FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

EQUITY RESEARCH - COMPANY REPORT

BANGKOK EXPRESSWAY AND METRO BEM TB

THAILAND / TRANSPORT & LOGISTICS

BUY
UNCHANGED

TARGET PRICE	THB9.90
CLOSE	THB8.65
UP/DOWNSIDE	+14.5%
PRIOR TP	THB9.90
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-1.2%

On pace for a strong recovery

- Expect a strong recovery in 2Q22 earnings of THB716m (+113% q-q, +257% y-y).
- Earnings estimate cut by 20% to THB2.5b in 2022.
- Maintain BUY with the same 2023 TP of THB9.90.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	10,727	13,986	16,584	17,997
Net profit	1,010	2,546	4,172	5,202
EPS (THB)	0.07	0.17	0.27	0.34
vs Consensus (%)	-	(7.1)	6.3	21.9
EBITDA	3,926	5,808	7,752	8,871
Core net profit	1,010	2,546	4,172	5,202
Core EPS (THB)	0.07	0.17	0.27	0.34
Chg. In EPS est. (%)	-	(19.3)	(20.7)	(18.1)
EPS growth (%)	(50.7)	152.1	63.9	24.7
Core P/E (x)	130.9	51.9	31.7	25.4
Dividend yield (%)	0.9	1.0	1.6	2.0
EV/EBITDA (x)	51.3	34.2	25.1	21.4
Price/book (x)	3.5	3.4	3.2	3.0
Net debt/Equity (%)	183.3	171.2	151.7	131.5
ROE (%)	2.7	6.6	10.4	12.3

Strong recovery in 2Q22 earnings expected

BEM's 2Q22 revenue should grow to THB3.3b (+7% q-q, +38% y-y) thanks to the continuous recovery in both expressway traffic (+7% q-q, +33% y-y) and mass transit ridership (+23% q-q, +93% y-y). For the cost side, we expect that costs should continue to increase in line with the improvement in traffic and ridership. The resumption of maintenance expenses and a higher electricity expense are likely to be the largest factors. As a result, we expect BEM's net profit in 2Q22 to improve significantly to THB716m (+113% q-q, +257% y-y). Note that in 2Q22 the company received dividend income from its subsidiary of over THB330m.

### Higher mass transit revenue sharing expense

Starting from July 2022, BEM has to pay a higher revenue sharing expense for the original Blue mass transit line, from 5% of its revenue to 15%, due to the contract agreement. This means that for every rider that departs or exits from Hua Lamphong to Bang Sue station, BEM has to give a higher revenue sharing amount to the Mass Rapid Transit Authority of Thailand. Since almost 60% of the Blue Line's mass transit ridership still uses the original Blue Line, in our estimation, we expect an additional expense of almost THB200m per year.

Earnings estimates cut

We are cutting our earnings estimates on BEM to reflect the gradual pace of recovery for traffic and ridership in 2022 and 2023. Although we can see the recovery of out-of-home activity and a recovery in tourist arrivals, the recovery momentum remains weak, in our view. We mainly cut our mass transit ridership forecast in 2022 down by 10%. We also increase our expense estimates, as the cost of electricity is likely to increase throughout next year. As a result, we cut our earnings estimate on BEM for 2022 by 20% to THB2.5b.

Maintain BUY with the same TP of THB9.90

We maintain BUY on BEM. The company's earnings should see a continuous recovery going forward. Moreover, the winner of the Orange Line bidding should be announced within this year. This could be another catalyst for the company. Our SoTP-based TP stays at THB9.90 but we roll-over our valuation to 2023.
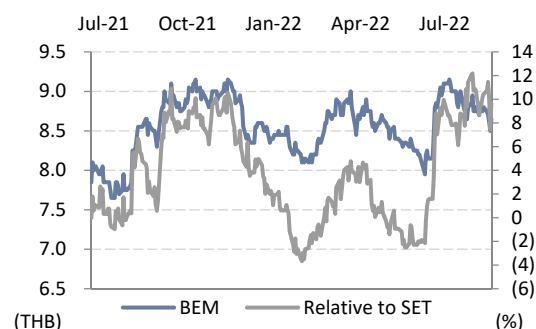
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.7)	1.8	9.5
Relative to country (%)	3.0	9.6	9.1

Mkt cap (USD m)	3,672
3m avg. daily turnover (USD m)	10.4
Free float (%)	53
Major shareholder	CH.Karnchang PCL (31%)
12m high/low (THB)	9.25/7.55
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.
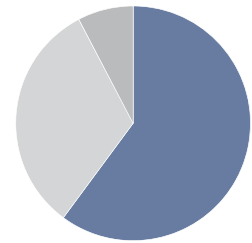
Company profile

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

www.bemplc.co.th

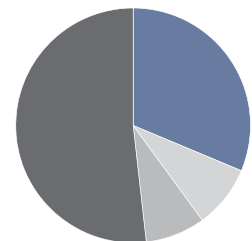## Principal activities (revenue, 2021)

■ 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.

Key assumptions

	2021	2022E	2023E	2024E
Toll traffic (m trips/day)	0.8	1.1	1.2	1.3
Toll traffic growth (%)	(18.9)	24.7	10.9	9.3
Mass transit ridership (m trips/day)	0.15	0.29	0.40	0.43
Mass transit ridership growth (%)	(43.7)	96.4	38.9	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.

Event calendar

Date	Event
Early Aug-22	July-22 traffic and ridership announcement
Aug-22	2Q22 results announcement

Source: FSSIA estimates

Exhibit 1: 2Q22 results preview

|	2Q21	1Q22	2Q22E	---------- Change ----------		1H21	1H22E	Change	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Expressway revenue	1,403	1,907	1,986	4.1	41.5	3,276	3,893	18.8	8,142
Rail revenue	801	991	1,106	11.6	38.2	1,823	2,097	15.0	4,941
Commercial development revenue	199	196	215	9.6	7.9	414	411	(0.7)	904
Revenue	**2,403**	**3,094**	**3,307**	**6.9**	**37.6**	**5,514**	**6,401**	**16.1**	**13,986**
Operating costs	(1,723)	(1,905)	(1,959)	2.8	13.7	(3,680)	(3,864)	5.0	(8,201)
Gross profit	**680**	**1,189**	**1,348**	**13.4**	**98.3**	**1,833**	**2,537**	**38.4**	**5,785**
SG&A expenses	(283)	(264)	(273)	3.3	(3.6)	(597)	(537)	(10.1)	(1,245)
EBIT	**396**	**925**	**1,075**	**16.2**	**171.1**	**1,236**	**1,999**	**61.7**	**4,540**
Depreciation & amortisation	253	327	345	5.6	36.6	577	672	16.4	1,268
EBITDA	**649**	**1,251**	**1,420**	**13.5**	**118.8**	**1,814**	**2,671**	**47.3**	**5,808**
EBITDA margin (%)	*27*	*40*	*43*	*nm*	*nm*	*33*	*42*	*nm*	*42*
Interest expense	(549)	(570)	(575)	0.9	4.7	(1,081)	(1,145)	5.9	(2,181)
Other income	339	65	396	511.5	16.8	413	460	11.5	768
Extra items	0	0	0	nm	nm	0	0	-	0
Pretax profit	**186**	**419**	**895**	**113.5**	**381.9**	**568**	**1,315**	**131.6**	**3,127**
Tax	15	(83)	(179)	115.1	(1,310.3)	(61)	(262)	330.9	(579)
Tax rate (%)	*8*	*(20)*	*(20)*	*nm*	*nm*	*(11)*	*(20)*	*nm*	*(19)*
Minority interests	0	0	0	*n/a*	*n/a*	1	0	(98.3)	2
Net profit	**200**	**336**	**716**	**113.1**	**257.3**	**506**	**1,052**	**108.1**	**2,546**
Core net profit	**200**	**336**	**716**	**113.1**	**257.3**	**506**	**1,052**	**108.1**	**2,546**
EPS (THB)	0.01	0.02	0.05	113.1	257.3	0.03	0.07	108.1	0.17
Core EPS (THB)	0.01	0.02	0.05	113.1	257.3	0.03	0.07	108.1	0.17

Sources: BEM; FSSIA estimates

Exhibit 2: Expressway daily traffic
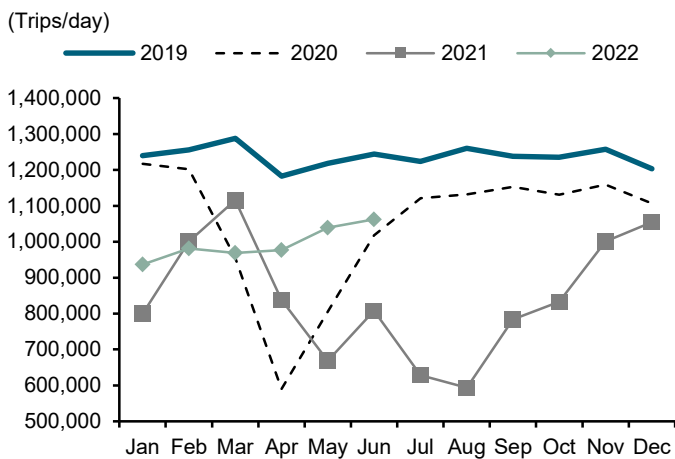
Sources: BEM; FSSIA estimates

Exhibit 3: Mass transit daily ridership

Sources: BEM; FSSIA estimates

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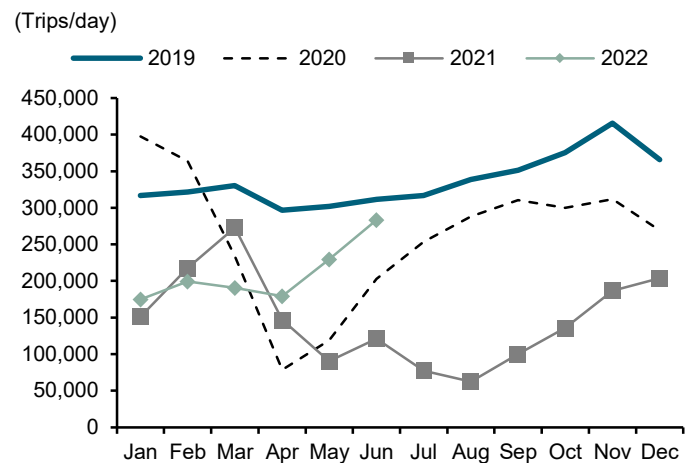
Exhibit 4: Assumption and forecast changes

	---------- Current ---------		---------- Previous -------		-------- Change -------	
	2022E	2023E	2022E	2023E	2022E	2023E
	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Expressway traffic (trips/day)	1,059,630	1,175,441	1,061,830	1,177,958	(0.2)	(0.2)
Mass transit ridership (trips/day)	288,000	400,000	320,000	466,522	(10.0)	(14.3)
Revenue	13,986	16,584	14,422	17,484	(3.0)	(5.1)
Gross profit*	5,785	7,889	6,451	9,268	(10.3)	(14.9)
EBITDA	5,808	7,752	6,306	8,883	(7.9)	(12.7)
Net profit	2,546	4,172	3,176	5,286	(19.8)	(21.1)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross profit margin	41.4	47.6	44.7	48.4	(3.4)	(0.8)
Net profit margin	18.2	25.2	22.0	27.6	(3.8)	(2.4)

*Including depreciation and amortisation
Source: FSSIA estimates

Exhibit 5: BEM – 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	86,594	5.67	WACC 6.7%, beta 0.99, zero terminal growth
Expressway	98,732	6.46	WACC 7.1%, beta 1, zero terminal growth
Commercial development	10,686	0.70	WACC 7.9%, beta 1.05, 2% terminal growth
Investment	17,323	1.13	17% stake in CKP using FSSIA TP of THB6.6 and 18% stake in TTW using market price
Net debt	(62,301)	(4.08)	At end-2023E
Total	150,742		
Number of shares (m)	15,285		
TP (THB)	9.9		

Sources: BEM; Bloomberg; FSSIA estimates

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Financial Statements
Bangkok Expressway and Metro

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	13,489	10,727	13,986	16,584	17,997
Cost of goods sold	(6,218)	(5,640)	(6,933)	(7,372)	(7,615)
Gross profit	**7,271**	**5,086**	**7,053**	**9,211**	**10,382**
Other operating income	-	-	-	-	-
Operating costs	(1,347)	(1,160)	(1,245)	(1,459)	(1,512)
Operating EBITDA	**5,925**	**3,926**	**5,808**	**7,752**	**8,871**
Depreciation	(2,209)	(1,349)	(1,268)	(1,323)	(1,330)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**3,716**	**2,577**	**4,540**	**6,429**	**7,541**
Net financing costs	(1,816)	(1,960)	(1,956)	(1,769)	(1,609)
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**	**3,127**	**5,220**	**6,509**
Tax	(382)	(134)	(579)	(1,044)	(1,302)
Profit after tax	**2,051**	**1,011**	**2,549**	**4,176**	**5,207**
Minority interests	(4)	(1)	(2)	(4)	(5)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	**2,048**	**1,010**	**2,546**	**4,172**	**5,202**
Non-recurring items & goodwill (net)	**0**	**0**	**0**	**0**	**0**
Recurring net profit	**2,048**	**1,010**	**2,546**	**4,172**	**5,202**
Per share (THB)					
Recurring EPS *	0.13	0.07	0.17	0.27	0.34
Reported EPS	0.13	0.07	0.17	0.27	0.34
DPS	0.10	0.08	0.08	0.14	0.17
Diluted shares (used to calculate per share data)	15,285	15,285	15,285	15,285	15,286
Growth					
Revenue (%)	(16.3)	(20.5)	30.4	18.6	8.5
Operating EBITDA (%)	(33.3)	(33.7)	47.9	33.5	14.4
Operating EBIT (%)	(16.7)	(30.6)	76.2	41.6	17.3
Recurring EPS (%)	(24.7)	(50.7)	152.1	63.9	24.7
Reported EPS (%)	(62.3)	(50.7)	152.1	63.9	24.7
Operating performance					
Gross margin inc. depreciation (%)	37.5	34.8	41.4	47.6	50.3
Gross margin of key business (%)	37.5	34.8	41.4	47.6	50.3
Operating EBITDA margin (%)	43.9	36.6	41.5	46.7	49.3
Operating EBIT margin (%)	27.5	24.0	32.5	38.8	41.9
Net margin (%)	15.2	9.4	18.2	25.2	28.9
Effective tax rate (%)	15.7	11.7	18.5	20.0	20.0
Dividend payout on recurring profit (%)	74.6	121.1	50.0	50.0	50.0
Interest cover (X)	2.3	1.6	2.6	4.0	5.0
Inventory days	-	-	-	-	-
Debtor days	13.9	17.4	11.7	10.1	10.6
Creditor days	108.1	104.7	80.1	79.1	79.9
Operating ROIC (%)	712.1	358.1	564.4	874.0	(280.3)
ROIC (%)	3.1	2.3	3.7	5.2	(1.5)
ROE (%)	5.3	2.7	6.6	10.4	12.3
ROA (%)	3.1	2.3	3.6	5.0	4.5
* Pre-exceptional, pre-goodwill and fully diluted					

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Expressway	8,145	6,450	8,142	9,255	10,114
Mass transit	4,520	3,454	4,941	6,186	6,626
Commercial development	825	822	904	1,143	1,257

Sources: Bangkok Expressway and Metro; FSSIA estimates

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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	2,546	4,172	5,202
Depreciation	2,209	1,349	1,268	1,323	1,330
Associates & minorities	4	1	2	4	5
Other non-cash items	1,938	1,694	41	26	26
Change in working capital	(846)	(1,185)	87	1,356	1,160
Cash flow from operations	**5,352**	**2,869**	**3,945**	**6,881**	**7,723**
Capex - maintenance	(128)	(87)	(80)	(180)	(80)
Capex - new investment	(827)	(845)	0	0	0
Net acquisitions & disposals	(11)	(123)	0	198	159
Other investments (net)	(2,758)	(675)	(230)	(210)	(210)
Cash flow from investing	**(3,724)**	**(1,731)**	**(310)**	**(192)**	**(131)**
Dividends paid	(1,376)	(1,529)	(1,273)	(2,086)	(2,601)
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)	9	11	12
Cash flow from financing	**(717)**	**(1,621)**	**(4,311)**	**(6,978)**	**(7,589)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	5	0	0	0
Net other adjustments	**(172)**	**5**	**0**	**(198)**	**(159)**
Movement in cash	**738**	**(477)**	**(677)**	**(487)**	**(155)**
Free cash flow to firm (FCFF)	3,740.02	3,325.49	5,815.99	8,713.59	9,456.28
Free cash flow to equity (FCFE)	2,113.97	1,051.39	596.55	1,598.75	2,445.91

Per share (THB)					
FCFF per share	0.24	0.22	0.38	0.57	0.62
FCFE per share	0.14	0.07	0.04	0.10	0.16
Recurring cash flow per share	0.41	0.27	0.25	0.36	0.43

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
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**	**77,206**	**76,211**	**75,213**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	15,841	15,910	15,910	15,910	15,910
Cash & equivalents	2,599	2,122	1,446	959	804
A/C receivable	2,199	2,123	2,071	2,149	2,192
Inventories	-	-	-	-	-
Other current assets	246	295	322	365	378
Current assets	**5,044**	**4,541**	**3,839**	**3,473**	**3,374**
Other assets	15,157	16,100	14,705	13,578	12,472
Total assets	**113,616**	**115,088**	**112,018**	**109,592**	**107,347**
Common equity	37,991	37,697	38,973	41,063	43,669
Minorities etc.	42	2	4	8	13
Total shareholders' equity	**38,034**	**37,699**	**38,977**	**41,071**	**43,682**
Long term debt	57,728	62,667	63,000	56,000	51,000
Other long-term liabilities	4,120	4,077	2,713	2,918	2,942
Long-term liabilities	**61,848**	**66,744**	**65,713**	**58,918**	**53,942**
A/C payable	1,745	1,492	1,550	1,644	1,691
Short term debt	11,360	8,544	5,164	7,260	7,260
Other current liabilities	629	609	614	700	773
Current liabilities	**13,734**	**10,645**	**7,328**	**9,603**	**9,724**
Total liabilities and shareholders' equity	**113,616**	**115,088**	**112,018**	**109,592**	**107,347**
Net working capital	71	317	228	171	106
Invested capital	108,643	110,865	108,407	106,290	104,080

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

Per share (THB)					
Book value per share	2.49	2.47	2.55	2.69	2.86
Tangible book value per share	(2.56)	(2.65)	(2.50)	(2.30)	(2.06)
Financial strength					
Net debt/equity (%)	174.8	183.3	171.2	151.7	131.5
Net debt/total assets (%)	58.5	60.0	59.6	56.8	53.5
Current ratio (x)	0.4	0.4	0.5	0.4	0.3
CF interest cover (x)	2.6	2.0	1.3	1.9	2.5

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	**64.6**	**130.9**	**51.9**	**31.7**	**25.4**
Recurring P/E @ target price (x) *	**73.9**	**149.8**	**59.4**	**36.3**	**29.1**
Reported P/E (x)	64.6	130.9	51.9	31.7	25.4
Dividend yield (%)	1.2	0.9	1.0	1.6	2.0
Price/book (x)	3.5	3.5	3.4	3.2	3.0
Price/tangible book (x)	(3.4)	(3.3)	(3.5)	(3.8)	(4.2)
EV/EBITDA (x) **	33.5	51.3	34.2	25.1	21.4
EV/EBITDA @ target price (x) **	36.8	56.1	37.5	27.6	23.5
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

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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	PSH	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	WIIK
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	TPIPP	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
AMANAH	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	WIIK
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 th e 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

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History of change in investment rating and/or target price

Bangkok Expressway and Metro (BEM TB)
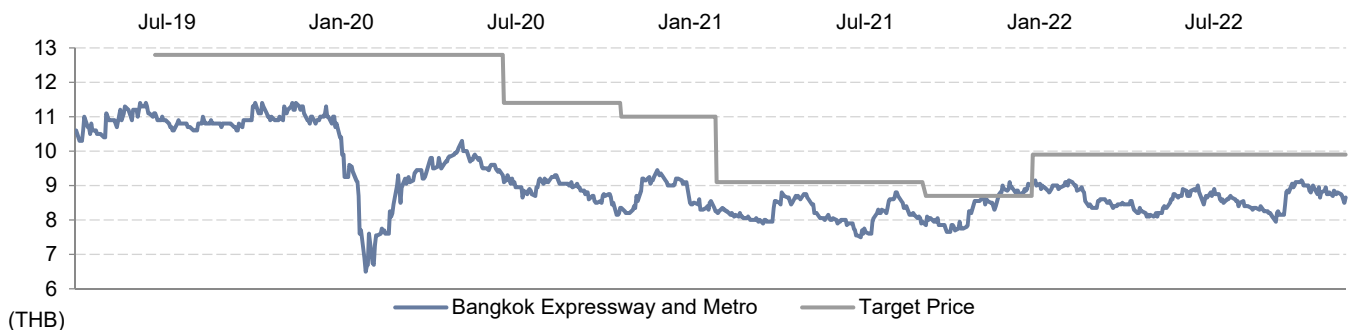
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
18-Sep-2019	BUY	12.80	12-Jan-2021	HOLD	9.10	11-Oct-2021	BUY	9.90
13-Jul-2020	BUY	11.40	25-Feb-2021	BUY	9.10			
22-Oct-2020	BUY	11.00	09-Jul-2021	BUY	8.70			

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
Bangkok Expressway and Metro	BEM TB	THB 8.65	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 08-Jul-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.