

BANGKOK EXPRESSWAY AND METRO

THAILAND / TRANSPORT & LOGISTICS

BEM TB

BUY

UNCHANGED

Signs that a recovery is on the way

- 1Q22 earnings hit THB336m (-18% q-q, +10%), which was lower than our expectation.
- Mass transit ridership has saw a slight recovery in Apr-22.
- Maintain BUY with the same TP of THB9.90.

| | |
|-----------------|---------|
| TARGET PRICE | THB9.90 |
| CLOSE | THB8.15 |
| UP/DOWNSIDE | +21.5% |
| TP vs CONSENSUS | -0.3% |

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 (%) | - | 10.5 | 21.0 | 37.7 |
| 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 |
| EPS growth (%) | (50.7) | 212.2 | 66.9 | 20.7 |
| Core P/E (x) | 123.3 | 39.5 | 23.7 | 19.6 |
| Dividend yield (%) | 1.0 | 1.3 | 2.1 | 2.5 |
| EV/EBITDA (x) | 49.3 | 30.3 | 21.0 | 17.9 |
| Price/book (x) | 3.3 | 3.2 | 3.0 | 2.8 |
| Net debt/Equity (%) | 183.3 | 169.1 | 146.7 | 124.3 |
| ROE (%) | 2.7 | 8.2 | 13.0 | 14.6 |

1Q22 earnings were lower than our expectation

BEM reported its 1Q22 net profit at THB336m (-18% q-q, +10% y-y) – lower than Bloomberg's consensus estimate and our expectation at THB396m. The key reason was the higher-than-expected operating cost of the mass transit business that grew 16% q-q in 1Q22. Some mass transit maintenance expenses resumed in 1Q22 after the company had postponed these costs since 3Q21. BEM's revenue was in line, flattish both y-y and q-q at THB3.1b. Expressway traffic was flat (-0.98% y-y, -0.02% q-q) in 1Q22, and mass transit ridership grew slightly by 7% q-q but was down 12% y-y. Commercial development revenue dropped both q-q and y-y to THB196m due to the Covid impact.

Signs that a recovery is coming

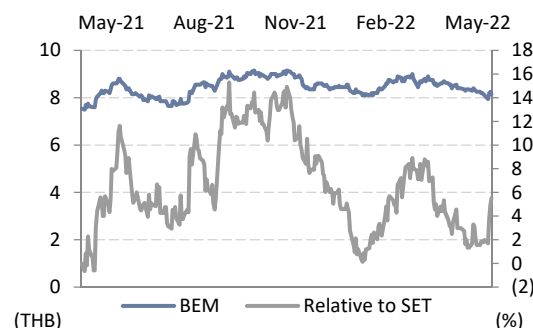
BEM reported that in Apr-22 1) expressway traffic grew slightly by 0.8% m-m to 976,510 trips/day; and 2) mass transit ridership dropped 6% m-m to 179,290 trips/day due to a long holiday. Although the traffic and ridership in Apr-22 may look unattractive, we see a promising sign of a recovery in ridership, with the ridership number for weekdays in Apr-22 growing by 5% m-m. This can be interpreted that out-of-home activity has started to resume and people are starting to go back to the office. We believe the recovery momentum should continue in the following month, in line with the number of daily Covid cases that should continue to decline from the peak at over 20k per day to below 10k per day.

Long-term outlook remains strong

While 1Q22 results may look weak, contributing only 6% of our full-year earnings forecast, BEM's earnings in 1Q22 should be the bottom. Traffic and ridership numbers should start to improve in Apr-22 going forward. Therefore, we are still confident that BEM should post a strong earnings recovery in 2022.

Maintain BUY with the same TP of THB9.90

BEM's outlook should improve starting from 2Q22 onward as Covid fears fade and the recovery momentum gains strength. The auction for the operating right on the mass transit Orange Line is still underway, with the winner expected to be announced within Aug-22. This could be another support catalyst for BEM in 3Q22. Hence, we maintain our BUY call for BEM with the same TP of THB9.90 using SOTP valuation methodology.



| | | | |
|--------------------------------|-----------------------|---------|----------|
| Share price performance | 1 Month | 3 Month | 12 Month |
| Absolute (%) | (3.0) | (6.9) | 5.8 |
| Relative to country (%) | 2.5 | (0.1) | 5.0 |
| Mkt cap (USD m) | 3,591 | | |
| 3m avg. daily turnover (USD m) | 10.7 | | |
| Free float (%) | 53 | | |
| Major shareholder | CH.Kamchang 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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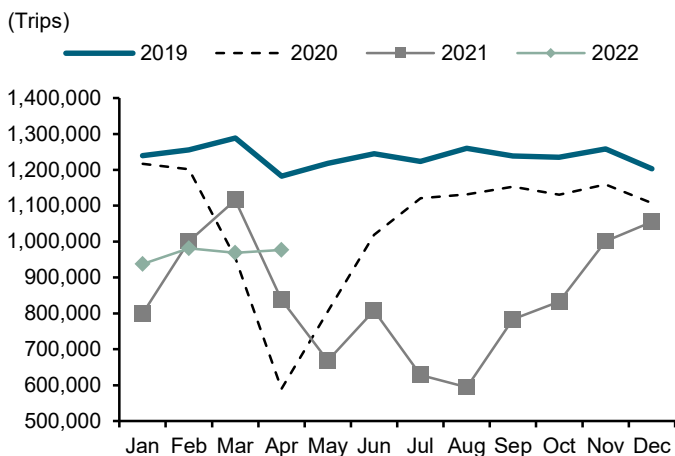
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Exhibit 1: 1Q22 results review

| | 1Q21 | 4Q21 | 1Q22 | Change | | 2022E |
|--------------------------------|--------------|--------------|--------------|---------------|--------------|---------------|
| | (THB m) | (THB m) | (THB m) | (q-q%) | (y-y%) | (THB m) |
| Expressway revenue | 1,873 | 1,896 | 1,907 | 0.6 | 1.8 | 8,251 |
| Rail revenue | 1,023 | 931 | 991 | 6.5 | (3.1) | 5,268 |
| Commercial development revenue | 215 | 233 | 196 | (15.7) | (8.7) | 904 |
| Revenue | 3,111 | 3,060 | 3,094 | 1.1 | (0.5) | 14,422 |
| Operating costs | (1,957) | (1,773) | (1,905) | 7.5 | (2.6) | (7,998) |
| Gross profit | 1,154 | 1,287 | 1,189 | (7.6) | 3.0 | 6,423 |
| SG&A expenses | (314) | (298) | (264) | (11.4) | (15.9) | (1,284) |
| EBIT | 840 | 989 | 925 | (6.5) | 10.1 | 5,140 |
| Depreciation & amortisation | 325 | 335 | 327 | (2.4) | 0.6 | 1,165 |
| EBITDA | 1,165 | 1,324 | 1,251 | (5.5) | 7.5 | 6,305 |
| <i>EBITDA margin (%)</i> | 37 | 43 | 40 | <i>nm</i> | <i>nm</i> | 44 |
| Interest expense | (532) | (556) | (570) | 2.4 | 7.1 | (2,045) |
| Other income | 74 | 77 | 65 | (15.8) | (12.8) | 798 |
| Extra items | 0 | 0 | 0 | <i>nm</i> | <i>nm</i> | 0 |
| Pretax profit | 382 | 509 | 419 | (17.6) | 9.9 | 3,893 |
| Tax | (76) | (100) | (83) | (16.6) | 10.0 | (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 |
| Net profit | 305 | 409 | 336 | (17.9) | 10.1 | 3,154 |
| Core net profit | 305 | 409 | 336 | (17.9) | 10.1 | 3,154 |
| EPS (THB) | 0.02 | 0.03 | 0.02 | (17.9) | 10.1 | 0.21 |
| Core EPS (THB) | 0.02 | 0.03 | 0.02 | (17.9) | 10.1 | 0.21 |

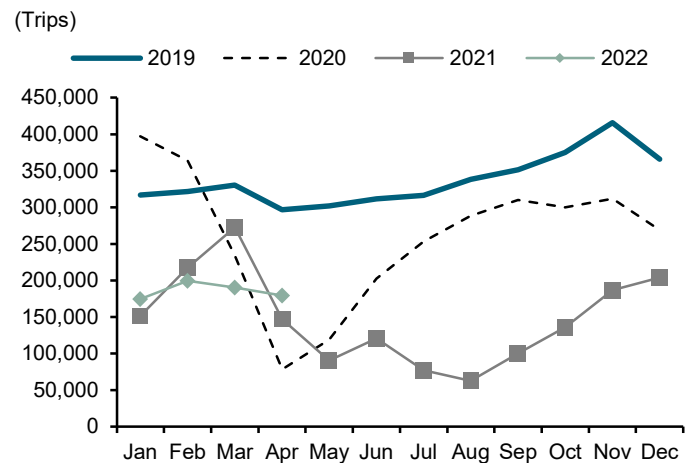
Sources: BEM; FSSIA estimates

Exhibit 2: Monthly expressway traffic



Sources: BEM; FSSIA's compilation

Exhibit 3: Monthly mass transit ridership



Sources: BEM; FSSIA's compilation

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) |
| Gross profit | 7,271 | 5,086 | 7,589 | 10,421 | 11,687 |
| Other operating income | - | - | - | - | - |
| Operating costs | (1,347) | (1,160) | (1,284) | (1,539) | (1,595) |
| Operating EBITDA | 5,925 | 3,926 | 6,305 | 8,882 | 10,092 |
| Depreciation | (2,209) | (1,349) | (1,165) | (1,180) | (1,188) |
| Goodwill amortisation | 0 | 0 | 0 | 0 | 0 |
| Operating EBIT | 3,716 | 2,577 | 5,140 | 7,702 | 8,905 |
| 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 |
| Profit before tax | 2,433 | 1,145 | 3,893 | 6,619 | 7,989 |
| Tax | (382) | (134) | (720) | (1,324) | (1,598) |
| Profit after tax | 2,051 | 1,011 | 3,173 | 5,295 | 6,392 |
| Minority interests | (4) | (1) | (19) | (32) | (38) |
| Preferred dividends | 0 | 0 | 0 | 0 | 0 |
| Other items | - | - | - | - | - |
| Reported net profit | 2,048 | 1,010 | 3,154 | 5,263 | 6,353 |
| Non-recurring items & goodwill (net) | 0 | 0 | 0 | 0 | 0 |
| Recurring net profit | 2,048 | 1,010 | 3,154 | 5,263 | 6,353 |
| Per share (THB) | | | | | |
| 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 |
| Growth | | | | | |
| 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 |
| Operating performance | | | | | |
| 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 | | | | | |
| Revenue by Division (THB m) | | | | | |
| 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 |
| Cash flow from operations | 5,352 | 2,869 | 4,460 | 7,846 | 8,770 |
| 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) |
| Cash flow from investing | (3,724) | (1,731) | (310) | (390) | (290) |
| 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 |
| Cash flow from financing | (717) | (1,621) | (4,599) | (7,496) | (8,131) |
| Non-recurring cash flows | - | - | - | - | - |
| Other adjustments | 0 | 5 | 0 | 0 | 0 |
| Net other adjustments | (172) | 5 | 0 | 0 | 0 |
| Movement in cash | 738 | (477) | (449) | (41) | 349 |
| 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 |
| Per share (THB) | | | | | |
| 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 |
| Balance Sheet (THB m) Year Ending Dec | | | | | |
| Tangible fixed assets (gross) | 888 | 928 | 978 | 1,128 | 1,178 |
| Less: Accumulated depreciation | (508) | (544) | (621) | (708) | (800) |
| Tangible fixed assets (net) | 379 | 384 | 358 | 420 | 378 |
| Intangible fixed assets (net) | 77,195 | 78,154 | 77,309 | 76,456 | 75,600 |
| 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 |
| Current assets | 5,044 | 4,541 | 4,090 | 4,195 | 4,603 |
| Other assets | 15,157 | 16,100 | 14,707 | 13,580 | 12,475 |
| Total assets | 113,616 | 115,088 | 112,374 | 110,562 | 108,967 |
| Common equity | 37,991 | 37,697 | 39,293 | 41,957 | 45,172 |
| Minorities etc. | 42 | 2 | 21 | 52 | 91 |
| Total shareholders' equity | 38,034 | 37,699 | 39,314 | 42,009 | 45,262 |
| 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 |
| Long-term liabilities | 61,848 | 66,744 | 65,770 | 59,026 | 54,050 |
| 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 |
| Current liabilities | 13,734 | 10,645 | 7,290 | 9,527 | 9,654 |
| Total liabilities and shareholders' equity | 113,616 | 115,088 | 112,374 | 110,562 | 108,967 |
| 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 | | | | | |
| Per share (THB) | | | | | |
| 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) |
| Financial strength | | | | | |
| 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 |
| Valuation | | | | | |
| Recurring P/E (x) * | 60.8 | 123.3 | 39.5 | 23.7 | 19.6 |
| Recurring P/E @ target price (x) * | 73.9 | 149.8 | 48.0 | 28.7 | 23.8 |
| Reported P/E (x) | 60.8 | 123.3 | 39.5 | 23.7 | 19.6 |
| Dividend yield (%) | 0.7 | 1.0 | 1.3 | 2.1 | 2.5 |
| Price/book (x) | 3.3 | 3.3 | 3.2 | 3.0 | 2.8 |
| Price/tangible book (x) | (3.2) | (3.1) | (3.3) | (3.6) | (4.1) |
| EV/EBITDA (x) ** | 32.3 | 49.3 | 30.3 | 21.0 | 17.9 |
| EV/EBITDA @ target price (x) ** | 36.8 | 56.1 | 34.5 | 24.0 | 20.6 |
| EV/invested capital (x) | 1.8 | 1.7 | 1.8 | 1.7 | 1.7 |
| * 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 | PG | PHOL | PLANB |
| 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 | TRC | TSC | TSR | TSTE | TSTH |
| 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 | AMANAHA | 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

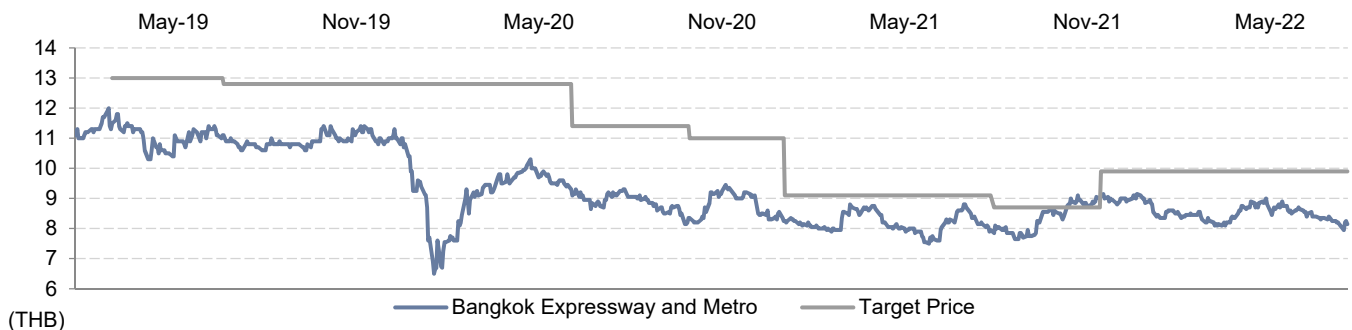
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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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 8.15 | 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-May-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.