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KEY HIGHLIGHTS

Update

Airports of Thailand (AOT TB/BUY/Bt68.75/Target: Bt76.00)

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Limited downside, awaiting robust earnings in 1HFY24.

Bangkok Expressway and Metro (BEM TB/BUY/Bt8.00/Target: Bt9.60)

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Expect Strong Earnings in 3Q23.

KEY INDICES

Symbol	Close	Chg	%Chg
SET	1,434.45	2.73	0.19
SET50	878.02	3.52	0.40
Value (Btm) - SET	38,367		
Top 5 Sector			
BANK	388.60	(1.39)	(0.36)
PETRO	689.67	14.86	2.20
PROP	228.14	0.97	0.43
ENERG	20,347.24	107.84	0.53
ICT	157.03	(0.15)	(0.10)

Source: Bloomberg

TOP VOLUME

Symbol	Close (Baht)	+/- (% Chg)	5-day ADT (BTm)
SRS	12.40	0.00	-
CPF	18.60	(5.58)	596.4
DELTA	83.25	5.38	2,100.1
PTTEP	168.50	0.00	1,974.2
CPALL	59.25	(1.25)	1,190.4

TOP GAINERS

Symbol	Close (Baht)	+/- (% Chg)	5-day ADT (BTm)
ALL	0.04	33.33	0.2
CV	0.86	30.30	35.7
TWZ	0.05	25.00	0.1
TFI	0.11	10.00	0.0
ROCK	10.20	6.81	0.0

TOP LOSERS

Symbol	Close (Baht)	+/- (% Chg)	5-day ADT (BTm)
NEWS	0.01	(50.00)	0.1
HYDRO	0.32	(30.43)	0.2
PRIME	0.55	(30.38)	124.6
JCKH	0.04	(20.00)	0.2
PLE	0.44	(13.73)	2.9

KEY STATISTICS

Commodity	Current Price	%Chg		
		1m	3M	YTD
Brent crude*	88.0	(2.3)	12.4	7.7
Dubai crude*	90.2	(1.5)	14.7	14.7
Baltic Dry Index	1,983.0	64.0	92.2	30.9
Gold Spot***	1,860.7	(3.2)	(3.7)	2.0

*(US\$/bbl), *** (US\$/toz)

FOREIGN PORTFOLIO INVESTMENT IN EQUITIES (THAILAND)

Day (Mil US\$)	MTD Net (Mil US\$)	YTD Net (Mil US\$)	YTD Net YoY%
(34.6)	(193.7)	(4,720.3)	(8,090.9)

Source: Bloomberg

Foreign Exchange Rate - THB/US\$ (onshore) = 36.50

Interest Rate (%) - TH 1-day RP = 1.50

Thai Lending Rate (%) - MLR = 7.10

COMPANY UPDATE

Airports of Thailand (AOT TB)

Limited Downside, Awaiting Robust Earnings In 1HFY24

4QFY23 earnings are likely to improve yoy and qoq to Bt3.7b (+379% yoy, +18% qoq), driven by a continued increase in passengers and new revenue collection methods. Although we have revised FY24 earnings down by 14%, we believe the downside risk is limited. We prefer AOT as it stands to benefit significantly from the recovery of Thailand's tourism sector. Maintain BUY. Target price: Bt76.00.

4QFY23 EARNINGS PREVIEW

Year to 31 Sep (Btm)	4QFY22	3QFY23	4QFY23F	yoy (%)	qoq (%)
Aero revenue	3,118	6,055	6,179	98.1	2.0
Non-aero revenue	3,431	6,900	7,504	118.7	8.8
Total revenue	6,550	12,954	13,683	108.9	5.6
Operating EBIT	(237)	5,507	6,146	2,693.5	11.6
Operating EBITDA	2,034	7,677	8,346	310.3	8.7
Core profit	(1,112)	3,233	3,718	434.3	15.0
Net profit	(1,333)	3,156	3,718	379.0	17.8
Percent	4Q22	3Q23	4Q23	yoy (ppts)	qoq (ppts)
EBIT margin	(3.6)	42.5	44.9	48.5	2.4
EBITDA margin	31.1	59.3	61.0	29.9	1.7
Core profit margin	(17.0)	25.0	27.2	44.2	2.2
Net profit margin	(20.3)	24.4	27.2	47.5	2.8

Source: AOT, UOB Kay Hian

WHAT'S NEW

- **4QFY23 earnings expected to improve.** We expect Airports of Thailand (AOT) to post 4QFY23 earnings of Bt3.7b (+379% yoy, +18% qoq), driven by an improvement in the total number of passengers (+48% yoy, +3% qoq, 25% below pre-COVID-19 levels) and new revenue collection methods for airline operators and concessionaires.
- **Revenue growth supported by passenger numbers and new revenue collection methods.** Total revenue should continue to rise by 109% yoy and 6% qoq, fuelled by aeronautical and non-aeronautical sales. Aeronautical sales are expected to benefit from the rising number of international passengers (+102% yoy, +8% qoq). However, the growth in domestic travel demand is expected to be more moderate (+7% yoy, -3% qoq) due to the low season of travel during the rainy season, the reopening of other countries in the region, and a reduction in travel revenue trends. Non-aeronautical sales is expected to see growth due to the discontinuation of supportive measures implemented during the pandemic, such as the removal of a 50% discount for airline operators and the implementation of new revenue collection methods for concessionaires.

KEY FINANCIALS

Year to 30 Sep (Btm)	2021	2022	2023F	2024F	2025F
Net turnover	7,086	16,560	47,561	70,824	82,586
EBITDA	(6,605)	684	26,872	48,160	56,984
Operating profit	(15,632)	(8,248)	17,420	37,251	45,473
Net profit (rep./act.)	(16,322)	(11,088)	9,591	25,397	31,552
Net profit (adj.)	(16,322)	(11,088)	9,591	25,397	31,552
EPS (Bt)	(1.1)	(0.8)	0.7	1.8	2.2
PE (x)	n.m.	n.m.	102.4	38.7	31.1
P/B (x)	8.7	9.7	8.9	7.5	6.7
EV/EBITDA (x)	n.m.	1,517.1	38.6	21.6	18.2
Dividend yield (%)	0.0	0.0	0.6	1.6	1.9
Net margin (%)	(230.4)	(67.0)	20.2	35.9	38.2
Net debt/(cash) to equity (%)	49.7	58.3	49.2	32.7	21.1
Interest cover (x)	(2.4)	0.2	8.9	15.8	18.3
ROE (%)	n.a.	n.a.	9.0	21.0	22.7
Consensus net profit	-	-	10,052	27,339	33,892
UOBKH/Consensus (x)	-	-	0.95	0.93	0.93

Source: Airports of Thailand, Bloomberg, UOB Kay Hian
n.m. : not meaningful; negative P/E, EV/EBITDA reflected as "n.m."

BUY

(Maintained)

Share Price	Bt68.75
Target Price	Bt76.00
Upside	+10.5%
(Previous TP)	Bt83.00)

COMPANY DESCRIPTION

AOT operates 6 of the 38 airports in Thailand, but collectively these 6 airports account for 83% of the total pax throughput

STOCK DATA

GICS sector	Industrials
Bloomberg ticker:	AOT TB
Shares issued (m):	14,285.7
Market cap (Btm):	982,141.9
Market cap (US\$m):	26,460.7
3-mth avg daily t'over (US\$m):	36.6

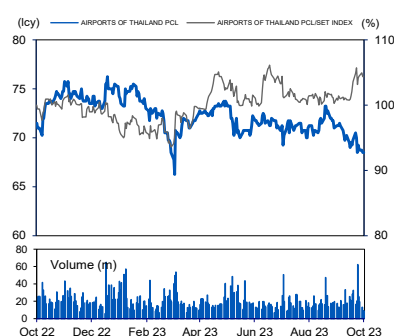
Price Performance (%)

52-week high/low			Bt76.25/Bt66.25	
1mth	3mth	6mth	1yr	YTD
(3.2)	(3.5)	(4.5)	(5.8)	(8.3)

Major Shareholders

	%
Finance Ministry	70.0
Thai NVDR Co Ltd	4.5
FY24 NAV/Share (Bt)	9.15
FY24 Net Debt/Share (Bt)	2.99

PRICE CHART



Source: Bloomberg

ANALYST(S)

Kochakorn Sutaruksanon
+662 090 8303
kochakorn@uobkayhian.co.th

KEY STATISTICS

Key Stats	4QFY19	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	yoy (%)	qoq (%)	To Pre-COVID
Inter	124,315	50,443	66,829	79,117	84,569	90,506	79.4	7.0	73%
Domestic	94,825	72,123	83,549	84,588	76,230	74,496	3.3	-2.3	79%
Total Aircraft	219,140	122,566	150,378	163,705	160,799	165,038	34.7	2.6	75%
Inter PAX (m)	20.7	7.4	11.0	14.0	13.9	15.0	101.6	7.6	73%
Domestic PAX (m)	13.4	9.9	12.0	12.5	11.0	10.7	7.4	-3.0	80%
Total PAX (m)	34.0	17.4	23.0	26.4	24.9	25.7	47.8	2.9	75%

Source: AOT, UOB Kay Hian

STOCK IMPACT

- Earnings outlook for 1HFY24.** We expect earnings in 1QFY24 and 2QFY24 continue to improve yoy and qoq, underpinned by: a) the high season of travel in Thailand, and b) new revenue collection methods for airline operators and concessionaires.
- Despite slower travel demand growth from China, we expect the growth of total international arrivals to remain positive.** Historical incidents such as the Bangkok bombing in 2015 and the Phuket boat accident in 2018, have shown that the number of Chinese visitors tends to decline for 4-5 consecutive months after such events. Hence, the recent shooting at Siam Paragon in Oct 23 may raise safety concerns for Chinese travellers, potentially resulting in a slower growth rate as they may choose different travel destinations or postpone their trips. However, we expect total international arrivals to continue to improve in 1HFY24 (Oct 23-Mar 24), supported by the high season of travel in Thailand, the ongoing growth in the number of non-Chinese travellers, and a lower base of Chinese visitors.

IMPACT OF TRAGIC ACCIDENTS

Date	Situation	Impact on Chinese arrivals	Impact on Non-Chinese arrivals	Time to recover (months)	Chinese arrivals impact on 4Q	Total arrivals impact on 4Q
Aug-15	Bangkok Bomb	Yes	Yes	4	(+21% yoy, -14% qoq)	(+4% yoy, +6% qoq)
Jul-18	Phuket Boat Accident	Yes	No	5	(-10% yoy, -12% qoq)	(+4% yoy, +7% qoq)

Source: MOTs, UOB Kay Hian

EARNINGS REVISION/RISK

- Cut FY24 earnings by 14% to reflect slow travel demand growth from China.** We are revising our assumptions to be more conservative, with the assumption of a total number of passengers at 130m for FY24, which is lower than the corporate guidance of 142m as we expect Chinese visitors to delay their travel decisions to Thailand following the shooting incident at Siam Paragon in Oct 23.

KEY EARNINGS REVISION

	FY23			FY24		
(Bt m)	New	Old	% Chg	New	Old	% Chg
Aero revenue	22,240	22,240	0.0%	31,239	34,684	-9.9%
Non-aero revenue	25,321	25,321	0.0%	39,585	44,046	-10.1%
Total revenue	47,561	47,561	0.0%	70,824	78,730	-10.0%
Gross profit	17,420	17,420	0.0%	37,251	42,628	-12.6%
Operating EBITDA	26,872	26,872	0.0%	48,160	53,537	-10.0%
Net profit	9,591	9,591	0.0%	25,397	29,470	-13.8%
	New	Old	ppt chg	New	Old	ppt chg
Margin						
Gross margin	36.6%	36.6%	0.00	52.6%	54.1%	-1.55
Net profit margin	20.2%	20.2%	0.00	35.9%	37.4%	-1.57
Assumption	New	Old	chg	New	Old	chg
Aircraft movement	650,000	650,000	0%	840,000	900,000	-7%
No. PAX (m)	96	96	0%	130	140	-7%
Avg. concession revenue/head	164	164	0%	205	216	-5%

Source: AOT, UOB Kay Hian

VALUATION/RECOMMENDATION

- Maintain BUY with a lower target price of Bt76.00.** based on 2024 EV/EBITDA of 24x, 1SD above its historical pre-COVID-19 trading level. Although we have revised FY24 earnings down by 14%, we believe the downside risk is limited. We prefer AOT as it stands to benefit significantly from the recovery of Thailand's tourism sector.

QUARTERLY PASSENGERS



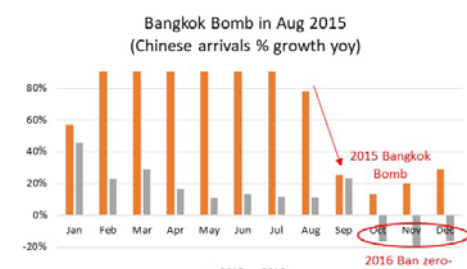
Source: MOTs, UOB Kay Hian

ANNUAL PASSENGERS



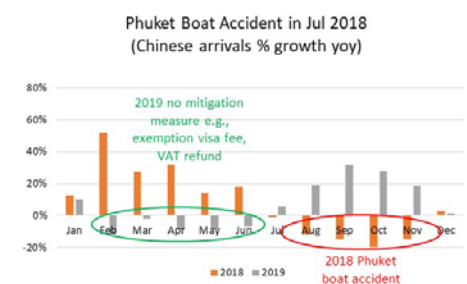
Source: MOTs, UOB Kay Hian

BANGKOK BOMB 2015



Note: 2014 Military Coup
Source: MOTs, UOB Kay Hian

PHUKET BOAT ACCIDENT 2018



Source: MOTs, UOB Kay Hian

PROFIT & LOSS

Year to 30 Sep (Btm)	2022	2023F	2024F	2025F
Net turnover	16,560	47,561	70,824	82,586
EBITDA	684	26,872	48,160	56,984
Deprec. & amort.	8,932	9,452	10,909	11,511
EBIT	(8,248)	17,420	37,251	45,473
Total other non-operating income	(2,934)	(2,235)	(2,196)	(2,593)
Associate contributions	0	0	0	0
Net interest income/(expense)	(2,882)	(3,013)	(3,053)	(3,121)
Pre-tax profit	(13,864)	12,172	32,003	39,759
Tax	2,888	(2,434)	(6,401)	(7,952)
Minorities	(112)	(146)	(205)	(254)
Net profit	(11,088)	9,591	25,397	31,552
Net profit (adj.)	(11,088)	9,591	25,397	31,552

CASH FLOW

Year to 30 Sep (Btm)	2022	2023F	2024F	2025F
Operating	(3,764)	26,110	35,629	43,795
Pre-tax profit	(13,864)	12,172	32,003	39,759
Tax	2,888	(2,434)	(6,401)	(7,952)
Deprec. & amort.	8,932	9,452	10,909	11,511
Working capital changes	165	3,289	(499)	784
Non-cash items	(1,885)	3,631	(383)	(307)
Other operating cashflows	n.a.	n.a.	n.a.	n.a.
Investing	(8,756)	(21,813)	(18,238)	(17,112)
Capex (growth)	(17,019)	(21,640)	(18,060)	(16,930)
Investments	8,702	(172)	(178)	(182)
Others	(438)	0	0	0
Financing	(1,056)	(3,707)	(5,600)	(15,611)
Dividend payments	(8)	0	(5,755)	(15,238)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,233)	(3,899)	(97)	(677)
Others/interest paid	185	191	252	304
Net cash inflow (outflow)	(13,576)	590	11,791	11,072
Beginning cash & cash equivalent	8,479	3,798	4,388	16,149
Changes due to forex impact	8,895	0	(30)	(129)
Ending cash & cash equivalent	3,798	4,388	16,149	27,092

BALANCE SHEET

Year to 30 Sep (Btm)	2022	2023F	2024F	2025F
Fixed assets	156,998	169,361	176,721	182,450
Other LT assets	18,339	15,926	17,717	18,807
Cash/ST investment	3,798	4,388	16,149	27,092
Other current assets	4,679	3,365	4,899	5,702
Total assets	183,813	193,039	215,487	234,051
ST debt	3,738	948	1,066	600
Other current liabilities	10,757	13,715	15,960	18,158
LT debt	59,094	57,985	57,770	57,559
Other LT liabilities	7,705	8,090	8,495	8,920
Shareholders' equity	101,324	110,961	130,651	147,015
Minority interest	1,195	1,341	1,546	1,800
Total liabilities & equity	183,813	193,039	215,487	234,051

KEY METRICS

Year to 30 Sep (%)	2022	2023F	2024F	2025F
Profitability				
EBITDA margin	4.1	56.5	68.0	69.0
Pre-tax margin	(83.7)	25.6	45.2	48.1
Net margin	(67.0)	20.2	35.9	38.2
ROA	n.a.	5.1	12.4	14.0
ROE	n.a.	9.0	21.0	22.7
Growth				
Turnover	133.7	187.2	48.9	16.6
EBITDA	n.a.	3,827.5	79.2	18.3
Pre-tax profit	n.a.	n.a.	162.9	24.2
Net profit	n.a.	n.a.	164.8	24.2
Net profit (adj.)	n.a.	n.a.	164.8	24.2
EPS	n.a.	n.a.	164.8	24.2
Leverage				
Debt to total capital	38.0	34.4	30.8	28.1
Debt to equity	62.0	53.1	45.0	39.6
Net debt/(cash) to equity	58.3	49.2	32.7	21.1
Interest cover (x)	0.2	8.9	15.8	18.3

COMPANY UPDATE

Bangkok Expressway and Metro (BEM TB)

Expect Strong Earnings in 3Q23

BEM is expected to announce 3.9% earnings growth in 3Q23 due to ridership recovery and a minor reduction in electricity expenses. We expect a continuous qoq growth in 4Q23 as travel demand has fully normalised. In addition, there is a possible upside from MRT Orange line after the speculation and uncertainties around MRT Orange Line are resolved. Maintain BUY. Target price: Bt9.60.

WHAT'S NEW

- **Mobility nearly normalised.** Both average daily expressway traffic volume and MRT Blue Line ridership are expected to improve qoq in 3Q23 and slightly drop in 4Q23. For expressway, average traffic volume increased to 1,125,345 trips/day (+2.2% mom), and slightly decreased in Sep 23 (1,112,632 trips/day, -1.1% mom). Similarly, the average MRT Blue Line ridership also reached the highest in 12 years, as the average daily MRT Blue Line ridership in Aug 23 reached 420,379 trips/day (+7.6% mom), and still growing further in Sep 23, 420,941 trips/day (+0.1% mom). We believe travel demand will continue to improve throughout 2024 with the opening of key points of interest around the inner city of Bangkok (eg One Bangkok, Dusit Central Park and The Emsphere).
- **Minor cost improvement.** Due to government policies, the electricity costs have been reduced from Bt4.70/unit to Bt3.99/unit in Sep-Dec 23. We expect minimal impact with only a one-month reduction in 3Q23. The cost of operation for the expressway and railway segments is expected to be maintained at around 20% and 87% of the total revenue in 3Q23, close to that in 3Q22 with a 4% reduction in COGs margin in the rail business.
- **Possible upside from MRT Orange Line.** The Bangkok Mass Transit System (BTSC) has appealed to the Supreme Court over Mass Rapid Transit Authority of Thailand (MRTA) regarding unlawful criteria changes over the second round bidding. However, we believe it is unlikely that BTSC will win this appeal as: a) the ruling will ultimately be based on the operator with the ability to deliver the project at the agreed date and specification, b) the current government is unlikely to re-bid for the third time as it will lose the original bid and incur opportunity costs, and c) re-bidding will open up further litigation between MRTA and Bangkok Expressway and Metro (BEM), and may cause further delay on the project.
- **Seeking new projects.** BEM has continuously shown interest in infrastructure projects from the public sector (eg Double Deck, Sriracha Service Center), which we believe can potentially add more synergies to its existing expressway (FES & SES) while also diversifying from its current investments.

KEY FINANCIALS

Year to 31 Dec (Btm)	2021	2022	2023F	2024F	2025F
Net turnover	10,727	14,029	16,065	16,946	17,567
EBITDA	3,706	6,012	7,441	8,135	8,482
Operating profit	2,577	4,423	5,577	6,170	6,443
Net profit (rep./act.)	1,010	2,436	3,294	3,967	4,044
Net profit (adj.)	1,010	2,436	3,294	3,967	4,044
EPS (Bt)	0.1	0.2	0.2	0.3	0.3
PE (x)	120.3	49.9	36.9	30.6	30.0
P/B (x)	3.2	3.3	3.2	3.0	2.9
EV/EBITDA (x)	50.7	31.3	25.3	23.1	22.2
Dividend yield (%)	1.3	1.0	1.5	1.6	2.0
Net margin (%)	9.4	17.4	20.5	23.4	23.0
Net debt/(cash) to equity (%)	183.6	181.5	173.3	158.9	149.2
Interest cover (x)	1.7	2.5	3.1	3.7	3.5
ROE (%)	2.7	6.5	8.7	10.1	9.8
Consensus net profit	-	-	3,631	4,220	4,618
UOBKH/Consensus (x)	-	-	0.91	0.94	0.88

Source: Bangkok Expressway and Metro, Bloomberg, UOB Kay Hian

BUY

(Maintained)

Share Price	Bt8.00
Target Price	Bt9.60
Upside	+20.0%
(Previous TP)	Bt10.00)

COMPANY DESCRIPTION

BEM is an operator of expressway and train services in Bangkok and suburban areas under the concessions of the Expressway Authority of Thailand and the Mass Rapid Transit Authority of Thailand.

STOCK DATA

GICS sector	Industrials
Bloomberg ticker:	BEM TB
Shares issued (m):	15,285.0
Market cap (Btm):	121,515.8
Market cap (US\$m):	3,280.0
3-mth avg daily t'over (US\$m):	6.5

Price Performance (%)

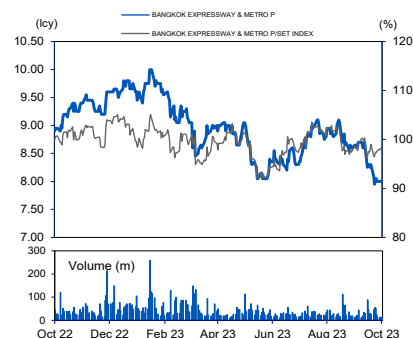
52-week high/low			Bt10.00/Bt7.95	
1mth	3mth	6mth	1yr	YTD
(8.6)	(7.6)	(10.7)	(10.7)	(18.9)

Major Shareholders

	%
CH Karnchang group	34.4
Mass Rapid Transit Authority of Thailand	8.2
Thai NVDR	6.9

FY23 NAV/Share (Bt)	2.51
FY23 Net Debt/Share (Bt)	4.35

PRICE CHART



Source: Bloomberg

ANALYST(S)

Kampon Akaravarinchai

+662 659 8031

kampon@uobkayhian.co.th

ASSISTANT ANALYST(S)

Sarit Srinavakul

STOCK IMPACT

- 3Q23 earnings preview.** BEM is expected to report a 3Q23 net profit of Bt936m (+8.5% yoy, +3.9% qoq). The qoq earnings growth is mainly contributed by higher revenue from the rail business. We expect that revenue for 3Q23 will likely surpass 3Q19 results, in line with guidance from the company indicating that in the absence of COVID-19, the rail business has already resumed its organic growth. We also expect higher gross margin qoq following better economies of scale.
- 2023-24 earnings outlook.** We expect 2023 net profit of Bt3,297m (+35.3% yoy), largely driven by increasing pass-through ridership from MRT Yellow Line, higher traffic volume and minor electricity cost reduction. In 2024, we expect a net profit of Bt3,971m (+20.4% yoy), largely driven by the full recovery of economic activity, and the benefit from government policies to reduce MRT Purple and Red Lines to Bt20/trip effective from 16 Oct 23 onwards. For the expressway business, we also expect to see the average daily traffic volume to reach pre-COVID-19 levels by 2Q24 at the latest.
- Growing organically.** However, in long term, we believe that there will still be demand for existing MRT and expressway to help quickly commute around the city, as road traffics worsen. Moreover, with urbanization, there are needs for the government to foster community and infrastructure, and we strongly believe that one of the fastest way to achieve this goal is to have Transit Oriented Development or "TOD", as mentioned in the national strategy plan in Thailand for transportation infrastructure.

EARNINGS REVISION/RISK

- Forecast revised.** We have made slight adjustments to our earnings forecast due to revision in both short-term growth of traffic volume and ridership assumptions.

	2023F			2024F		
(Btm)	Old	New	chg	Old	New	chg
Sales (Btm)	16,552	16,065	-2.9%	17,629	16,946	-3.9%
GPM (Btm)	6,951	6,798	-2.2%	7,716	7,458	-3.3%
GPM (%)	41.9%	42.3%	0.4%	43.8%	44.0%	0.2%
EBITDA	7,569	7,441	-1.7%	8,371	8,135	-2.8%
Core profit (Btm)	2,656	2,514	-5.3%	3,143	3,159	0.5%
Avg D Traffic (k)	1,140	1,140	0.0%	1,191	1,176	-1.3%
Avg D Ridership (k)	384	379	-1.3%	415	409	-1.4%

VALUATION/RECOMMENDATION

Maintained BUY with a SOTP-based target price of Bt9.60 (previous: Bt10.00). We revised our cash flow forecast mainly due to the changing underlying assumption for the hurdle rate used for DCF. We believe that the 2024 target price should reflect the increasing risks in a high interest rate environment and Thailand's economic uncertainty. BEM should look to target lower IBD/E due to interest burdens and higher risk free rate. However, we continue to be positive on BEM from its ability to generate stable operating cash flow. Our current 2024 target has not included Bt0.50/share from MRT Orange Line yet and coupled with the recent price correction, we believe BEM is currently one of the most attractive picks in the sector.

SHARE PRICE CATALYST

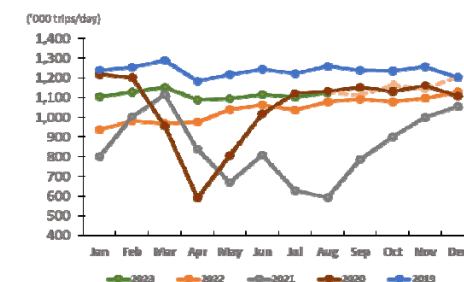
- Possible synergies in MRT riderships as a result from the recent approval of minimum Bt20 fare for the MRT Red, Purple and Pink Lines.
- Rulings from the Supreme Court and Cabinet's approval and signing of the MRT Orange Line project.
- New bidding announcement for future projects and renewal of the concession contracts for expressway, railway and related projects.

SOTP-BASED VALUATION

Business(es)	Value (Btm)	Note
BEMs Existing Operation	135,968	Using DCF WACC 5.38%
MRT Orange Line Project	7,696	Using DCF WACC 5.38%
Key investment(s)	10,699	
CKP	5,312	Using consensus TP
TTW	5,387	Using consensus TP
Total Value	154,363	
number of shares (m)	15,285	
Fair Value (Bt)	10.10	

Source: BEM, UOB Kay Hian

AVERAGE DAILY TRAFFIC VOLUME



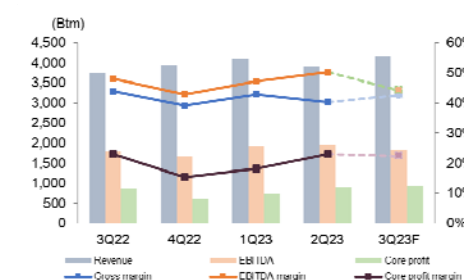
Source: BEM, UOB Kay Hian

AVERAGE DAILY MRT BLUE LINE RIDERSHIP

	2016	2017	2018	2019	2020	2021	2022	2023
Jan	256	274	299	317	397	151	175	374
Feb	278	300	323	319	364	218	199	395
Mar	283	308	315	330	234	273	191	376
Apr	248	266	278	297	78	147	179	329
May	245	274	295	302	119	90	230	345
Jun	279	303	316	312	203	121	283	381
Jul	269	282	301	317	253	77	275	391
Aug	286	314	331	339	288	62	320	420
Sep	294	320	325	352	310	100	344	421
Oct	291	300	321	375	300	136	342	415
Nov	290	322	343	413	312	187	354	408
Dec	264	282	292	366	269	204	351	402

Source: BEM, UOB Kay Hian *Oct-Dec is forecasted ridership

QUARTERLY RESULTS AND FORECAST



Source: BEM, UOB Kay Hian

3Q23 EARNINGS PREVIEW

Year to 31 Dec (Btm)	3Q22	2023	3Q23F	yoy (%)	qoq (%)
Sales	3,739	3,907	4,173	11.6%	6.8%
Gross Profit	1,644	1,574	1,784	8.5%	13.3%
EBITDA	1,797	1,962	1,844	2.6%	-6.0%
Pre-tax Profit	1,028	1,043	1,104	7.4%	5.9%
Net Profit	863	901	936	8.5%	3.9%
Core Profit	863	901	936	8.5%	3.9%
EPS (Bt)	0.056	0.059	0.061	8.5%	3.9%
Gross Margin (%)	44.0%	40.3%	42.7%		
EBITDA Margin (%)	48.1%	50.2%	44.2%		
Net Margin (%)	23.1%	23.1%	22.4%		

Source: BEM, UOB Kay Hian

PROFIT & LOSS

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Net turnover	14,029	16,065	16,946	17,567
EBITDA	6,012	7,441	8,135	8,482
Deprec. & amort.	1,589	1,864	1,964	2,039
EBIT	4,423	5,577	6,170	6,443
Total other non-operating income	772	783	812	838
Associate contributions	0	0	0	0
Net interest income/(expense)	(2,361)	(2,399)	(2,188)	(2,395)
Pre-tax profit	2,834	3,961	4,794	4,886
Tax	(398)	(663)	(823)	(837)
Minorities	0	(3)	(4)	(4)
Net profit	2,436	3,294	3,967	4,044
Net profit (adj.)	2,436	3,294	3,967	4,044

CASH FLOW

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Operating	4,137	5,253	5,918	6,837
Pre-tax profit	2,834	3,961	4,794	4,886
Tax	(398)	(663)	(823)	(837)
Deprec. & amort.	1,589	1,864	1,964	2,039
Associates	0	0	0	0
Working capital changes	96	106	(35)	731
Non-cash items	16	(15)	17	18
Other operating cashflows	0	0	0	0
Investing	(1,336)	(2,228)	(1,559)	(3,004)
Capex (growth)	(1,357)	(202)	(15)	(206)
Investments	2,491	419	(234)	(238)
Others	(2,470)	(2,445)	(1,310)	(2,560)
Financing	(1,959)	(4,275)	(3,575)	(3,654)
Dividend payments	(1,223)	(1,834)	(1,987)	(2,380)
Issue of shares	0	0	0	0
Proceeds from borrowings	0	0	0	0
Loan repayment	(736)	(2,441)	(1,588)	(1,273)
Others/interest paid	0	0	0	0
Net cash inflow (outflow)	843	(1,251)	783	179
Beginning cash & cash equivalent	2,122	2,965	1,714	2,497
Ending cash & cash equivalent	2,965	1,714	2,497	2,676

BALANCE SHEET

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Fixed assets	78,306	76,645	74,696	72,862
Other LT assets	30,257	32,146	33,773	36,656
Cash/ST investment	2,965	1,714	2,497	2,676
Other current assets	2,601	2,609	2,650	1,994
Total assets	114,128	113,114	113,617	114,189
ST debt	9,741	13,198	13,246	8,156
Other current liabilities	2,351	2,450	2,474	2,567
LT debt	60,872	54,973	53,337	57,154
Other LT liabilities	3,901	4,146	4,229	4,313
Shareholders' equity	37,262	38,342	40,322	41,986
Minority interest	2	5	9	13
Total liabilities & equity	114,128	113,114	113,617	114,189

KEY METRICS

Year to 31 Dec (%)	2022	2023F	2024F	2025F
Profitability				
EBITDA margin	42.9	46.3	48.0	48.3
Pre-tax margin	20.2	24.7	28.3	27.8
Net margin	17.4	20.5	23.4	23.0
ROA	2.1	2.9	3.5	3.6
ROE	6.5	8.7	10.1	9.8
Growth				
Turnover	30.8	14.5	5.5	3.7
EBITDA	62.2	23.8	9.3	4.3
Pre-tax profit	147.5	39.8	21.0	1.9
Net profit	141.2	35.2	20.4	1.9
Net profit (adj.)	141.2	35.2	20.4	1.9
EPS	141.2	35.2	20.4	1.9
Leverage				
Debt to total capital	65.5	64.0	62.3	60.9
Debt to equity	189.5	177.8	165.1	155.6
Net debt/(cash) to equity	181.5	173.3	158.9	149.2
Interest cover (x)	2.5	3.1	3.7	3.5

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