWR	ORI	PRM	PSL	ROJNA	RWI	SAAM	SAPPE	SCI	SEOIL	SHANG
SKR	SPALI	STANLY	SYNEX	TAE	TAKUNI	TMC	TOPP	TPP	TRITN	TVO
UV	UWC	WHAUP	XO	YUASA	ZEN					

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaiapat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaiapat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaiapat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

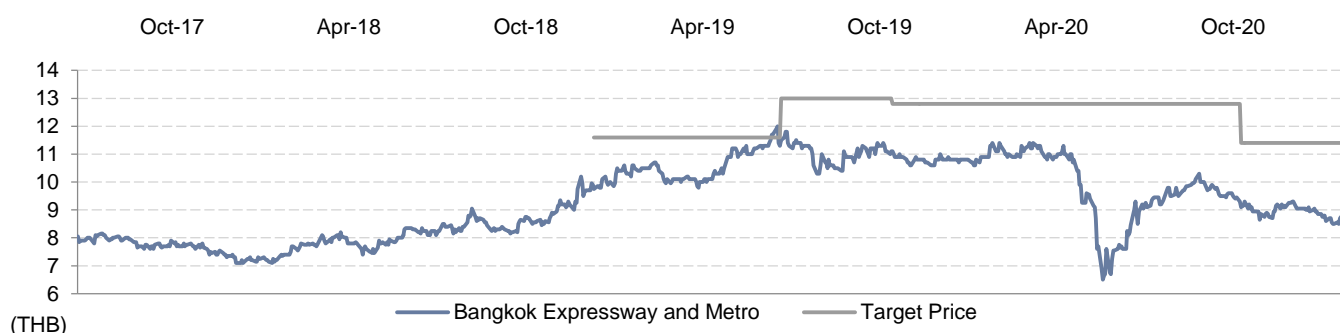
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Bangkok Expressway and Metro (BEM TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
04-Jan-2019	BUY	11.60	18-Sep-2019	BUY	12.80	13-Jul-2020	BUY	11.40
14-Jun-2019	BUY	13.00	02-Apr-2020	BUY	12.80			

Naruedom Mujjalinkool started covering this stock from 13-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Expressway and Metro	BEM TB	THB 8.20	BUY	The key downside risks to our SOTP-based TP are 1) traffic and ridership recovering more slowly than our expectation; and 2) the company being unable to win the new mass transit project bids.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 21-Oct-2020 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.