

# BANGKOK EXPRESSWAY AND METRO

## THAILAND / TRANSPORT & LOGISTICS

# BEM TB

# BUY

**UNCHANGED**

## Omicron ยังเป็นปัญหา

- เราคาดว่ากำไรสุทธิของ BEM ใน 1Q22 จะอยู่ที่ 394 ลบ. (+29% y-y, -4% q-q)
- แนวโน้มของ BEM น่าจะน่าสนใจมากขึ้นตั้งแต่ 3Q22 เป็นต้นไปจากปริมาณรถยนต์และผู้โดยสารที่คาดว่าจะฟื้นตัว
- คงแนะนำซื้อที่ราคาเป้าหมาย 9.90 บาท

TARGET PRICE	THB9.90
CLOSE	THB8.40
UP/DOWNSIDE	+17.9%
PRIOR TP	THB9.90
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-0.8%

## คาดผลประกอบการจะชะลอตัวใน 1Q22

จากปริมาณรถยนต์บนทางด่วนที่ทรงตัว (-0.98% y-y, -0.02% q-q) ใน 1Q22 และตัวเลขผู้โดยสารรถไฟฟ้าที่โตเล็กน้อยเพียง 7% q-q แต่ลดลง 12% y-y เราคาดว่ารายได้ของ BEM ใน 1Q22 จะโตเป็น 3.1 พัน ลบ. (0% y-y, +1.7% q-q) แม้ว่าปริมาณรถยนต์ใน 1Q22 จะทรงตัว ค่าธรรมเนียมทางด่วนที่เพิ่มขึ้นในเดือน ธ.ค. 21 น่าจะช่วยให้รายได้ทางด่วนโตต่อเนื่อง นอกจากนี้เราเชื่อว่าต้นทุนของ BEM น่าจะเพิ่มเล็กน้อยจากการกลับมาของค่าใช้จ่ายซ่อมบำรุงบางรายการ ซึ่งจะทำให้กำไรสุทธิของ BEM ลดลงเล็กน้อย q-q เป็น 394 ลบ. (+29% y-y, -3.6% q-q) กำไรที่เพิ่มขึ้น y-y น่าจะมาจากกลยุทธ์การใช้ต้นทุนให้ได้ประโยชน์สูงสุดซึ่งบริษัท ได้ใช้มาตั้งแต่ช่วง 2H21

## แนวโน้ม 2Q22 ยังไม่ชัดเจน

แม้เราจะคาดว่าปริมาณรถยนต์และผู้โดยสารใน 2Q22 จะโตอย่างมีนัยสำคัญ y-y เนื่องจากประชาชนเริ่มคุ้นเคยกับการใช้ชีวิตร่วมกับ Covid เรายังไม่แน่ใจว่ากระแสการฟื้นตัวใน 2Q22 จะแรงแค่ไหน เนื่องจากตัวเลขผู้ติดเชื้อ Covid รายวันในประเทศยังคงอยู่ในระดับสูง นอกจากนี้ตัวเลขผู้ติดเชื้อ Covid อาจทรงตัวในระดับสูงหลังวันหยุดสงกรานต์ในเดือน เม.ย. 22 เพราะฉะนั้นเราจึงเชื่อว่าปริมาณรถยนต์และผู้โดยสารใน 2Q22 จะค่อย ๆ ฟื้นตัวมากกว่าจะโตอย่างรวดเร็ว

## มีปัจจัยหนุนสำคัญอีกมากในช่วง 2H22

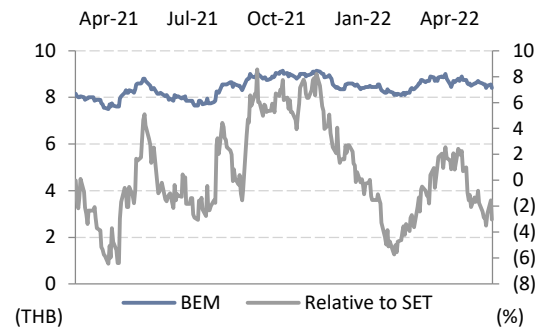
เรายอมรับว่าแนวโน้มของ BEM ยังไม่น่าสนใจ กำไรและราคาเป้าหมายยังมี Downside risk 15% และ 8% ตามลำดับจากการแพร่ระบาดของสายพันธุ์ Omicron ดังที่ได้กล่าวไว้ในรายงานฉบับก่อนหน้าในเรื่อง "Bangkok Expressway and Metro (BEM TB) - Next station: Omicron" ลงวันที่ 11 ม.ค. 22 อย่างไรก็ตามเราเชื่อว่า BEM น่าจะได้ประโยชน์จากปัจจัยหนุนสำคัญที่จะมาใหม่เริ่มตั้งแต่ 2H22 จาก 1) การฟื้นตัวของปริมาณรถยนต์และผู้โดยสาร; และ 2) การคาดการณ์ของเราที่ว่าบริษัท มีโอกาสสูงที่จะชนะการประมูลรถไฟฟ้าสายสีส้มที่จะจัดขึ้นในเดือน ส.ค.

## คงแนะนำซื้อที่ราคาเป้าหมาย 9.90 บาท

แนวโน้มของ BEM น่าจะเริ่มดีขึ้นตั้งแต่ 3Q22 เป็นต้นไป เมื่อความกลัวโรค Covid จางหายและกระแสการฟื้นตัวเร่งตัวขึ้น ดังนั้นเรายังคงแนะนำซื้อ BEM ที่ราคาเป้าหมาย 9.90 บาท เราแนะนำให้นักลงทุนหรือผู้ถือครองหุ้นพิจารณาฟื้นตัวของปริมาณรถยนต์และผู้โดยสารก่อนลงทุนใน BEM แม้ว่าแนวโน้มระยะสั้นยังไม่น่าสนใจ เราคิดว่าแนวโน้มระยะยาวของบริษัท ยังคงดี

## KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	10,727	14,422	17,484	18,983
Net profit	1,010	3,154	5,263	6,353
EPS (THB)	0.07	0.21	0.34	0.42
vs Consensus (%)	-	8.8	20.1	48.9
EBITDA	3,926	6,305	8,882	10,092
Core net profit	1,010	3,154	5,263	6,353
Core EPS (THB)	0.07	0.21	0.34	0.42
Chg. In EPS est. (%)	nm	(0.7)	(0.4)	nm
EPS growth (%)	(50.7)	212.2	66.9	20.7
Core P/E (x)	127.1	40.7	24.4	20.2
Dividend yield (%)	1.0	1.2	2.0	2.5
EV/EBITDA (x)	50.3	30.9	21.4	18.3
Price/book (x)	3.4	3.3	3.1	2.8
Net debt/Equity (%)	183.3	169.1	146.7	124.3
ROE (%)	2.7	8.2	13.0	14.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.9)	1.8	4.3
Relative to country (%)	(3.8)	2.2	(4.0)
Mkt cap (USD m)	3,833		
3m avg. daily turnover (USD m)	10.9		
Free float (%)	53		
Major shareholder	CH.Karnchang PCL (31%)		
12m high/low (THB)	9.25/7.40		
Issued shares (m)	15,285.00		

Sources: Bloomberg consensus; FSSIA estimates



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### 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.

We expect the company to have a solid recovery in both expressway traffic and ridership on its Blue mass transit line following more visible signs of recovery in line with the improving Covid-19 situation.

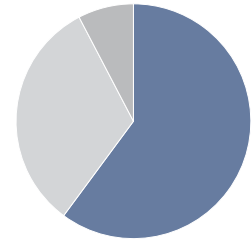
### Company profile

Construction and operation of the Expressway and the operational management of the Mass Rapid Transit System, including related businesses.

[www.bemplc.co.th](http://www.bemplc.co.th)

### Principal activities (revenue, 2021)

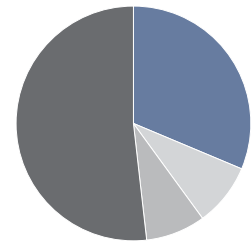
- Expressway - 60.1 %
- Mass transit - 32.2 %
- Commercial development - 7.7 %



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

### Catalysts

- Gaining the upper hand in the bidding for the MRT Orange Line.
- Traffic and ridership should have a strong recovery after Covid-19 is under control.

### Risks 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
Early May-22	Apr-22 traffic and ridership announcement
May-22	1Q22 results announcement

### Key assumptions

	2021	2022E	2023E	2024E
Toll traffic (m trips/day)	0.8	1.1	1.2	1.3
Toll traffic growth (%)	(18.9)	25.0	10.9	9.3
Mass transit ridership (m trips/day)	0.15	0.32	0.47	0.50
Mass transit ridership growth (%)	(43.7)	118.2	45.8	8.0

Source: FSSIA estimates

### Earnings sensitivity

- For every 10,000-passenger increase in average daily expressway traffic, we project 2022 earnings to rise by 1.7%, and vice versa, all else being equal;
- For every 10,000-passenger increase in average daily mass transit ridership, we project 2022 earnings to rise by 1.9%, and vice versa, all else being equal.

Source: FSSIA estimates

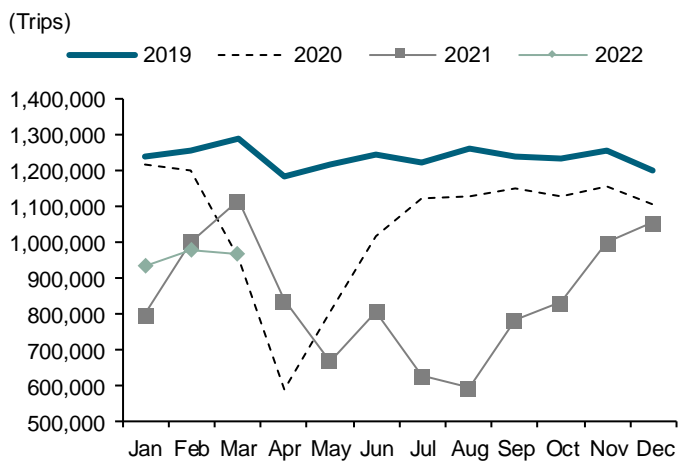


## Exhibit 1: 1Q22E results preview

	1Q21	4Q21	1Q22E	Change		2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)
Expressway revenue	1,873	1,896	1,923	1.4	2.7	8,251
Rail revenue	1,023	931	954	2.5	(6.7)	5,268
Commercial development revenue	215	233	235	1.1	9.4	904
<b>Revenue</b>	<b>3,111</b>	<b>3,060</b>	<b>3,112</b>	<b>1.7</b>	<b>0.0</b>	<b>14,422</b>
Operating costs	(1,957)	(1,773)	(1,845)	4.1	(5.7)	(7,998)
<b>Gross profit</b>	<b>1,154</b>	<b>1,287</b>	<b>1,267</b>	<b>(1.5)</b>	<b>9.8</b>	<b>6,423</b>
SG&A expenses	(314)	(298)	(282)	(5.4)	(10.2)	(1,284)
<b>EBIT</b>	<b>840</b>	<b>989</b>	<b>985</b>	<b>(0.4)</b>	<b>17.3</b>	<b>5,140</b>
Depn & amort.	325	335	348	3.9	7.1	1,165
<b>EBITDA</b>	<b>1,165</b>	<b>1,324</b>	<b>1,333</b>	<b>0.7</b>	<b>14.5</b>	<b>6,305</b>
<i>EBITDA margin (%)</i>	37	43	43	<i>nm</i>	<i>nm</i>	44
Interest expense	(532)	(556)	(560)	0.7	5.3	(2,045)
Other income	74	77	68	(11.5)	(8.3)	798
Extra items	0	0	0	<i>nm</i>	<i>nm</i>	0
<b>Pretax profit</b>	<b>382</b>	<b>509</b>	<b>493</b>	<b>(3.2)</b>	<b>29.1</b>	<b>3,893</b>
Tax	(76)	(100)	(99)	(1.2)	30.3	(720)
<i>Tax rate (%)</i>	(20)	(20)	(20)	<i>nm</i>	<i>nm</i>	(19)
Minority interests	1	0	0	<i>n.a.</i>	<i>n.a.</i>	19
<b>Net profit</b>	<b>305</b>	<b>409</b>	<b>394</b>	<b>(3.6)</b>	<b>29.2</b>	<b>3,154</b>
<b>Core net profit</b>	<b>305</b>	<b>409</b>	<b>394</b>	<b>(3.6)</b>	<b>29.2</b>	<b>3,154</b>
EPS (THB)	0.02	0.03	0.03	(3.6)	29.2	0.21
Core EPS (THB)	0.02	0.03	0.03	(3.6)	29.2	0.21

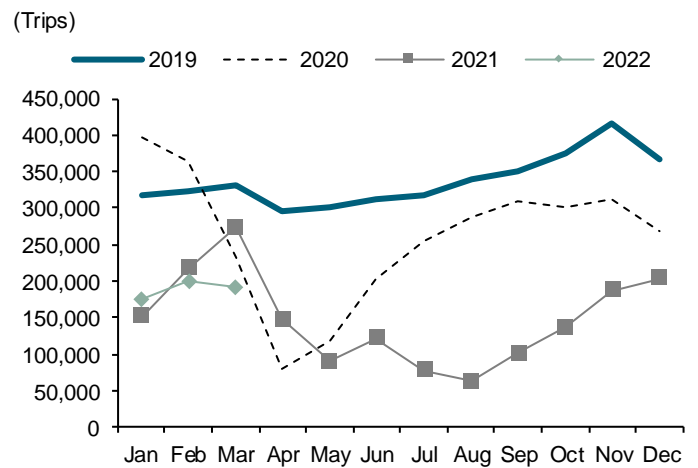
Sources: BEM; FSSIA estimates

## Exhibit 2: Daily expressway traffic



Source: BEM

## Exhibit 3: Daily mass transit ridership



Source: BEM

## Financial Statements

Bangkok Expressway and Metro

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	13,489	10,727	14,422	17,484	18,983
Cost of goods sold	(6,218)	(5,640)	(6,833)	(7,063)	(7,296)
<b>Gross profit</b>	<b>7,271</b>	<b>5,086</b>	<b>7,589</b>	<b>10,421</b>	<b>11,687</b>
Other operating income	-	-	-	-	-
Operating costs	(1,347)	(1,160)	(1,284)	(1,539)	(1,595)
<b>Operating EBITDA</b>	<b>5,925</b>	<b>3,926</b>	<b>6,305</b>	<b>8,882</b>	<b>10,092</b>
Depreciation	(2,209)	(1,349)	(1,165)	(1,180)	(1,188)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>3,716</b>	<b>2,577</b>	<b>5,140</b>	<b>7,702</b>	<b>8,905</b>
Net financing costs	(1,816)	(1,960)	(1,790)	(1,643)	(1,493)
Associates	0	0	0	0	0
Recurring non-operating income	534	528	543	560	578
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>2,433</b>	<b>1,145</b>	<b>3,893</b>	<b>6,619</b>	<b>7,989</b>
Tax	(382)	(134)	(720)	(1,324)	(1,598)
<b>Profit after tax</b>	<b>2,051</b>	<b>1,011</b>	<b>3,173</b>	<b>5,295</b>	<b>6,392</b>
Minority interests	(4)	(1)	(19)	(32)	(38)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>2,048</b>	<b>1,010</b>	<b>3,154</b>	<b>5,263</b>	<b>6,353</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>2,048</b>	<b>1,010</b>	<b>3,154</b>	<b>5,263</b>	<b>6,353</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.13	0.07	0.21	0.34	0.42
Reported EPS	0.13	0.07	0.21	0.34	0.42
DPS	0.06	0.08	0.10	0.17	0.21
Diluted shares (used to calculate per share data)	15,285	15,285	15,285	15,285	15,286
<b>Growth</b>					
Revenue (%)	(16.3)	(20.5)	34.4	21.2	8.6
Operating EBITDA (%)	(33.3)	(33.7)	60.6	40.9	13.6
Operating EBIT (%)	(16.7)	(30.6)	99.4	49.8	15.6
Recurring EPS (%)	(24.7)	(50.7)	212.2	66.9	20.7
Reported EPS (%)	(62.3)	(50.7)	212.2	66.9	20.7
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	37.5	34.8	44.5	52.9	55.3
Gross margin of key business (%)	37.5	34.8	44.5	52.9	55.3
Operating EBITDA margin (%)	43.9	36.6	43.7	50.8	53.2
Operating EBIT margin (%)	27.5	24.0	35.6	44.1	46.9
Net margin (%)	15.2	9.4	21.9	30.1	33.5
Effective tax rate (%)	15.7	11.7	18.5	20.0	20.0
Dividend payout on recurring profit (%)	42.3	121.1	50.0	50.0	50.0
Interest cover (X)	2.3	1.6	3.2	5.0	6.4
Inventory days	-	-	-	-	-
Debtor days	13.9	17.4	11.5	10.0	10.6
Creditor days	108.1	104.7	80.2	79.3	79.1
Operating ROIC (%)	712.1	358.1	609.8	904.7	(270.0)
ROIC (%)	3.1	2.3	4.1	6.1	(1.8)
ROE (%)	5.3	2.7	8.2	13.0	14.6
ROA (%)	3.1	2.3	4.0	5.9	5.6
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Expressway	8,145	6,450	8,251	9,465	10,344
Mass transit	4,520	3,454	5,268	6,877	7,383
Commercial development	825	822	904	1,143	1,257

Sources: Bangkok Expressway and Metro; FSSIA estimates

## Financial Statements

Bangkok Expressway and Metro

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	2,048	1,010	3,154	5,263	6,353
Depreciation	2,209	1,349	1,165	1,180	1,188
Associates & minorities	4	1	19	32	38
Other non-cash items	1,938	1,694	41	26	26
Change in working capital	(846)	(1,185)	81	1,344	1,165
<b>Cash flow from operations</b>	<b>5,352</b>	<b>2,869</b>	<b>4,460</b>	<b>7,846</b>	<b>8,770</b>
Capex - maintenance	(128)	(87)	(80)	(180)	(80)
Capex - new investment	(827)	(845)	0	0	0
Net acquisitions & disposals	(11)	(123)	0	0	0
Other investments (net)	(2,758)	(675)	(230)	(210)	(210)
<b>Cash flow from investing</b>	<b>(3,724)</b>	<b>(1,731)</b>	<b>(310)</b>	<b>(390)</b>	<b>(290)</b>
Dividends paid	(1,376)	(1,529)	(1,577)	(2,632)	(3,177)
Equity finance	0	0	0	0	0
Debt finance	2,696	1,981	(3,047)	(4,904)	(5,000)
Other financing cash flows	(2,038)	(2,073)	26	39	46
<b>Cash flow from financing</b>	<b>(717)</b>	<b>(1,621)</b>	<b>(4,599)</b>	<b>(7,496)</b>	<b>(8,131)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	5	0	0	0
<b>Net other adjustments</b>	<b>(172)</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>738</b>	<b>(477)</b>	<b>(449)</b>	<b>(41)</b>	<b>349</b>
Free cash flow to firm (FCFF)	3,740.02	3,325.49	6,194.91	9,353.50	10,227.57
Free cash flow to equity (FCFE)	2,113.97	1,051.39	1,128.42	2,591.18	3,525.70
<b>Per share (THB)</b>					
FCFF per share	0.24	0.22	0.41	0.61	0.67
FCFE per share	0.14	0.07	0.07	0.17	0.23
Recurring cash flow per share	0.41	0.27	0.29	0.43	0.50
<b>Balance Sheet (THB m) Year Ending Dec</b>	<b>2020</b>	<b>2021</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Tangible fixed assets (gross)	888	928	978	1,128	1,178
Less: Accumulated depreciation	(508)	(544)	(621)	(708)	(800)
<b>Tangible fixed assets (net)</b>	<b>379</b>	<b>384</b>	<b>358</b>	<b>420</b>	<b>378</b>
<b>Intangible fixed assets (net)</b>	<b>77,195</b>	<b>78,154</b>	<b>77,309</b>	<b>76,456</b>	<b>75,600</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	15,841	15,910	15,910	15,910	15,910
Cash & equivalents	2,599	2,122	1,674	1,634	1,983
A/C receivable	2,199	2,123	2,084	2,177	2,222
Inventories	-	-	-	-	-
Other current assets	246	295	332	385	399
<b>Current assets</b>	<b>5,044</b>	<b>4,541</b>	<b>4,090</b>	<b>4,195</b>	<b>4,603</b>
Other assets	15,157	16,100	14,707	13,580	12,475
<b>Total assets</b>	<b>113,616</b>	<b>115,088</b>	<b>112,374</b>	<b>110,562</b>	<b>108,967</b>
Common equity	37,991	37,697	39,293	41,957	45,172
Minorities etc.	42	2	21	52	91
<b>Total shareholders' equity</b>	<b>38,034</b>	<b>37,699</b>	<b>39,314</b>	<b>42,009</b>	<b>45,263</b>
Long term debt	57,728	62,667	63,000	56,000	51,000
Other long-term liabilities	4,120	4,077	2,770	3,026	3,050
<b>Long-term liabilities</b>	<b>61,848</b>	<b>66,744</b>	<b>65,770</b>	<b>59,026</b>	<b>54,050</b>
A/C payable	1,745	1,492	1,512	1,558	1,604
Short term debt	11,360	8,544	5,164	7,260	7,260
Other current liabilities	629	609	614	708	791
<b>Current liabilities</b>	<b>13,734</b>	<b>10,645</b>	<b>7,290</b>	<b>9,527</b>	<b>9,654</b>
<b>Total liabilities and shareholders' equity</b>	<b>113,616</b>	<b>115,088</b>	<b>112,374</b>	<b>110,562</b>	<b>108,967</b>
Net working capital	71	317	290	295	226
Invested capital	108,643	110,865	108,573	106,661	104,590
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	2.49	2.47	2.57	2.74	2.96
Tangible book value per share	(2.56)	(2.65)	(2.49)	(2.26)	(1.99)
<b>Financial strength</b>					
Net debt/equity (%)	174.8	183.3	169.1	146.7	124.3
Net debt/total assets (%)	58.5	60.0	59.2	55.7	51.6
Current ratio (x)	0.4	0.4	0.6	0.4	0.5
CF interest cover (x)	2.6	2.0	1.6	2.6	3.4
<b>Valuation</b>	<b>2020</b>	<b>2021</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
<b>Recurring P/E (x) *</b>	<b>62.7</b>	<b>127.1</b>	<b>40.7</b>	<b>24.4</b>	<b>20.2</b>
<b>Recurring P/E @ target price (x) *</b>	<b>73.9</b>	<b>149.8</b>	<b>48.0</b>	<b>28.7</b>	<b>23.8</b>
Reported P/E (x)	62.7	127.1	40.7	24.4	20.2
Dividend yield (%)	0.7	1.0	1.2	2.0	2.5
Price/book (x)	3.4	3.4	3.3	3.1	2.8
Price/tangible book (x)	(3.3)	(3.2)	(3.4)	(3.7)	(4.2)
EV/EBITDA (x) **	32.9	50.3	30.9	21.4	18.3
EV/EBITDA @ target price (x) **	36.8	56.1	34.5	24.0	20.6
EV/invested capital (x)	1.8	1.8	1.8	1.8	1.8
* Pre-exceptional, pre-goodwill and 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 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PAP	PCSGH	PDJ	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

## Description

## Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

## 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 2020

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

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

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 Thaipat 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. Thaipat 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 Thaipat 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

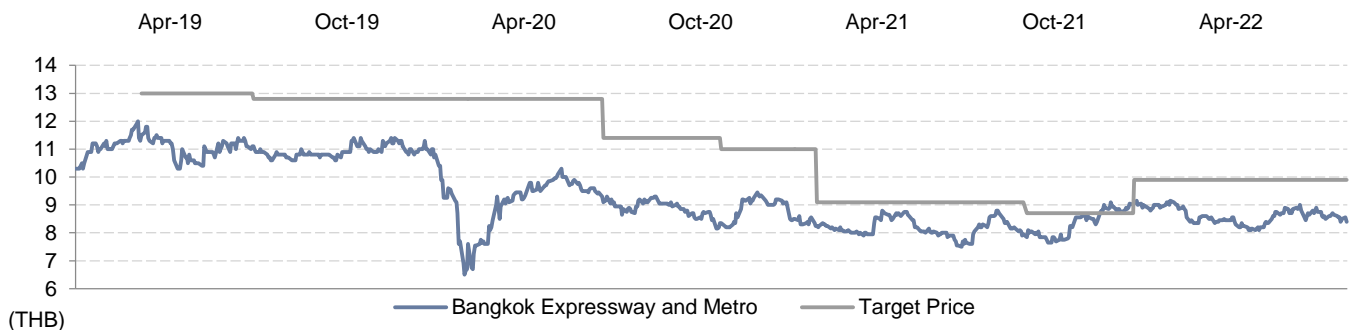
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### History of change in investment rating and/or target price

#### Bangkok Expressway and Metro (BEM TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
14-Jun-2019	BUY	13.00	22-Oct-2020	BUY	11.00	09-Jul-2021	BUY	8.70
18-Sep-2019	BUY	12.80	12-Jan-2021	HOLD	9.10	11-Oct-2021	BUY	9.90
13-Jul-2020	BUY	11.40	25-Feb-2021	BUY	9.10			

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 8.40	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 12-Apr-2022 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.