

# DON MUANG TOLLWAY

# DMT TB

THAILAND / TRANSPORT &amp; LOGISTICS

## BUY

UNCHANGED

## The recovery is on the way

- Given the expectations for tourist arrivals in 2022-23, we believe DMT should benefit directly.
- We think earnings in 1Q22 have already bottomed out in line with the recovery in DMK's passenger numbers.
- Maintain BUY with our new TP of THB16.

TARGET PRICE	THB16.00
CLOSE	THB10.90
UP/DOWNSIDE	+46.8%
PRIOR TP	THB17.00
CHANGE IN TP	-5.9%
TP vs CONSENSUS	n/a

### KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	1,202	1,984	2,678	2,978
Net profit	404	859	1,273	1,507
EPS (THB)	0.31	0.65	0.96	1.14
vs Consensus (%)	-	-	-	-
EBITDA	730	1,436	2,072	2,414
Core net profit	404	859	1,273	1,507
Core EPS (THB)	0.31	0.65	0.96	1.14
Chg. In EPS est. (%)	nm	(21.6)	(21.3)	nm
EPS growth (%)	(54.3)	112.5	48.2	18.3
Core P/E (x)	35.6	16.8	11.3	9.6
Dividend yield (%)	2.6	5.4	8.0	9.4
EV/EBITDA (x)	19.2	9.0	5.9	4.8
Price/book (x)	1.5	1.4	1.4	1.4
Net debt/Equity (%)	(4.2)	(13.9)	(19.9)	(27.0)
ROE (%)	4.7	8.6	12.2	14.2

### Surge in tourist arrivals should boost DMT's toll fees

Given that 1) the Covid situation is now under control; 2) the Thai border has now reopened; and 3) the new school semester has begun, we believe DMT's expressway traffic from 2Q22 onward should post a strong recovery. Moreover, since DMT's traffic has a high correlation with passenger numbers at Don Muang Airport (DMK), we think the recovery in tourism will directly benefit DMT's earnings. FSSIA expects 8.5m tourists to visit Thailand this year and 34.1m in 2023, up from 0.4m in 2021. In our view, this will be the key driver for DMT in 2022-23.

### Earnings in 1Q22 should have already hit the bottom

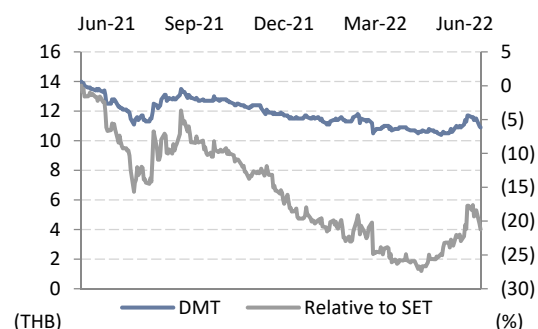
Despite unexciting earnings in 1Q22 due to the slowdown in traffic on the expressway, we believe DMT's earnings during 1Q22 have already hit the bottom and that traffic should grow in line with the recovery in DMK's passengers. Note that in Apr-22, DMK's passenger numbers hit 1.1m – the highest in the past 16 months. We believe this momentum should continue, and as the tourism sector moves beyond the recovery stage, DMT should benefit directly.

### Expect a strong earnings improvement in 2022

We conservatively project DMT's traffic at only 34.4m trips in 2022, up significantly by 65% from last year. However, our projected number is still lower than in 2020 at 34.9m and 53.8m during pre-Covid 2019. With other indicators such as the tourist arrivals forecast in 2022 at 8.5m trips, which is already higher than 2020's 6.7m, we expect DMT's revenue to jump to THB1,984m (+65% y-y) in 2022. Moreover, as most of its costs are fixed, only its amortisation and maintenance expense should grow in line with the growth in revenue. Therefore, we expect DMT's net profit to double from last year and hit THB859m (+113%) in 2022.

### Maintain BUY with our new TP of THB16

We maintain BUY with a new 2022 DCF-based TP of THB16, down from THB17. The key catalysts include 1) earnings in 1Q22 should have already hit the bottom; 2) the recovery momentum should continue in line with the recovery in tourist arrivals; and 3) its low P/E with a high dividend yield estimated at 5% in 2022 and 8% in 2023. Note, our TP does not include DMT's potential for winning bids on upcoming projects next year.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.8	0.9	(22.7)
Relative to country (%)	2.6	3.5	(21.8)
Mkt cap (USD m)	368		
3m avg. daily turnover (USD m)	0.1		
Free float (%)	0		
Major shareholder	Phanichewa's family (46%)		
12m high/low (THB)	14.30/10.40		
Issued shares (m)	1,041.23		

Sources: Bloomberg consensus; FSSIA estimates


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## Investment thesis

In 2022, we expect the company's earnings to grow significantly by over 113%, based on the strong recovery in its toll traffic in line with the reopening of the country's borders and the subsequent economic recovery. We conservatively expect that the Covid situation will improve continuously and that DMT's earnings should recover to the pre-Covid level in 2023.

Based on its 90% dividend payout policy, DMT would have the highest dividend payout and yield in the transportation sector, reflecting a rich dividend yield estimated at around 5% p.a. from 2022 and jumping to 8% in 2023.

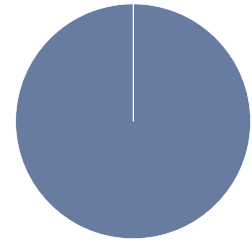
## Company profile

Don Muang Tollway (DMT) was granted a build-transfer-operate (BTO) concession for the elevated toll road named the 'Don Muang Tollway', from Din Daeng to National Memorial Section. The total concession length is approximately 21 kilometres, with the concession period lasting until 11 Sep 2034.

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

## Principal activities (revenue, 2021)

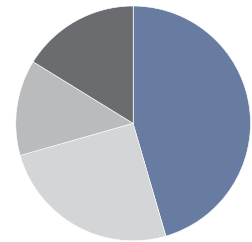
■ Toll revenue - 100.0 %



Source: Don Muang Tollway

## Major shareholders

■ Phanichewa's family - 45.5 %  
 ■ Ministry of Finance - 25.1 %  
 ■ Golden House Limited - 13.2 %  
 ■ Others - 16.2 %



Source: Don Muang Tollway

## Catalysts

- Highest dividend yield in the transportation sector;
- Clear earnings visibility with attractive growth potential;
- Net cash company with a resilient positive cash flow.

## Risks to our call

Downside risks to our DCF-based TP include 1) lower-than-expected tollway traffic, and 2) dispute risks.

## Event calendar

Date	Event
Aug-22	2Q22 results announcement

## Key assumptions

	2021	2022E	2023E	2024E
Traffic (m trips)	20.84	34.39	46.43	51.6
Average toll fee (THB)	58	58	58	58
<b>Growth</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
Traffic	(40.2)	(65)	35	11.2
Price	(1.7)	0	0	0

Source: FSSIA estimates

## Earnings sensitivity

- For every 1% increase in toll traffic, we project 2022 earnings to rise by 1.3%, and vice versa, all else being equal.
- For every 1% increase in toll fare, we project 2022 earnings to rise by 3.2%, and vice versa, all else being equal.

Source: FSSIA estimates

## Earnings estimate cuts

We revise down our 2022 traffic forecast for DMT from 36.3m trips to 34.4m trips, in order to reflect the decline in passenger numbers from DMK to 17m trips, lower than our previous expectation of 22m trips. For this reason, we project DMT's revenue in 2022 at THB1,984m (+65% y-y), down by 6.8% from our previous expectation.

We also increase our expenses projection as we believe the company should report higher maintenance costs this year, after it fell significantly in 2021 to just THB90m vs THB215m in 2020. DMT's maintenance cost this year may rise after postponing maintenance in 2021. As a result, we expect DMT's net profit in 2022 to improve by 113% to THB859m, 12% lower than our previous expectation.

### Exhibit 1: Changes to assumptions and forecasts

	----- Current -----		----- Previous -----		----- Change -----	
	2022E (THB m)	2023E (THB m)	2022E (THB m)	2023E (THB m)	2022E (%)	2023E (%)
Expressway traffic (m trips)	34.4	46.4	36.3	53.7	(5.3)	(13.5)
Revenue	1,984	2,678	2,129	2,853	(6.8)	(6.1)
Gross profit	1,221	1,758	1,386	1,997	(11.9)	(12.0)
EBITDA	1,436	2,072	1,616	2,334	(11.1)	(11.2)
Net profit	859	1,273	979	1,447	(12.2)	(12.0)
<b>Margin</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Gross profit margin	61.5	65.6	65.1	70.0	(3.6)	(4.4)
Net profit margin	43.3	47.5	46.0	50.7	(2.7)	(3.2)

Source: FSSIA estimates

### Projections reflect our conservative view

Although we expect DMT's earnings to improve significantly in 2023 at THB1.3b, higher than the pre-Covid level in 2019 at THB1.2b, our projections for DMT's traffic in 2023 are still lower than for 2019. We expect a 14% drop from the pre-Covid level in 2019, in line with our expectation of 17% fewer DMK passengers. Based on our growth momentum projections, DMT's traffic recovery will still be lower than that of Bangkok Expressway and Metro (BEM TB, BUY, TP THB9.90). For example, we project DMT's total traffic in 2023 at 46m, or 14% lower than the pre-Covid (2019) level of 54m trips. BEM's total traffic, on the other hand, should hit 430m trips, down only 5% from its pre-Covid (2019) level of 452m.

### Exhibit 2: Traffic and passenger growth momentum comparison

	2019 (m trips)	2020 (m trips)	2021 (m trips)	2022E (m trips)	2023E (m trips)	2024E (m trips)
BEM traffic	452	383	310	388	430	470
DMK passengers	41	22	7	17	34	42
<b>DMT traffic</b>	<b>54</b>	<b>35</b>	<b>21</b>	<b>34</b>	<b>46</b>	<b>52</b>
<b>Growth</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
BEM traffic	0.6	(15.3)	(18.9)	25.0	10.9	9.3
DMK passengers	1.1	(45.7)	(67.8)	137.1	100.0	23.5
<b>DMT traffic</b>	<b>(7.6)</b>	<b>(35.2)</b>	<b>(40.2)</b>	<b>65.0</b>	<b>35.0</b>	<b>11.2</b>
<b>Compared to pre-Covid (2019)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
BEM traffic	0	(15)	(31)	(14)	(5)	4
DMK passengers	0	(46)	(83)	(59)	(17)	2
<b>DMT traffic</b>	<b>0</b>	<b>(35)</b>	<b>(61)</b>	<b>(36)</b>	<b>(14)</b>	<b>(4)</b>

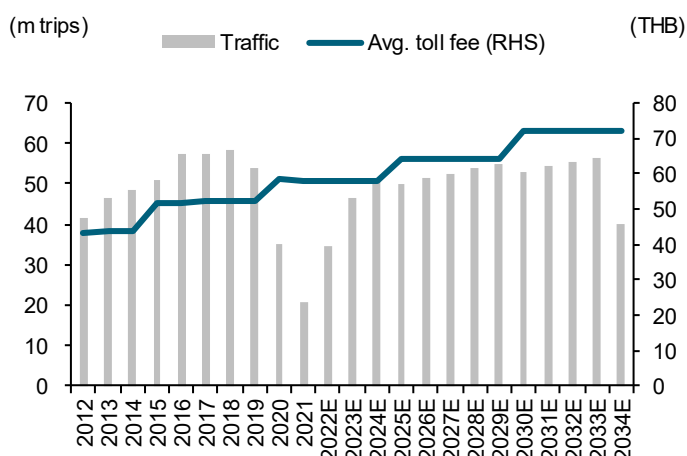
Sources: BEM; AOT; DMT; FSSIA estimates

**Exhibit 3: DCF valuation**

	2023E	2024E	2025E	2026E	2027E----	---- 2033E	2034E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
EBITDA	2,072	2,414	2,680	2,769	2,829	3,467	2,272
(less) tax on EBIT	(268)	(317)	(366)	(377)	(383)	(395)	(161)
decrease in working cap	4	0	(1)	1	1	5	3
(less) capex & investments	(120)	(170)	(120)	(90)	(90)	(90)	(90)
<b>Free Cash Flow</b>	<b>1,688</b>	<b>1,928</b>	<b>2,194</b>	<b>2,303</b>	<b>2,357</b>	<b>2,987</b>	<b>2,024</b>
WACC (%)	9.7						
Terminal growth (%)	0.0						
PV of FCF	1,688	1,758	1,824	1,745	1,628	1,186	732
Enterprise value - add investments	17,513						
Net debt + cash	1,340						
Equity value	18,853						
No. of shares (m)	1,181						
<b>Equity value / share (THB)</b>	<b>16</b>						

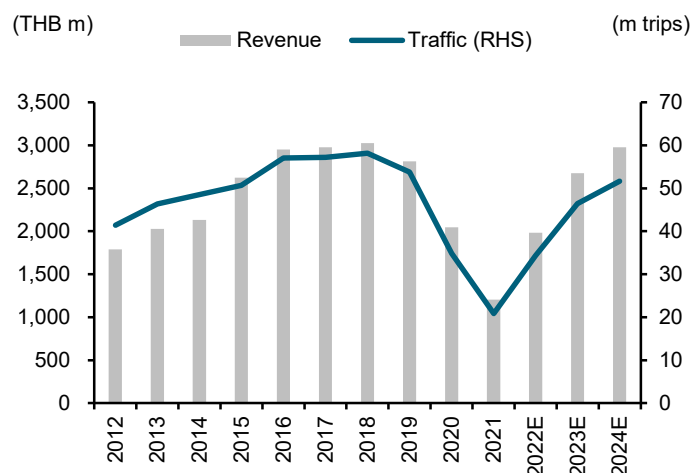
Sources: DMT; FSSIA estimates

**Exhibit 4: DMT – traffic and toll fee forecasts**



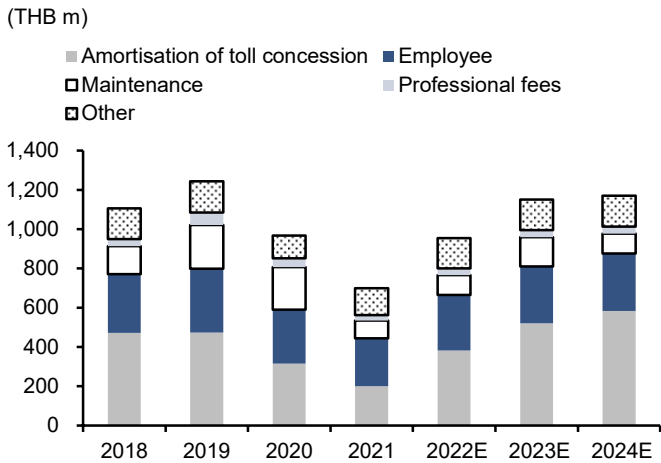
Sources: DMT; FSSIA estimates

**Exhibit 5: DMT – traffic and revenue forecasts**



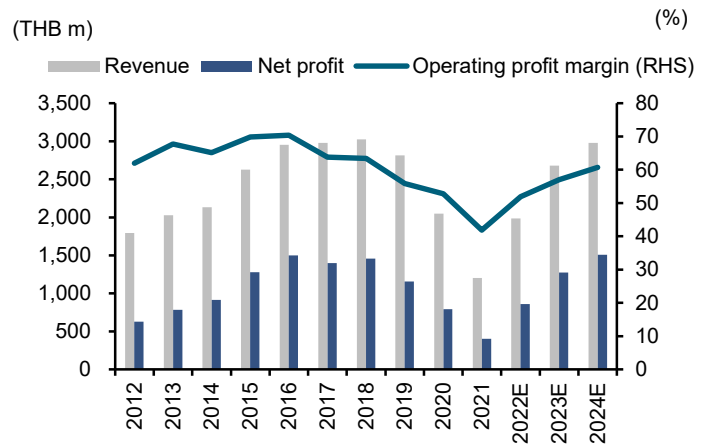
Sources: DMT; FSSIA estimates

**Exhibit 6: Operating expenses breakdown**



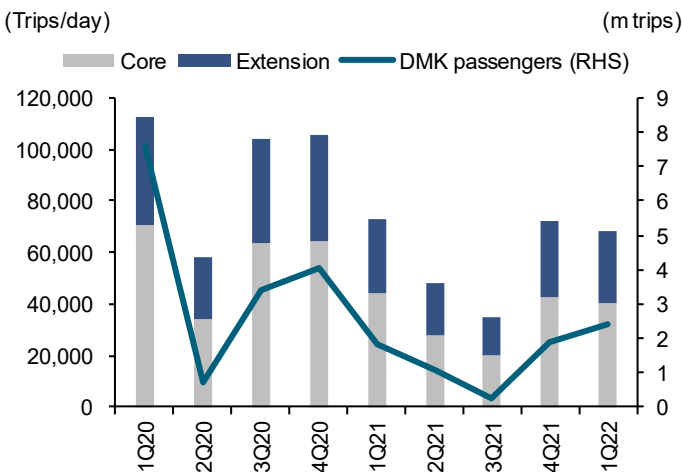
Sources: DMT; FSSIA estimates

**Exhibit 7: DMT – revenue, net profit, and operating profit margin forecast**



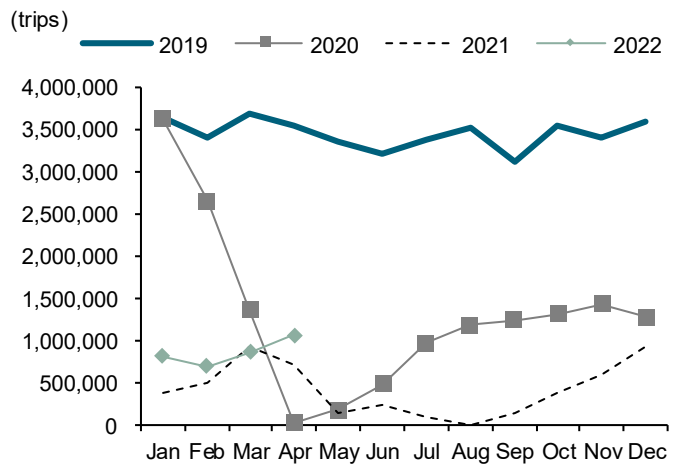
Sources: DMT; FSSIA estimates

**Exhibit 8: DMT traffic and DMK passengers**



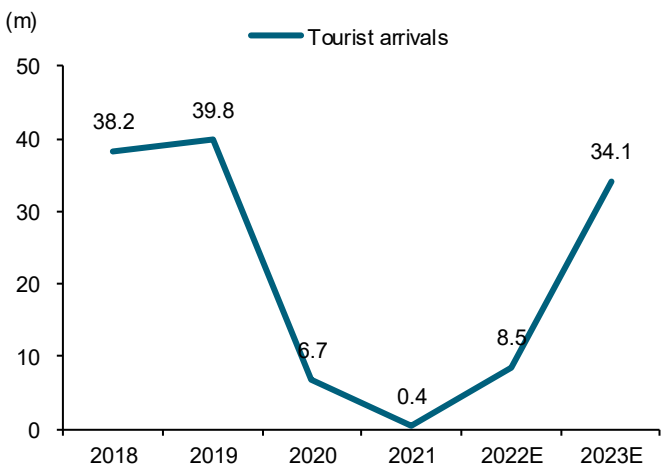
Sources: AOT; DMT; FSSIA compilation

**Exhibit 9: DMK passenger numbers**



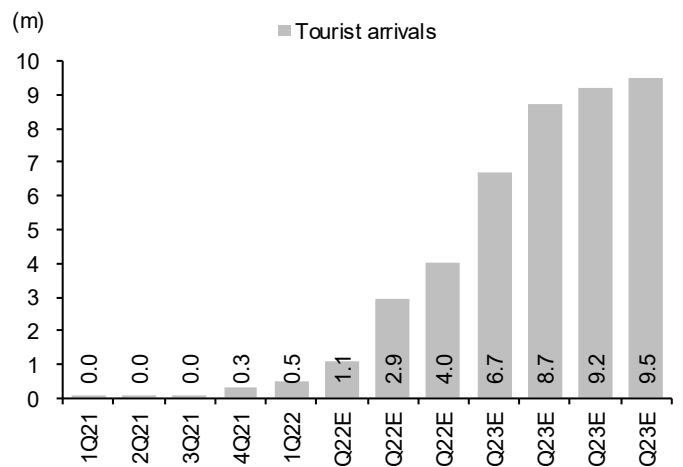
Sources: AOT; FSSIA compilation

**Exhibit 10: Tourist arrivals forecast**



Sources: AOT; FSSIA estimates

**Exhibit 11: Tourist arrivals forecast, quarterly**



Sources: AOT; FSSIA estimates

## Financial Statements

### Don Muang Tollway

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	2,047	1,202	1,984	2,678	2,978
Cost of goods sold	(426)	(292)	(357)	(376)	(330)
<b>Gross profit</b>	<b>1,620</b>	<b>911</b>	<b>1,627</b>	<b>2,302</b>	<b>2,648</b>
Other operating income	0	0	0	0	0
Operating costs	(199)	(181)	(191)	(230)	(234)
<b>Operating EBITDA</b>	<b>1,421</b>	<b>730</b>	<b>1,436</b>	<b>2,072</b>	<b>2,414</b>
Depreciation	(342)	(226)	(406)	(544)	(606)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,080</b>	<b>503</b>	<b>1,030</b>	<b>1,528</b>	<b>1,809</b>
Net financing costs	(107)	(24)	0	0	0
Associates	0	0	0	0	0
Recurring non-operating income	16	10	10	13	15
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>989</b>	<b>489</b>	<b>1,040</b>	<b>1,541</b>	<b>1,824</b>
Tax	(198)	(85)	(181)	(268)	(317)
<b>Profit after tax</b>	<b>791</b>	<b>404</b>	<b>859</b>	<b>1,273</b>	<b>1,507</b>
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
<b>Reported net profit</b>	<b>791</b>	<b>404</b>	<b>859</b>	<b>1,273</b>	<b>1,507</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>791</b>	<b>404</b>	<b>859</b>	<b>1,273</b>	<b>1,507</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.67	0.31	0.65	0.96	1.14
Reported EPS	0.67	0.31	0.65	0.96	1.14
DPS	0.57	0.29	0.59	0.87	1.03
Diluted shares (used to calculate per share data)	1,181	1,321	1,321	1,321	1,321
<b>Growth</b>					
Revenue (%)	(27.3)	(41.3)	65.0	35.0	11.2
Operating EBITDA (%)	(31.1)	(48.7)	96.8	44.3	16.5
Operating EBIT (%)	(31.3)	(53.4)	104.5	48.3	18.4
Recurring EPS (%)	(39.8)	(54.3)	112.5	48.2	18.3
Reported EPS (%)	(39.8)	(54.3)	112.5	48.2	18.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	62.5	56.9	61.5	65.6	68.6
Gross margin of key business (%)	33.3	33.5	33.8	34.0	34.2
Operating EBITDA margin (%)	69.4	60.7	72.4	77.4	81.1
Operating EBIT margin (%)	52.8	41.9	51.9	57.0	60.7
Net margin (%)	38.7	33.6	43.3	47.5	50.6
Effective tax rate (%)	20.0	17.4	17.4	17.4	17.4
Dividend payout on recurring profit (%)	85.5	93.5	90.0	90.0	90.0
Interest cover (X)	10.3	21.2	-	-	-
Inventory days	-	-	-	-	-
Debtor days	-	-	-	-	-
Creditor days	6.4	11.1	14.8	18.5	23.3
Operating ROIC (%)	(159.9)	(113.2)	(265.3)	(328.3)	(358.9)
ROIC (%)	9.1	4.4	9.2	14.0	17.7
ROE (%)	10.8	4.7	8.6	12.2	14.2
ROA (%)	8.1	4.1	8.0	11.2	13.0

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Toll revenue	2,047	1,202	1,984	2,678	2,978

Sources: Don Muang Tollway; FSSIA estimates

## Financial Statements

### Don Muang Tollway

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	791	404	859	1,273	1,507
Depreciation	342	226	406	544	606
Associates & minorities	0	0	0	0	0
Other non-cash items	137	(111)	83	(50)	50
Change in working capital	(132)	(114)	68	24	34
<b>Cash flow from operations</b>	<b>1,138</b>	<b>405</b>	<b>1,417</b>	<b>1,792</b>	<b>2,196</b>
Capex - maintenance	(25)	(20)	(25)	(20)	(20)
Capex - new investment	0	0	0	0	(100)
Net acquisitions & disposals	16	150	(79)	22	67
Other investments (net)	(107)	(24)	(50)	0	0
<b>Cash flow from investing</b>	<b>(116)</b>	<b>106</b>	<b>(154)</b>	<b>2</b>	<b>(53)</b>
Dividends paid	(677)	(378)	(773)	(1,146)	(1,356)
Equity finance	510	1,939	728	0	0
Debt finance	(1,007)	(2,137)	(200)	0	0
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(1,173)</b>	<b>(576)</b>	<b>(245)</b>	<b>(1,146)</b>	<b>(1,356)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(151)</b>	<b>(65)</b>	<b>1,018</b>	<b>648</b>	<b>787</b>
Free cash flow to firm (FCFF)	1,129.11	534.94	1,262.68	1,793.83	2,143.58
Free cash flow to equity (FCFE)	15.67	(1,626.73)	1,062.99	1,793.83	2,143.58

#### Per share (THB)

FCFF per share	1.08	0.51	1.21	1.72	2.06
FCFE per share	0.02	(1.56)	1.02	1.72	2.06
Recurring cash flow per share	1.07	0.39	1.02	1.34	1.64

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	218	219	244	264	284
Less: Accumulated depreciation	(165)	(172)	(196)	(219)	(242)
<b>Tangible fixed assets (net)</b>	<b>52</b>	<b>47</b>	<b>48</b>	<b>45</b>	<b>42</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	149	51	51	51	51
Cash & equivalents	487	422	1,440	2,087	2,875
A/C receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Other current assets	51	46	70	87	89
<b>Current assets</b>	<b>538</b>	<b>468</b>	<b>1,509</b>	<b>2,174</b>	<b>2,963</b>
Other assets	9,921	9,690	9,610	9,183	8,611
<b>Total assets</b>	<b>10,661</b>	<b>10,256</b>	<b>11,219</b>	<b>11,453</b>	<b>11,667</b>
Common equity	7,608	9,573	10,387	10,515	10,665
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>7,608</b>	<b>9,573</b>	<b>10,387</b>	<b>10,515</b>	<b>10,665</b>
Long term debt	810	11	0	0	0
Other long-term liabilities	285	328	318	434	412
<b>Long-term liabilities</b>	<b>1,094</b>	<b>339</b>	<b>318</b>	<b>434</b>	<b>412</b>
A/C payable	6	12	17	21	21
Short term debt	1,365	6	0	0	0
Other current liabilities	587	327	496	484	569
<b>Current liabilities</b>	<b>1,959</b>	<b>344</b>	<b>513</b>	<b>504</b>	<b>590</b>
<b>Total liabilities and shareholders' equity</b>	<b>10,661</b>	<b>10,256</b>	<b>11,219</b>	<b>11,453</b>	<b>11,667</b>
Net working capital	(542)	(292)	(444)	(418)	(501)
Invested capital	9,580	9,496	9,266	8,861	8,203

\* Includes convertibles and preferred stock which is being treated as debt

#### Per share (THB)

Book value per share	6.44	7.25	7.86	7.96	8.07
Tangible book value per share	6.44	7.25	7.86	7.96	8.07

#### Financial strength

Net debt/equity (%)	22.2	(4.2)	(13.9)	(19.9)	(27.0)
Net debt/total assets (%)	15.8	(3.9)	(12.8)	(18.2)	(24.6)
Current ratio (x)	0.3	1.4	2.9	4.3	5.0
CF interest cover (x)	1.1	(66.3)	-	-	-

Valuation	2020	2021	2022E	2023E	2024E
<b>Recurring P/E (x) *</b>	<b>16.3</b>	<b>35.6</b>	<b>16.8</b>	<b>11.3</b>	<b>9.6</b>
<b>Recurring P/E @ target price (x) *</b>	<b>23.9</b>	<b>52.3</b>	<b>24.6</b>	<b>16.6</b>	<b>14.0</b>
Reported P/E (x)	16.3	35.6	16.8	11.3	9.6
Dividend yield (%)	5.3	2.6	5.4	8.0	9.4
Price/book (x)	1.7	1.5	1.4	1.4	1.4
Price/tangible book (x)	1.7	1.5	1.4	1.4	1.4
EV/EBITDA (x) **	10.2	19.2	9.0	5.9	4.8
EV/EBITDA @ target price (x) **	14.5	28.4	13.7	9.2	7.6
EV/invested capital (x)	1.5	1.5	1.4	1.4	1.4

\* Pre-exceptional, pre-goodwill and fully diluted \*\* EBITDA includes associate income and recurring non-operating income

Sources: Don Muang Tollway; FSSIA estimates

## Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRSH	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

**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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021



## Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

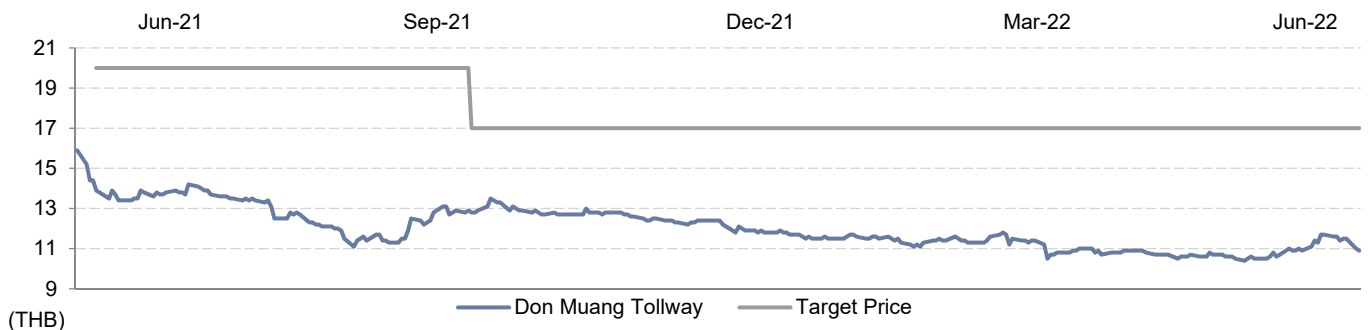
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

#### Don Muang Tollway (DMT TB)



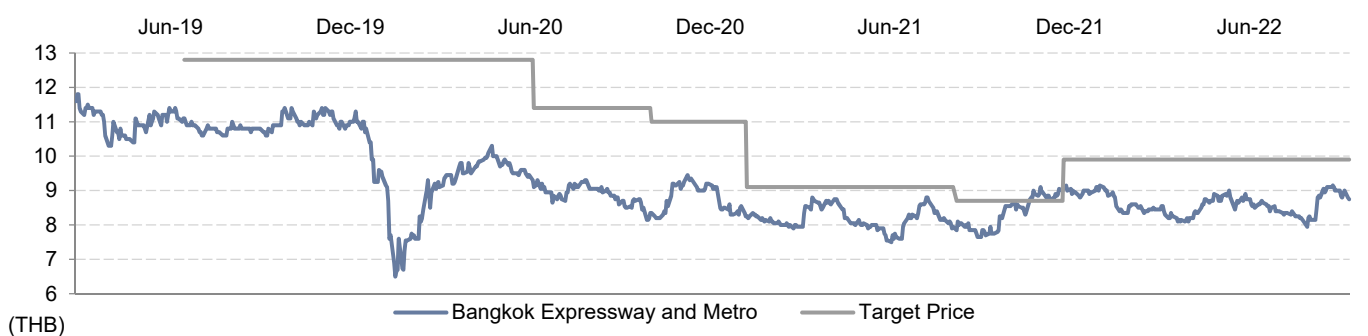
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-May-2021	BUY	20.00	07-Sep-2021	BUY	17.00	-	-	-

Naruedom Mujjalinkool started covering this stock from 12-May-2021

Price and TP are in local currency

Source: FSSIA estimates

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



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
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			
22-Oct-2020	BUY	11.00	09-Jul-2021	BUY	8.70			

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
Don Muang Tollway	DMT TB	THB 10.90	BUY	Downside risks to our DCF-based TP include 1) lower-than-expected tollway traffic, and 2) dispute risks.
Bangkok Expressway and Metro	BEM TB	THB 8.75	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 14-Jun-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.