

# Bangkok Expressway **BEM**

Bangkok Expressway and Metro  
Public Company Limited

Bloomberg BEM TB  
Reuters BEM.BK



## Growth continuing

BEM reported 3Q24 earnings of Bt1.1bn, up 10% QoQ and 6.4% YoY, in line with INVX and consensus. In 4Q24F, we expect YoY growth on higher MRT ridership and average fare with a slip QoQ on lack of dividend income. We have lowered our MRT ridership assumptions, which brings our 2024F down by 4.5% and 2025F by 5.3%. The change in forecast has limited impact on TP as we also roll valuation base to 2025. We maintain **OUTPERFORM** with an SOTP-based TP Bt10.5/sh (Bt8.2/sh for core business, Bt1.5/sh for the Orange Line and Bt0.8/sh for investment in TTW and CKP). We continue to like BEM as earnings continue to grow and it has potential upside from the double deck project, which has not been included in our forecast.

**Recap 3Q24 results.** BEM reported net profit of Bt1.1bn, up 10% QoQ and 6.4% YoY, lining up with INVX and consensus. Expressway revenue (57% of total revenue) was Bt2.3bn, up only 1% YoY on partial closure of its expressway network and up 7.6% QoQ on higher traffic from fewer holidays than in 2Q24. Rail revenue (44%) was Bt1.8bn, increasing 7.9% YoY and 11.2% QoQ, both growths driven by higher MRT ridership. Revenue from commercial development (8%) was Bt308mn, up 10.4% YoY and 0.7% QoQ, on higher advertising and Metro Mall rental revenue. 9M24 accounted for 73% of our full-year forecast before revision.

**Expect 4Q24F earnings to grow YoY, but drop QoQ.** We expect earnings to grow YoY in 4Q24F on rising MRT ridership and higher average fare. We expect a QoQ drop as there will be no dividend income booked in the quarter.

**Revise 2024-2025F down.** We lowered our 2024F earnings by 4.5% to Bt3.8bn (+10.4% YoY) to reflect weaker-than-expected MRT ridership growth. In 10M24, BEM reported daily average ridership of 423k, growing 10% YoY vs our forecast of 15%, which led us to lower our assumption to 10%. This sliced 5.3% off 2025F earnings to Bt4.3bn (+12.9%). We keep our expressway traffic assumption, as 10M24 was in line with our forecast of 0%.

**Key takeaways from analyst meeting.** BEM hosted an analyst meeting yesterday. Its tone was neutral. Management said some clarity on the double-deck project should be seen in 1Q25, a slightly delay from 4Q24 due to government processes. The eastern part of the Orange Line is expected to be completed in late 2027; investment to date is Bt4.4bn. In 2025, management expects expressway traffic to return to growth as the impact from the partial closure of its expressway network will end in mid-2025. It expects MRT ridership growth of 5-10% in 2025 which is in line with our forecast of 7.5% growth.

**Risks and concerns.** Key concerns are the recovery of expressway traffic and MRT ridership. Key ESG risk for BEM is travel safety. A perception of lack of safety would reduce the number of people using expressways and MRT. This would lead to downside to our earnings forecast.

### Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	14,029	16,374	17,087	17,694	18,347
EBITDA	(Btmn)	6,625	9,076	9,464	9,961	10,566
Core profit	(Btmn)	2,436	3,479	3,840	4,337	4,789
Reported profit	(Btmn)	2,436	3,479	3,840	4,337	4,789
Core EPS	(Bt)	0.16	0.23	0.25	0.28	0.31
DPS	(Bt)	0.12	0.14	0.15	0.17	0.19
P/E, core	(x)	48.0	33.6	30.4	27.0	24.4
EPS growth, core	(%)	141.2	42.8	10.4	12.9	10.4
P/BV, core	(x)	3.1	3.1	3.0	2.8	2.7
ROE	(%)	6.5	9.3	10.0	10.7	11.3
Dividend yield	(%)	1.6	1.8	2.0	2.2	2.5
EV/EBITDA	(x)	28.0	20.3	19.1	17.8	16.5

Source: InnovestX Research

## Tactical: **OUTPERFORM** (3-month)

Stock data	
Last close (Nov 18) (Bt)	7.65
Target price (Bt)	10.50
Mkt cap (Btbn)	116.93
12-m high / low (Bt)	8.5 / 7
Avg. daily 6m (US\$m)	10.36
Foreign limit / actual (%)	49 / 7
Free float (%)	50.0
Outstanding Short Position (%)	1.26

Share price performance			
(%)	1M	3M	12M
Absolute	(6.7)	(3.8)	(6.1)
Relative to SET	(4.3)	(12.3)	(8.5)

INVX core earnings vs consensus		
Earnings vs consensus	2024F	2025F
Consensus (Bt mn)	3,839	4,245
INVX vs Consensus (%)	0.0	2.2

Earnings momentum	YoY	QoQ
INVX 4Q24 core earnings	Up	Down

2023 Sustainability/2022 ESG Score	
SET ESG Ratings	AA

Bloomberg ESG Score and Rank in the sector	
ESG Score and Rank	2.239/30
Environmental Score and Rank	1.018/30
Social Score and Rank	2.699/30
Governance Score and Rank	4.176/30

Source: SET, InnovestX Research, Bloomberg Finance L.P.

### Analyst

**Kittisorn Pruittipat, CFA, FRM**

Fundamental Investment

Analyst on Securities

(662) 949 1007

kittisorn.p@innovestx.co.th

## Our view on ESG

BEM is involved in infrastructure businesses (expressway and MRT) which do not in and of themselves release any emissions. We therefore view its businesses as friendly to the environment. The company is also listed on THSI. Key ESG risk for BEM is the travel safety of its passengers.

## ESG Ratings and Indices

<b>Bloomberg ESG Financial Materiality Score</b>	<b>3.93 (2022)</b>
Rank in Sector	5/30

	<b>CG Rating</b>	<b>DJSI</b>	<b>SETESG</b>	<b>SET ESG Ratings</b>
BEM	5	No	Yes	AA

Source: Thai Institute of Directors (IOD), SET

## Environmental Issue (E)

- BEM continues to maintain the ISO 14001 Environmental Management System and optimizes the use of natural resources through continuous energy management measures.
- It has also obtained ISO certifications: ISO 9001: 2015 Quality Management System and ISO 14001: 2015 Environmental Management System from SGS (Thailand) Limited.

## Social Issue (S)

- BEM strives to operate its businesses with social responsibility throughout the value chain as a part of society.
- It supplied one million fabric masks to MRT passengers and delivered fabric masks and protective equipment for COVID-19 to many parties during the COVID-19 outbreak.
- BEM gave scholarships for school development and provided COVID-19 prevention devices to 56 schools surrounding MRT routes including communities surrounding the stations.

## Governance Issue (G)

- BEM regards good corporate governance as a key business management tool to achieve its targets with efficiency and effectiveness.
- The board of directors has appointed a Corporate Governance and Risk Management Committee for policy-level consideration of adequacy and appropriateness.
- Management is tasked to supervise compliance with the principles of good corporate governance.
- In 2021, CG rating was excellent and anti-corruption progress indicator was certified.

## ESG Disclosure Score

	2022	2023
<b>ESG Financial Materiality Score</b>	<b>3.93</b>	—
<b>Environment Financial Materiality Score</b>	<b>4.94</b>	—
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1 ('000 metric tonnes)	2.40	8.06
GHG Scope 2 Location-Based ('000 metric tonnes)	104.68106.36	
GHG Scope 3 ('000 metric tonnes)	—	29.41
Energy Efficiency Policy	Yes	Yes
Waste Reduction Policy	Yes	Yes
<b>Social Financial Materiality Score</b>	<b>2.66</b>	—
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Business Ethics Policy	Yes	Yes
Anti-Bribery Ethics Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Number of Employees - CSR (persons)	3,750	3,861
<b>Governance Financial Materiality Score</b>	<b>4.16</b>	—
Number of Independent Directors on Audit Committee (persons)	3	3
Board Size (persons)	17	17
Number of Non Executive Directors on Board (persons)	11	11
Number of Women on Board (Persons)	6	6
Number of Independent Directors (persons)	6	6
Employee CSR Training	Yes	Yes

Source: Bloomberg Finance L.P.

## Disclaimer

Bloomberg ESG Scores rate companies on their level of management of financially material industry-specific ESG issues. Bloomberg offers four financially material scores, for overall ESG, as well as Environmental, Social, and Governance. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	16,107	13,489	10,727	14,029	16,374	17,087	17,694	18,347
Cost of goods sold	(Btmn)	(10,310)	(8,427)	(6,990)	(8,447)	(9,311)	(9,495)	(9,442)	(9,613)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>5,797</b>	<b>5,063</b>	<b>3,737</b>	<b>5,582</b>	<b>7,064</b>	<b>7,592</b>	<b>8,252</b>	<b>8,734</b>
SG&A	(Btmn)	(1,336)	(1,347)	(1,160)	(1,160)	(1,241)	(1,299)	(1,345)	(1,394)
Other income	(Btmn)	707	830	755	772	764	817	824	957
Interest expense	(Btmn)	(1,723)	(2,113)	(2,187)	(2,361)	(2,371)	(2,310)	(2,310)	(2,310)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>3,444</b>	<b>2,433</b>	<b>1,145</b>	<b>2,834</b>	<b>4,216</b>	<b>4,800</b>	<b>5,421</b>	<b>5,986</b>
Corporate tax	(Btmn)	(1,755)	(382)	(134)	(398)	(737)	(960)	(1,084)	(1,197)
Equity a/c profits	(Btmn)	173	0	0	0	0	0	0	0
Minority interests	(Btmn)	(17)	(4)	(1)	(0)	(0)	(0)	(0)	(0)
<b>Core profit</b>	<b>(Btmn)</b>	<b>2,548</b>	<b>2,048</b>	<b>1,010</b>	<b>2,436</b>	<b>3,479</b>	<b>3,840</b>	<b>4,337</b>	<b>4,789</b>
Extra-ordinary items	(Btmn)	2,887	4	0	0	0	0	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>5,435</b>	<b>2,051</b>	<b>1,010</b>	<b>2,436</b>	<b>3,479</b>	<b>3,840</b>	<b>4,337</b>	<b>4,789</b>
EBITDA	(Btmn)	9,194	6,404	4,461	6,625	9,076	9,464	9,961	10,566
<b>Core EPS</b>	<b>(Btmn)</b>	<b>0.17</b>	<b>0.13</b>	<b>0.07</b>	<b>0.16</b>	<b>0.23</b>	<b>0.25</b>	<b>0.28</b>	<b>0.31</b>
Net EPS	(Bt)	0.36	0.13	0.07	0.16	0.23	0.25	0.28	0.31
DPS	(Bt)	0.15	0.10	0.08	0.12	0.14	0.15	0.17	0.19

### Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	4,448	5,044	4,541	5,566	5,247	6,661	10,326	14,175
Total fixed assets	(Btmn)	84,296	84,532	83,845	81,997	79,500	77,647	75,942	74,224
<b>Total assets</b>	<b>(Btmn)</b>	<b>111,697</b>	<b>113,616</b>	<b>115,088</b>	<b>114,128</b>	<b>112,496</b>	<b>112,217</b>	<b>114,340</b>	<b>116,634</b>
Total loans	(Btmn)	66,333	69,088	71,211	70,441	68,303	66,000	66,000	66,000
Total current liabilities	(Btmn)	11,429	13,734	10,645	12,092	15,566	13,603	13,650	13,714
Total long-term liabilities	(Btmn)	61,445	61,848	66,744	64,773	59,265	59,250	59,293	59,336
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>72,874</b>	<b>75,582</b>	<b>77,390</b>	<b>76,865</b>	<b>74,832</b>	<b>72,853</b>	<b>72,943</b>	<b>73,050</b>
Paid-up capital	(Btmn)	21,102	21,102	21,102	21,102	21,102	21,102	21,102	21,102
<b>Total equity</b>	<b>(Btmn)</b>	<b>38,823</b>	<b>38,034</b>	<b>37,699</b>	<b>37,264</b>	<b>37,664</b>	<b>39,365</b>	<b>41,398</b>	<b>43,584</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>2.54</b>	<b>2.49</b>	<b>2.47</b>	<b>2.44</b>	<b>2.46</b>	<b>2.58</b>	<b>2.71</b>	<b>2.85</b>

### Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	2,548	2,048	1,010	2,436	3,479	3,840	4,337	4,789
Depreciation and amortization	(Btmn)	4,026	1,858	1,129	1,430	2,490	2,353	2,230	2,269
Operating cash flow	(Btmn)	5,469	5,522	3,445	5,545	7,544	7,487	8,292	8,684
Investing cash flow	(Btmn)	(7,061)	(4,593)	(4,526)	(1,177)	(2,692)	(2,435)	(2,461)	(2,383)
Financing cash flow	(Btmn)	1,769	(19)	598	(3,711)	(5,393)	(4,443)	(2,304)	(2,602)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>178</b>	<b>910</b>	<b>(482)</b>	<b>656</b>	<b>(542)</b>	<b>609</b>	<b>3,526</b>	<b>3,699</b>

### Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	36.0	37.5	34.8	39.8	43.1	44.4	46.6	47.6
Operating margin	(%)	27.7	27.5	24.0	31.5	35.6	36.8	39.0	40.0
EBITDA margin	(%)	57.1	47.5	41.6	47.2	55.4	55.4	56.3	57.6
EBIT margin	(%)	32.1	33.7	31.1	37.0	40.2	41.6	43.7	45.2
Net profit margin	(%)	33.7	15.2	9.4	17.4	21.2	22.5	24.5	26.1
ROE	(%)	14.0	5.4	2.7	6.5	9.2	9.8	10.5	11.0
ROA	(%)	1.7	1.8	0.9	2.1	3.1	3.4	3.8	4.1
Net D/E	(x)	1.7	1.8	1.9	1.8	1.8	1.6	1.5	1.3
Interest coverage	(x)	5.3	3.0	2.0	2.8	3.8	4.1	4.3	4.6
Debt service coverage	(x)	0.9	0.5	0.4	0.6	0.6	0.7	0.7	0.8
Payout Ratio	(%)	42.2	74.5	121.1	75.3	61.5	60.0	60.0	60.0

### Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Traffic for toll roads	('000 trips/day)	1,237	1,049	850	1,039	1,117	1,117	1,129	1,146
Ridership for mass transit	('000 trips/day)	337	260	147	274	390	429	461	491
CD revenue	(Btmn)	783	825	822	921	1,117	1,173	1,208	1,244

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total revenue	(Btmn)	3,935	4,099	3,908	4,182	4,186	4,249	4,023	4,365
Cost of goods sold	(Btmn)	(2,396)	(2,339)	(2,333)	(2,391)	(2,248)	(2,357)	(2,318)	(2,426)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>1,539</b>	<b>1,760</b>	<b>1,574</b>	<b>1,791</b>	<b>1,938</b>	<b>1,892</b>	<b>1,705</b>	<b>1,939</b>
SG&A	(Btmn)	(313)	(301)	(322)	(297)	(321)	(291)	(316)	(311)
Other income	(Btmn)	58	50	390	266	58	61	392	268
Interest expense	(Btmn)	(604)	(572)	(601)	(602)	(596)	(601)	(611)	(615)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>680</b>	<b>937</b>	<b>1,043</b>	<b>1,158</b>	<b>1,079</b>	<b>1,062</b>	<b>1,170</b>	<b>1,281</b>
Corporate tax	(Btmn)	(77)	(187)	(142)	(188)	(220)	(214)	(167)	(214)
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	(0)	0	(0)	(0)	(0)	0	(0)	0
<b>Core profit</b>	<b>(Btmn)</b>	<b>603</b>	<b>749</b>	<b>901</b>	<b>970</b>	<b>859</b>	<b>847</b>	<b>1,003</b>	<b>1,067</b>
Extra-ordinary items	(Btmn)	0	0	0	0	0	0	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>603</b>	<b>749</b>	<b>901</b>	<b>970</b>	<b>859</b>	<b>847</b>	<b>1,003</b>	<b>1,067</b>
EBITDA	(Btmn)	2,381	2,114	2,227	2,402	2,333	2,318	2,411	2,583
<b>Core EPS</b>	<b>(Btmn)</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.07</b>	<b>0.07</b>
Net EPS	(Bt)	0.04	0.05	0.06	0.06	0.06	0.06	0.07	0.07

### Balance Sheet

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total current assets	(Btmn)	5,566	5,228	4,567	5,469	5,247	9,490	5,213	5,090
Total fixed assets	(Btmn)	81,997	81,299	80,817	80,041	79,500	78,998	78,415	91,957
<b>Total assets</b>	<b>(Btmn)</b>	<b>114,128</b>	<b>113,091</b>	<b>111,849</b>	<b>112,850</b>	<b>112,496</b>	<b>118,313</b>	<b>113,850</b>	<b>128,345</b>
Total loans	(Btmn)	70,441	69,202	69,729	69,193	68,303	72,147	70,071	83,265
Total current liabilities	(Btmn)	12,092	12,235	12,251	15,572	15,566	16,063	16,944	16,692
Total long-term liabilities	(Btmn)	64,773	63,521	63,913	60,571	59,265	63,525	60,456	75,101
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>76,865</b>	<b>75,756</b>	<b>76,164</b>	<b>76,143</b>	<b>74,832</b>	<b>79,589</b>	<b>77,399</b>	<b>91,793</b>
Paid-up capital	(Btmn)	21,102	21,102	21,102	21,102	21,102	21,102	21,102	21,102
<b>Total equity</b>	<b>(Btmn)</b>	<b>37,264</b>	<b>37,334</b>	<b>35,685</b>	<b>36,707</b>	<b>37,664</b>	<b>38,724</b>	<b>36,451</b>	<b>36,552</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>2.44</b>	<b>2.44</b>	<b>2.33</b>	<b>2.40</b>	<b>2.46</b>	<b>2.53</b>	<b>2.38</b>	<b>2.39</b>

### Cash Flow Statement

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Core Profit	(Btmn)	603	749	901	970	859	847	1,003	1,067
Depreciation and amortization	(Btmn)	298	605	583	642	659	656	630	687
Operating cash flow	(Btmn)	4,938	2,235	1,731	2,198	1,380	2,829	2,150	3,107
Investing cash flow	(Btmn)	(8,032)	1,116	795	1,112	(5,714)	3,629	(3,371)	(641)
Financing cash flow	(Btmn)	5,999	(3,277)	(3,314)	(2,546)	3,744	(1,797)	(2,836)	(2,604)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>2,906</b>	<b>74</b>	<b>(789)</b>	<b>763</b>	<b>(590)</b>	<b>4,662</b>	<b>(4,057)</b>	<b>(138)</b>

### Key Financial Ratios

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Gross margin	(%)	39.1	42.9	40.3	42.8	46.3	44.5	42.4	44.4
Operating margin	(%)	31.2	35.6	32.1	35.7	38.6	37.7	34.5	37.3
EBITDA margin	(%)	60.5	51.6	57.0	57.4	55.7	54.6	59.9	59.2
EBIT margin	(%)	52.9	36.8	42.1	42.1	40.0	39.1	44.3	43.4
Net profit margin	(%)	15.3	18.3	23.1	23.2	20.5	19.9	24.9	24.4
ROE	(%)	6.4	7.9	9.8	10.4	9.2	8.9	11.1	11.7
ROA	(%)	2.1	2.6	3.2	3.4	3.0	2.9	3.6	3.5
Net D/E	(x)	1.8	1.8	1.9	1.8	1.8	1.7	1.9	2.2
Interest coverage	(x)	3.9	3.7	3.7	4.0	3.9	3.9	3.9	4.2
Debt service coverage	(x)	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.7

### Key Statistics

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Traffic for toll roads	('000 trips/day)	1,101	1,129	1,099	1,113	1,126	1,125	1,100	1,117
Ridership for mass transit	('000 trips/day)	349	382	411	382	416	431	393	438
CD revenue	(Btmn)	276	255	277	279	306	264	306	308

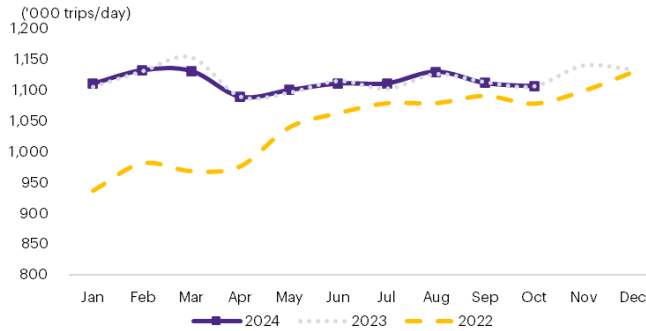
**Figure 1: 3Q24 results review**

<b>Unit: Btmn</b>	<b>3Q23</b>	<b>2Q24</b>	<b>3Q24</b>	<b>QoQ</b>	<b>YoY</b>
Revenue from expressway business	2,252	2,114	2,275	7.6%	1.0%
Revenue from rail business	1,651	1,603	1,782	11.2%	7.9%
Revenue from commercial development business	279	306	308	0.7%	10.4%
<b>Total revenue</b>	<b>4,183</b>	<b>4,023</b>	<b>4,365</b>	8.5%	4.4%
Cost of expressway business	(764)	(714)	(771)	8.0%	0.9%
Cost of rail business	(1,517)	(1,498)	(1,546)	3.2%	1.9%
Cost of commercial development business	(110)	(106)	(109)	2.8%	-0.9%
<b>Total COGS</b>	<b>(2,391)</b>	<b>(2,318)</b>	<b>(2,426)</b>	4.7%	1.5%
<b>Gross profit</b>	<b>1,792</b>	<b>1,705</b>	<b>1,939</b>	13.7%	8.2%
SG&A	(297)	(316)	(311)	-1.8%	4.6%
<b>Operating profit</b>	<b>1,495</b>	<b>1,389</b>	<b>1,628</b>	17.2%	8.9%
Other income/(expense)	266	392	268	-31.6%	0.9%
<b>EBIT</b>	<b>1,761</b>	<b>1,781</b>	<b>1,896</b>	6.5%	7.7%
Equity income	0	0	0	na.	na.
Interest expense	(602)	(611)	(615)	0.6%	2.1%
<b>EBT</b>	<b>1,158</b>	<b>1,170</b>	<b>1,281</b>	9.5%	10.6%
Income tax	(188)	(167)	(214)	28.3%	13.8%
Minority interests	(0)	(0)	0	na.	na.
<b>Core profit</b>	<b>970</b>	<b>1,003</b>	<b>1,067</b>	6.4%	10.0%
Extra items	0	0	0	na.	na.
<b>Net income</b>	<b>970</b>	<b>1,003</b>	<b>1,067</b>	6.4%	10.0%
EPS (Bt/sh.)	0.06	0.07	0.07	6.4%	10.0%
<b>Ratio analysis</b>					
SG&A to sales (%)	7.1	7.9	7.1		
Operating profit margin (%)	35.7	34.5	37.3		
Net profit margin (%)	23.2	24.9	24.5		

Source: InnovestX Research, BEM

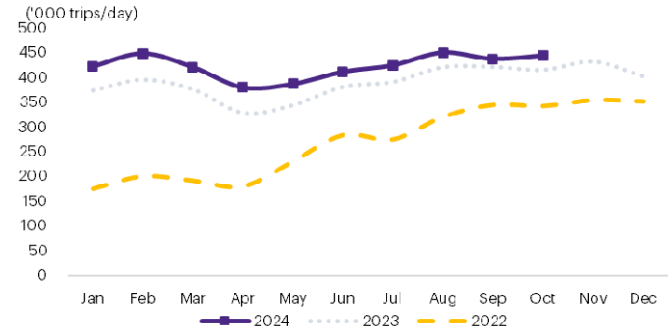
**Appendix**

**Figure 2: Expressway traffic**



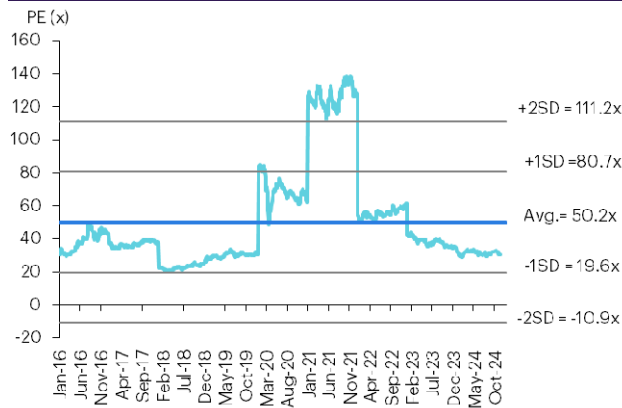
Source: Company data and InnovestX Research

**Figure 3: MRT (Blue line) ridership**



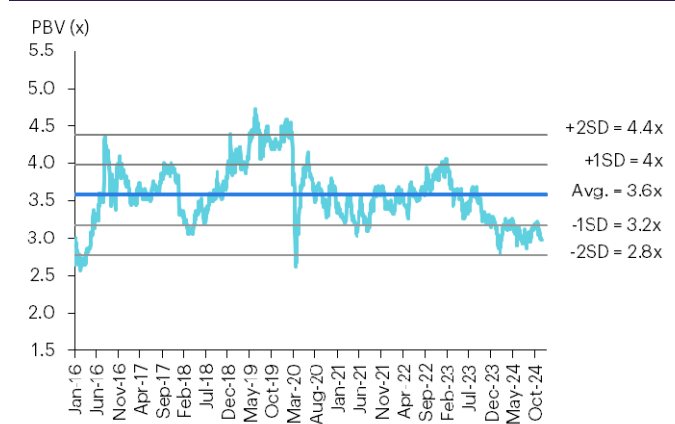
Source: Company data and InnovestX Research

**Figure 4: PE Band**



Source: Company data and InnovestX Research

**Figure 5: PBV Band**



Source: Company data and InnovestX Research

**Figure 6: BEM – SOTP valuation**

	Btmn	Bt/sh	Comment
Toll roads business	51,001	3.3	
Mass transit business	83,360	5.5	
Commercial development business	13,330	0.9	
Investments (CKP & TTW)	12,120	0.8	Market price
<b>Target price</b>	<b>159,810</b>	<b>10.5</b>	

Source: InnovestX Research, BEM

**Figure 7: Valuation summary** (Price as of Nov 18, 2024)

Company name	Country	Mkt. Cap (US\$m)	PE (x)			EPS Growth (%)			PBV (x)			Div. Yield (%)			ROE (%)			EV/EBITDA (x)		
			24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F
Guangshen Railway Co Ltd	China	3,100	9.7	9.0	8.5	35.3	7.4	5.5	0.5	0.5	0.5	5.1	5.6	6.1	5.1	5.5	5.6	6.0	5.8	5.6
MTR Corp Ltd	Hong Kong	21,991	12.4	10.3	10.5	75.8	20.9	(2.6)	0.9	0.9	0.8	4.8	4.8	4.9	7.6	9.0	8.5	10.6	9.3	9.4
East Japan Railway Co	Japan	21,350	15.3	14.2	12.0	24.6	8.1	17.9	1.2	1.1	1.0	1.7	2.0	2.2	7.6	7.8	8.4	10.4	9.9	9.3
West Japan Railway Co	Japan	8,315	12.8	11.8	11.2	7.8	9.1	4.8	1.2	1.1	1.0	2.6	3.0	3.1	8.9	9.5	9.4	8.2	7.7	7.5
Bangkok Expressway & Metro PCL	Thailand	3,315	30.8	27.4	25.5	7.8	12.5	7.5	2.9	2.8	2.7	2.0	2.2	2.4	9.8	10.4	10.8	22.1	20.5	19.4
BTS Group Holdings PCL	Thailand	2,254	n.m	95.8	55.2	71.0	165.8	73.8	1.3	1.4	1.3	1.0	1.1	1.7	-0.1	1.3	2.4	36.7	36.8	34.9
<b>Average</b>			<b>16.2</b>	<b>28.1</b>	<b>20.5</b>	<b>37.1</b>	<b>37.3</b>	<b>17.8</b>	<b>1.3</b>	<b>1.3</b>	<b>1.2</b>	<b>2.9</b>	<b>3.1</b>	<b>3.4</b>	<b>6.5</b>	<b>7.2</b>	<b>7.5</b>	<b>15.7</b>	<b>15.0</b>	<b>14.4</b>

Source: Bloomberg Finance L.P.

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**Companies with Good CG Scoring**

A5, ADD, AIE, ALUCON, AMC, AMR, ARIN, ASEFA, ASIA, ASN, BIG, BIOTEC, BIS, BJCHI, BLC, BVG, CEN, CGH, CHARAN, CHAYO, CHIC, CHOTI, CITY, CMC, CPANEL, CSP, DEXON, DOD, DPAINT, DV8, EASON, EE, EFORL, EKH, ESTAR, ETL, FNS, GBX, GENCO, GTB, GYT, ICN, IIG, IMH, IRCP, J, JCKH, JMT, JPARK, JR, JSP, JUBILE, KBS, KCAR, KIAT, KISS, KK, KWC, LDC, LEO, MCA, META, MGC, MITSIB, MK, NAM, NOVA, NTV, NV, OGC, PACO, PANEL, PHG, PIN, PRAPAT, PRI, PRIN, PROEN, PROS, PTC, READY, ROCTEC, SABUY, SALEE, SAMCO, SANKO, SCI, SE, SE-ED, SINGER, SISB, SKN, SKY, SMD, SMIT, SORKON, SPG, SST, STC, STOWER, STP, SVR, SWC, TAKUNI, TC, TFI, TMC, TMI, TNP, TOPP, TRU, UEC, UOBKH, VL, WAVE, WFX, WIJK, XO, XPG, YUASA, ZAA

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2S, AAI, ADB, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCO, AS, ASIAN, ASK, ASP, ASW, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRI, BRR, BSBM, BTG, BTS, BWG, CAZ, CBG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CI, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, CV, DCC, DELTA, DEMCO, DIMET, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ETC, ETE, FNS, FPI, FPT, FSMART, FSX, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOBAL, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HEALTH, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JR, JTS, KASET, KBANK, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, MEGA, MENA, META, MFC, MFEC, MILL, MINT, MODERN, MONO, MOONG, MSC, MTC, MTI, NATION, NCAP, NEP, NER, NKI, NOBLE, NRF, OCC, OGC, OR, ORI, OSP, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PRTR, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RBF, RML, RS, RWI, S&J, SA, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SENX, SFLEX, SGC, SGP, SIRI, SIS, SITHAI, SKR, SM, SMIT, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SVOA, SVT, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TEGH, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLO, TIPCO, TIPH, TISCO, TKN, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TPLAS, TRT, TRU, TRUE, TSC, TSI, TSTE, TSTH, TTB, TTCL, TU, TURTLE, TVDH, TVO, TWPC, UBIS, UEC, UKEM, UPF, UV, VCOM, VGI, VIBHA, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, WPH, XO, YUASA, ZEN

**Declared (ประกาศเจตนา)**

ACE, ALT, AMARIN, AMC, ANI, APCO, ASAP, B52, BLAND, BYD, CFARM, CHASE, CHG, DEXON, DITTO, ECL, EVER, FLOYD, GREEN, HL, HUMAN, ICN, IHL, IP, ITC, JDF, JMART, K, KJL, LDC, LIT, MITSIB, MJD, MOSHI, NEX, NTSC, PLE, PLUS, POLY, PQS, PRI, PRIME, PROEN, PROUD, PTC, RT, S, SAWAD, SCAP, SCGD, SFT, SHR, SINGER, SINO, SJWD, SKE, SNNP, SOLAR, SONIC, SUPER, TBN, TMI, TPAC, TPP, TQM, UOBKH, UREKA, VNG, WELL, WIN, XPG

**N/A**  
24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALUCON, AMARC, AMR, ANAN, AOT, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BROCK, BSM, BSRC, BTC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, RDD, DHOUSE, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, EE, EFORL, EKH, EMC, ESTAR, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HFT, HPT, HTECH, HYDRO, I2, IIG, IMH, IND, INGRES, INSET, IRC, IRCP, IROYAL, IT, ITD, ITNS, ITTHI, J, JAK, JCK, JCKH, JCT, JKN, JMT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KK, KMC, KLINI, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEDEZE, METCO, MGC, MGI, MGT, MICRO, MIDA, MK, ML, MORE, MPJ, MST, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTV, NUSA, NV, NVD, NWR, NYT, OHTL, OKJ, ONEE, ORN, PACO, PAF, PANEL, PCC, PCE, PEACE, PEER, PERM, PF, PHG, PICO, PIN, PJW, PLT, PMC, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PRO, PSG, PSP, PTL, QTCC, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAV, SAWANG, SBNEXT, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SEI, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKN, SKY, SLP, SMART, SMD, SMT, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STC, STECH, STECON, STHAI, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVI, SWC, SYNEX, TACC, TAN, TAPAC, TATG, TC, TCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THG, THMU, TIGER, TITL, TK, TKC, TLI, TM, TMAN, TMC, TMM, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTA, TTI, TTT, TTW, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UBE, UMI, UMS, UNIQU, UP, UPOIC, UTP, UVAN, VARO, VL, VPO, VRANDA, W, WARRIX, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WP, YGG, YONG, ZAA, ZIGA

**Explanations**

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 14, 2024) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.