

AIRPORTS OF THAILAND

THAILAND / TRANSPORT & LOGISTICS

AOT TB

BUY

UNCHANGED

Ready for an expansion

- Positive feedback from AOT's site visit; satellite terminal to open in Sep-23 when international passengers should recover to pre-Covid.
- Third runway, East Expansion and North Expansion to lift capacity to 90-105 MAP (from 45 MAP currently).
- Maintain BUY with FY23 DCF-based TP of THB85/shr.

| | |
|-----------------|-----------|
| TARGET PRICE | THB85.00 |
| CLOSE | THB73.50 |
| UP/DOWNSIDE | +15.6% |
| PRIOR TP | THB85.00 |
| CHANGE IN TP | UNCHANGED |
| TP vs CONSENSUS | +11.5% |

KEY STOCK DATA

| YE Sep (THB m) | 2021 | 2022E | 2023E | 2024E |
|----------------------|----------|-----------|--------|--------|
| Revenue | 7,086 | 15,724 | 48,747 | 76,203 |
| Net profit | (16,322) | (10,051) | 13,187 | 33,250 |
| EPS (THB) | (1.14) | (0.70) | 0.92 | 2.33 |
| vs Consensus (%) | - | nm | 22.3 | 20.8 |
| EBITDA | (8,172) | (796) | 28,015 | 53,398 |
| Core net profit | (15,319) | (10,051) | 13,187 | 33,250 |
| Core EPS (THB) | (1.07) | (0.70) | 0.92 | 2.33 |
| Chg. In EPS est. (%) | nm | nm | (21.1) | 0.0 |
| EPS growth (%) | nm | nm | nm | 152.1 |
| Core P/E (x) | (68.5) | (104.5) | 79.6 | 31.6 |
| Dividend yield (%) | - | - | 0.5 | 1.5 |
| EV/EBITDA (x) | (135.4) | (1,406.0) | 39.4 | 20.5 |
| Price/book (x) | 9.3 | 10.3 | 9.1 | 7.3 |
| Net debt/Equity (%) | 49.0 | 65.5 | 44.2 | 29.9 |
| ROE (%) | (12.0) | (9.4) | 12.1 | 25.7 |

SAT-1 construction almost complete; planned to open in Sep-23

AOT hosted a site visit at Suvarnabhumi Airport to show the progress of the satellite terminal (SAT-1). The construction is 98% complete, pending the test of the automated people mover and baggage handling system. AOT expects to open SAT-1 in Sep-23. The opening date has been delayed from the previously scheduled month of Apr-23 as AOT expects international traffic to recover to the pre-Covid level in the winter of 2023 (Oct-23 to Mar-24). SAT-1 will increase Suvarnabhumi Airport's airside capacity from 45 million annual passengers (MAP) currently to 60 MAP, with an additional 28 aprons (from 51 existing aprons).

Three projects to increase Suvarnabhumi Airport's capacity

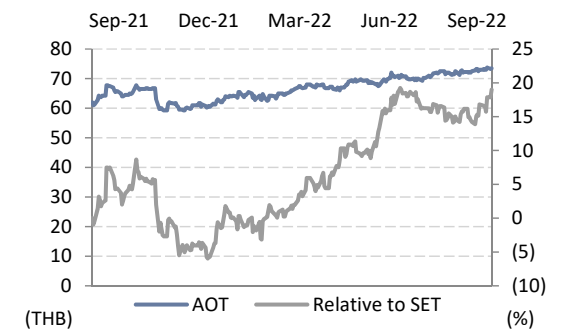
AOT also provided updates on Suvarnabhumi Airport's other expansions. First, construction on the third runway project is now at 40%, and is expected to start operating in 2024. This would unlock more airspace and lift the airside capacity from 68 flights/hour currently to 94, implying a maximum capacity of 90 MAP. Second, bidding for the construction of the East Expansion, which would add landside capacity of 15 MAP, should start next year, with operations starting in 2026. Lastly, the North Expansion, a new domestic terminal, would add landside capacity of 30 MAP. The project is now under a feasibility study by IATA and ICAO.

Expect earnings to turn around in 1QFY23

We expect the core loss to narrow to THB1.4b in 4QFY22 from THB2.4b in 3QFY22, as the international passenger volume should recover to 38% of pre-Covid in 4QFY22 (vs 21% in 3QFY22). We expect AOT to turn profitable in 1QFY23 when international tourists reach 50% of the pre-Covid level. Earnings momentum should continue and jump in 3QFY23 when assistance measures to airlines and retail operators end and AOT starts collecting the minimum guarantee from King Power in Apr-23.

Trim FY23E core profit, but maintain FY24 forecast

We trim our FY23E core profit by 21% to reflect our current tourist arrival forecast of 34m in 2023. We maintain our FY24 forecast and our FY23 DCF-TP of THB85/shr. AOT trades at an attractive valuation of 32x FY24E (first normalised year) P/E, lower than the historical avg of 46x.



| Share price performance | 1 Month | 3 Month | 12 Month |
|--------------------------------|---------------------------|---------|----------|
| Absolute (%) | 1.7 | 4.6 | 18.1 |
| Relative to country (%) | 3.9 | 2.7 | 18.8 |
| Mkt cap (USD m) | 27,652 | | |
| 3m avg. daily turnover (USD m) | 42.2 | | |
| Free float (%) | 30 | | |
| Major shareholder | Ministry of Finance (70%) | | |
| 12m high/low (THB) | 75.25/58.50 | | |
| Issued shares (m) | 14,285.70 | | |

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

We think AOT has passed the bottom and is now in a recovery mode. Domestic passenger volumes were at 68% of pre-Covid-19 levels in Aug-22 and international passenger volumes were at 38% of pre-Covid-19 levels in Aug-22. The momentum should continue in 2023.

Despite waiving the minimum guarantee (MG) until Mar-23, and changing its calculation scheme to a sharing per head basis for concession contracts, we forecast AOT to collect an MG amount equivalent to the amount that King Power proposed by 2025, under our baseline case.

AOT has a healthy balance sheet with an IBD/E ratio of only 0.1x as of 3QFY22, sufficient to support project expansions over the next three years, including a third runway, the East Expansion, and North Expansion of BKK Airport.

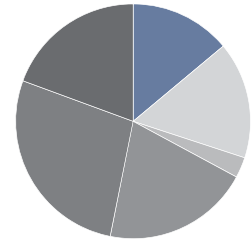
Company profile

AOT is the operator and developer of the six international airports in Thailand (BKK, DMK, HKT, CNX, HDY and CEI)

www.airportthai.co.th

Principal activities (revenue, 2021)

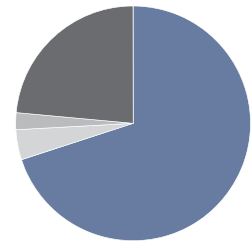
- Landing & parking - 13.9 %
- Passenger service - 16.1 %
- Aircraft service - 2.8 %
- Property rents - 20.3 %
- Service revenue - 27.5 %
- Concession revenue - 19.4 %



Source: Airports of Thailand

Major shareholders

- Ministry of Finance - 70.0 %
- Thai NVDR - 4.1 %
- South East Asia UK - 2.3 %
- Others - 23.5 %



Source: Airports of Thailand

Catalysts

Key growth drivers include 1) higher international passenger volumes; 2) BKK's North Expansion project; and 3) the transferal of new airports from the Department of Airports.

Risks to our call

Downside risks to our DCF-based target price include 1) a slowdown in the recovery of international passengers; 2) delays in the Suvarnabhumi Airport expansions (satellite terminal and northern expansion); and 3) the termination of the duty-free concession contracts from King Power.

Event calendar

| Date | Event |
|----------|-----------------------------|
| Nov 2022 | 4QFY22 results announcement |

Key assumptions

| | FY22E | FY23E | FY24E |
|---------------------------------------|---------|-------|-------|
| | (%) | (%) | (%) |
| Flight traffic growth - international | 215.6 | 62.8 | 35.3 |
| Flight traffic growth - domestic | 52.5 | 21.7 | 10.2 |
| Passenger growth - international | 1,265.9 | 365.5 | 40.3 |
| Passenger growth - domestic | 83.6 | 40.4 | 15.2 |
| PSC revenue growth | 358.4 | 275.2 | 37.7 |
| Concession revenue growth | 185.2 | 346.1 | 76.0 |

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in international passenger volume, we project FY23 earnings to rise by 16%, and vice versa, all else being equal.
- For every 5% increase in domestic passenger volume, we project FY23 earnings to rise by 2%, and vice versa, all else being equal.

Source: FSSIA estimates

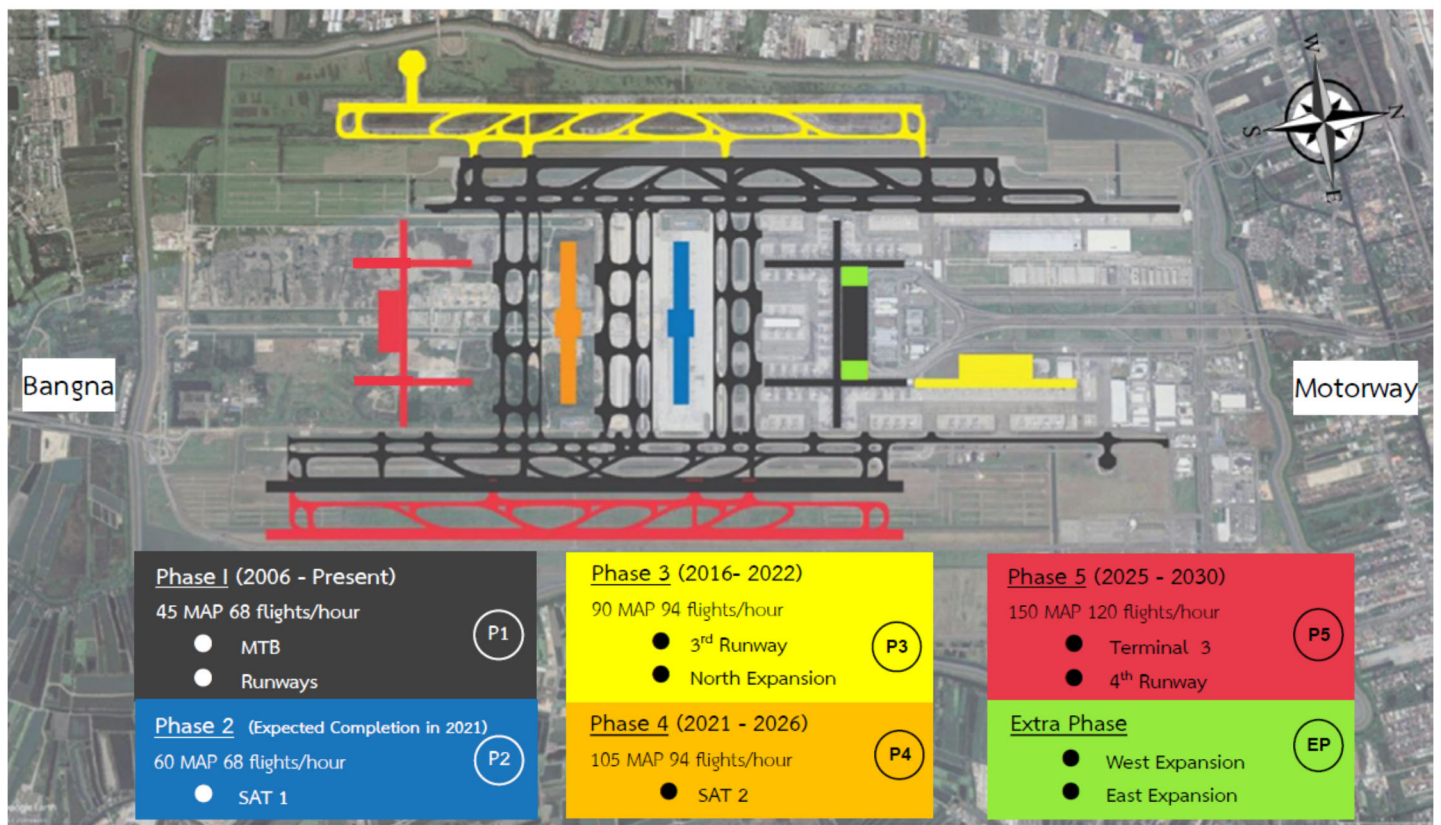
Exhibit 1: Key takeaways of Suvarnabhumi Airport expansion project from the site visit

| | SAT-1 | East expansion | North expansion | Third runway |
|----------------------------|---|---|--|--|
| Additional capacity | - 15 MAP airside (currently 45 MAP) - 28 aprons (51 existing aprons) | -15 MAP landside (currently 45 MAP) | -30 MAP landside (currently 45 MAP) | - 26 flights/hour (currently 68 flights/hour) - 30 MAP (currently two runways implying a 60 MAP capacity) |
| Opening schedule | Sep 2023 | 2026 | N/A | 2024 |
| Development status | 98% completed | Submit plan to the cabinet and open bidding for construction in 2023 | - Feasibility study by IATA and ICAO - Plan to start construction in 2025 | 40% completion |
| Other notes | - Adding 1,000 car park slots (existing 3,000) - Increase area by 200k sqm (existing 400-500k sqm) | - Increase area by 66k sqm (existing 400-500k sqm) - Capex THB7.8b | - Plan to be a domestic terminal - Adding 4,000 car park slots (existing 3,000) - Capex THB42b (may reduce to cTHB30b) | - Capex THB20b |

Source: FSSIA compilation

Exhibit 2: Suvarnabhumi Airport expansion project

Suvarnabhumi Airport



Source: AOT

4QFY22E results preview

We expect AOT to post a smaller core loss q-q in 4QFY22 (July-Sep 2022). The domestic passenger volume should recover to 72% of the pre-Covid level (vs 69% in 3QFY22) and the international passenger volume should recover to 38% of the pre-Covid level (vs 21% in 3QFY22). Thus, we estimate that passenger service charges should improve to 42% of the pre-Covid level (vs 24% in 3QFY22). Concession revenue should also improve thanks to the recovery of international passenger numbers.

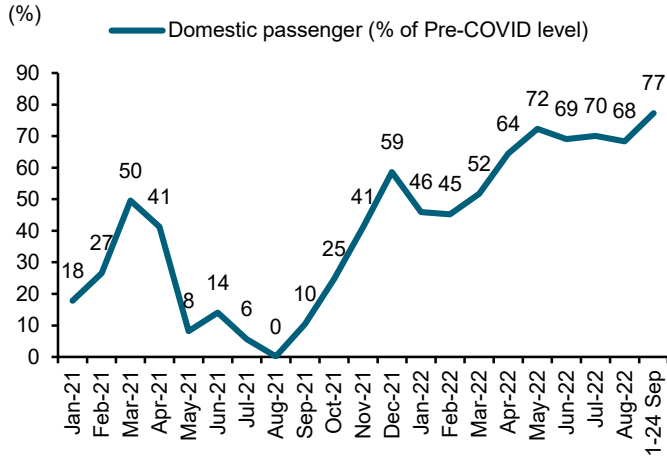
Overall, we expect revenue to grow by 39% q-q in 4QFY22. Meanwhile, we estimate expenses to increase by 9% q-q due to higher staff costs and utilities expenses. As a result, EBITDA should turn positive for the first quarter since the Covid pandemic began. We forecast AOT's core loss to narrow to THB1.4b in 4QFY22 from THB2.4b in 3QFY22.

Exhibit 3: 4QFY22E results preview

| | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22E | ----- Change ----- | | FY22E | Change |
|------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------|--------------|-----------------|-------------|
| | (THB m) | (THB m) | (THB m) | (THB m) | (THB m) | (q-q %) | (y-y %) | (THB m) | (y-y %) |
| Sales | 1,465 | 2,327 | 3,017 | 4,666 | 6,465 | 39 | 341 | 15,724 | 122 |
| Expense (Incl. depreciation) | (6,524) | (6,154) | (6,383) | (6,907) | (7,518) | 9 | 15 | (25,405) | 5 |
| Operating Profit | (5,059) | (3,827) | (3,366) | (2,241) | (1,053) | (53) | (79) | (9,681) | (44) |
| Net other income | 145 | 52 | 117 | 27 | 82 | 203 | (44) | 346 | (13) |
| Interest income | 31 | 21 | 12 | 9 | 9 | 0 | (72) | 45 | (81) |
| Interest expense | (742) | (739) | (734) | (730) | (737) | 1 | (1) | (3,024) | 2 |
| Pretax profit | (5,624) | (4,492) | (3,972) | (2,935) | (1,700) | (42) | (70) | (12,313) | (37) |
| Income Tax | 1,421 | 1,090 | 749 | 549 | 323 | (41) | (77) | 2,463 | (41) |
| Minority interest | 2 | 32 | (130) | (6) | (30) | 411 | (1,573) | (200) | (501) |
| Core profit | (4,201) | (3,370) | (3,353) | (2,392) | (1,407) | (41) | (67) | (10,051) | (34) |
| Extraordinaries | (904) | (961) | (9) | (13) | | | | 0 | n/a |
| Forex gain/(loss) | (459) | 359 | 390 | 283 | | | | 0 | n/a |
| Derivative gain/(loss) | 407 | (300) | (304) | (85) | | | | | |
| Reported net profit | (5,157) | (4,272) | (3,276) | (2,207) | (1,407) | (36) | (73) | (10,051) | (38) |
| Shares (end Q, m) | 14,286 | 14,286 | 14,286 | 14,286 | 14,286 | 0 | 0 | 14,286 | 0 |
| Core EPS (THB) | (0.29) | (0.24) | (0.23) | (0.17) | (0.10) | (41) | (67) | (0.70) | (34) |
| EPS (THB) | (0.36) | (0.30) | (0.23) | (0.15) | (0.10) | (36) | (73) | (0.70) | (38) |
| Expenses (excl depreciation) | (3,846) | (3,861) | (4,200) | (4,723) | (5,312) | 12 | 38 | (16,520) | 8 |
| Depreciation | (2,678) | (2,293) | (2,184) | (2,184) | (2,206) | 1 | (18) | (8,885) | (2) |
| EBITDA | (2,381) | (1,534) | (1,183) | (57) | 1,153 | (2,105) | (148) | (796) | (90) |
| Key ratios | (%) | (%) | (%) | (%) | (%) | (ppt) | (ppt) | (%) | (%) |
| Operating profit margin | (345) | (164) | (112) | (48) | (16) | 32 | 329 | (62) | 181 |
| EBITDA margin | (162) | (66) | (39) | (1) | 18 | 19 | 180 | (5) | 110 |
| Net profit margin | (352) | (184) | (109) | (47) | (22) | 26 | 330 | (64) | 166 |
| Operating stat | (y-y %) | (y-y %) | (y-y %) | | | | | | |
| International pax growth | (99) | 331 | 659 | | | | | | |
| Domestic pax growth | (91) | (43) | 53 | | | | | | |
| Total pax growth | (96) | (36) | 77 | | | | | | |

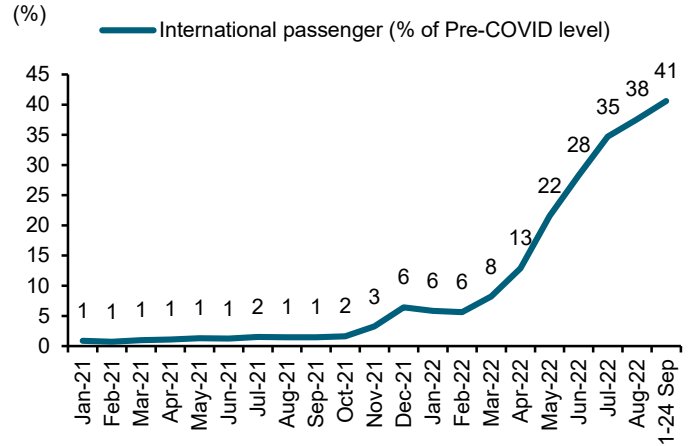
Sources: AOT; FSSIA estimates

Exhibit 4: Percentage of domestic passengers to pre-Covid level



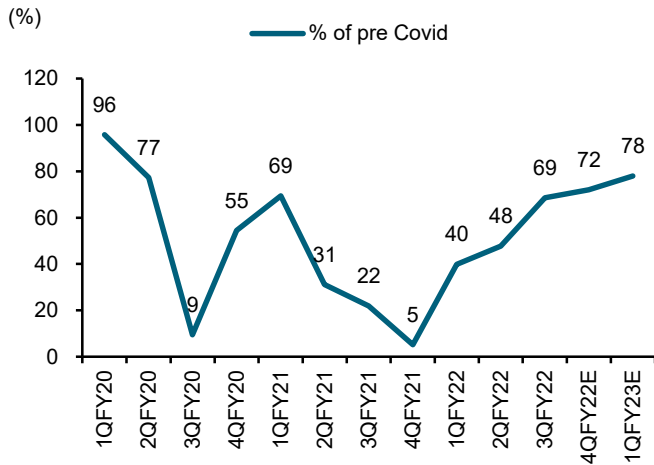
Source: AOT

Exhibit 5: Percentage of international passengers to pre-Covid level



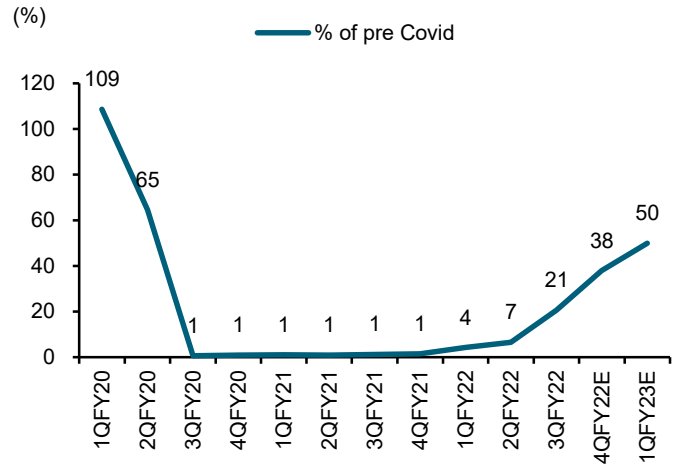
Source: AOT

Exhibit 6: Domestic passenger volume, quarterly



Sources: AOT; FSSIA estimates

Exhibit 7: International passenger volume, quarterly

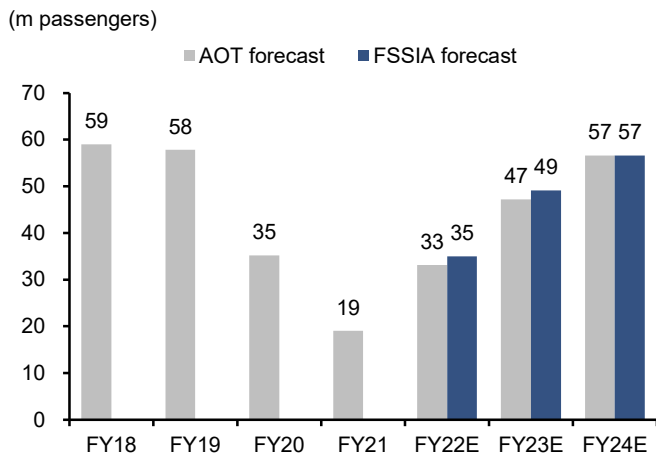


Source: FSSIA estimates

Forecast and TP revisions

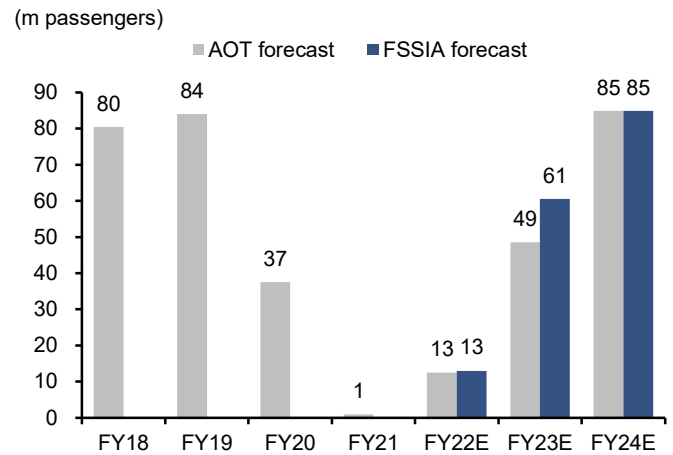
We revise down our FY23E earnings by 21% to reflect FSSIA's tourist arrival forecast of 34m in 2023, but maintain our FY24 earnings forecast. Our FY23E domestic passenger volume is slightly higher than AOT's forecast by 4% and accounts for 85% of the pre-Covid level. Meanwhile, our international passenger volume is higher than AOT's forecast by 25% for FY23 and accounts for 72% of the pre-Covid level. We maintain our FY23 DCF-based TP of THB85/shr.

Exhibit 8: Domestic passenger volume



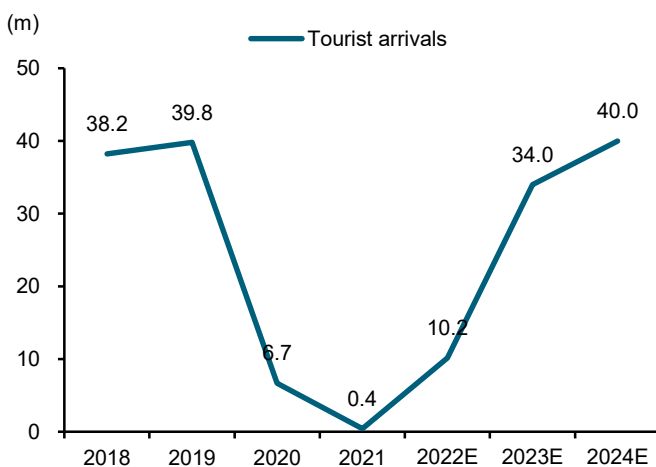
Source: AOT; FSSIA estimates

Exhibit 9: International passenger volume



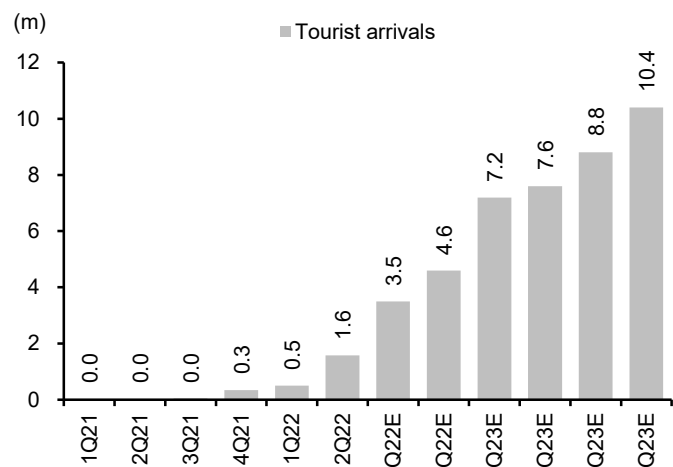
Source: AOT; FSSIA estimates

Exhibit 10: Tourist arrival forecast



Source: FSSIA estimates

Exhibit 11: Tourist arrival forecast, quarterly



Source: FSSIA estimates

Exhibit 12: Forecast revisions

| | Previous | | | Current | | | Change (%) | | |
|-----------------------------|----------|-------|-------|---------|-------|-------|------------|--------|-------|
| | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E |
| International Pax (m) | 13.0 | 67.2 | 84.9 | 13.0 | 60.5 | 84.9 | 0.0 | (10.0) | 0.0 |
| Domestic Pax (m) | 35.0 | 50.2 | 56.6 | 35.0 | 49.1 | 56.6 | 0.0 | (2.1) | 0.0 |
| Total Pax (m) | 48.0 | 117.4 | 141.5 | 48.0 | 109.7 | 141.5 | 0.0 | (6.6) | 0.0 |
| Revenue (THB b) | 15.7 | 52.7 | 76.2 | 15.7 | 48.7 | 76.2 | 0.0 | (7.5) | 0.0 |
| Operating profit margin (%) | (61.6) | 44.0 | 55.6 | (61.6) | 36.6 | 55.6 | 0.0 | (7.4) | 0.0 |
| Core profit (THB b) | (10.1) | 16.7 | 33.2 | (10.1) | 13.2 | 33.2 | 0.0 | (21.1) | 0.0 |

Note: Change of items in percentage terms are represented in ppt change

Source: FSSIA estimates

Exhibit 13: DCF/SOTP valuation

| Cost of equity assumptions | (%) | Cost of debt assumptions | (%) |
|----------------------------|------|--------------------------|------|
| Risk-free rate | 3.0 | Pre-tax cost of debt | 3.5 |
| Market risk premium | 8.0 | Marginal tax rate | 20.0 |
| Stock beta | 0.9 | | |
| Cost of equity, Ke | 10.2 | Net cost of debt, Kd | 2.8 |
| Weight applied | 70.0 | Weight applied | 30.0 |
| WACC | 8.0 | | |

| SOTP valuation | (THB b) | (THB/share) | Comments |
|--|----------------|-------------|---|
| Duty-free and commercial activity concession contracts | 614.5 | 43.0 | WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3% |
| Core business | 652.1 | 45.6 | WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3% |
| Cash & liquid assets | 68.6 | 4.8 | At end-FY23E |
| Investments | 0.7 | 0.0 | At end-FY23E |
| Debt | (120.2) | (8.4) | At end-FY23E |
| Minorities | (1.3) | (0.1) | At end-FY23E |
| Residual ordinary equity | 1,214.4 | 85.0 | |

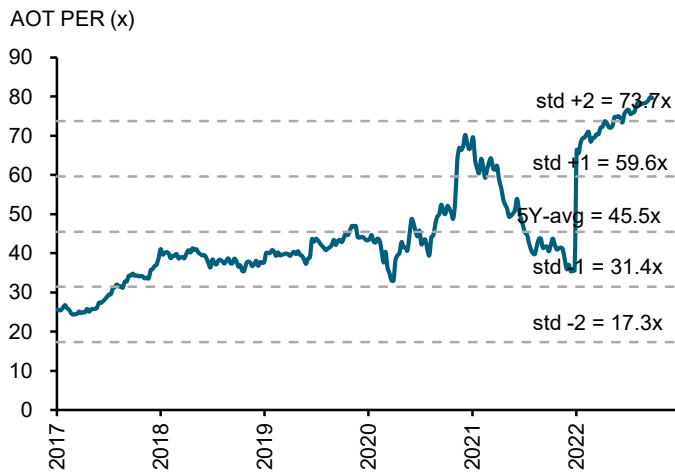
Source: FSSIA estimates

Exhibit 14: Airport stocks – share price comparison as of 27 September 2022

| Ticker | Stocks | Price performance | | | |
|----------------|--|-------------------|-------------|-------------|---------------|
| | | 2020 | 2021 | 2022 YTD | Since 2020 |
| | | (%) | (%) | (%) | (%) |
| AOT TB | Airports of Thailand | (16.2) | (2.0) | 20.5 | (1.0) |
| AENA SM | Aena S.M.E.S.A | (16.9) | (3.5) | (20.7) | (36.4) |
| ADP FP | Aeroports de Paris | (41.0) | 7.4 | 8.8 | (31.1) |
| AIA AU | Auckland Int. Airport | (13.8) | 0.0 | (10.2) | (22.6) |
| FRA GR | Fraport AG | (34.9) | 19.9 | (34.8) | (49.1) |
| GAPB MM | Grupo Aeroportuario del Pacifico SAB de CV | (1.1) | 26.2 | (4.3) | 19.4 |
| FHZN SW | Flughafen Zurich AG | (11.7) | 5.1 | (9.1) | (15.6) |
| ASR US | Grupo Aeroportuario dl Srst SAB CV | (12.5) | 25.5 | (5.7) | 3.6 |
| 9706 JP | Japan Airport Terminal | 2.6 | (23.2) | 24.2 | (2.1) |
| FLU AV | Fluhafen Wien AG | (19.3) | (12.6) | 25.4 | (11.7) |
| 694 HK | Beijing Capital Int. Airport | (15.7) | (23.6) | (1.0) | (36.2) |
| OMAB MF | Grupo Aeroportuario Centro Norte | (8.0) | 5.7 | (2.3) | (5.0) |
| TAVHL TI | TAV Havalimanlari | (28.6) | 46.9 | 111.4 | 121.7 |
| CAAP US | Corporacion America Airports | (33.5) | 43.9 | 11.0 | 6.2 |
| ADB IM | Bologna Guglielmo Marconi Airport | (30.0) | 3.8 | (17.5) | (40.1) |
| TYA IM | Toscana Aeropoti | (21.3) | (6.2) | (8.6) | (32.5) |
| Average | | (18.86) | 7.08 | 5.42 | (8.29) |

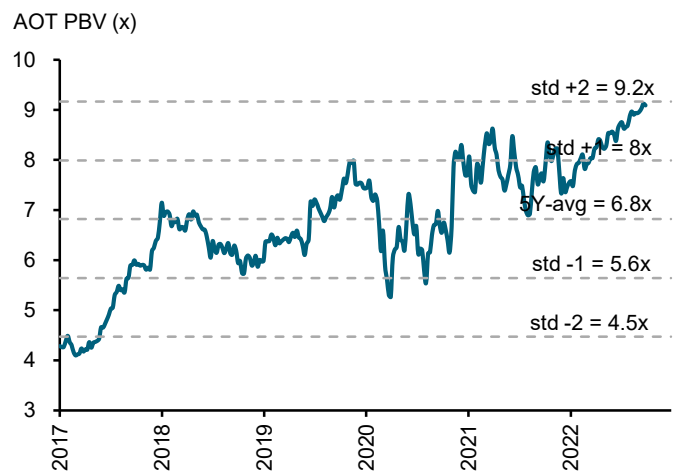
Source: Bloomberg

Exhibit 15: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 16: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 17: Peer comparisons as of 27 September 2022

| Company | BBG | Rec | -- Share price -- | | Market Cap (USD m) | 3Y EPS CAGR (%) | ----- PE ----- | | | --- ROE --- | | --- PBV --- | | ----- EV/ EBITDA ----- | | |
|-------------------------|-----------|-----|-------------------|--------------|--------------------|-----------------|----------------|-------------|-------------|--------------|------------|-------------|------------|------------------------|-------------|-------------|
| | | | Current (THB) | Target (THB) | | | 22E (x) | 23E (x) | 24E (x) | 22E (%) | 23E (%) | 22E (x) | 23E (x) | 22E (x) | 23E (x) | 24E (x) |
| Thailand | | | | | | | | | | | | | | | | |
| Airports of Thailand*+ | AOT TB | BUY | 73.50 | 85.00 | 27,652 | (229.6) | (104.5) | 79.6 | 31.6 | (9.4) | 12.1 | 10.3 | 9.1 | (1,406.0) | 39.4 | 20.5 |
| Malaysia | | | | | | | | | | | | | | | | |
| Malaysia Airports | MAHB MK | NR | 5.82 | NR | 2,065 | (186.2) | n/a | 25 | 16 | (2.2) | 5.2 | 1.4 | 1.4 | 12.1 | 7.3 | 6.3 |
| China | | | | | | | | | | | | | | | | |
| Beijing Capital Intl A | 694 HK | NR | 4.75 | NR | 2,748 | (173.0) | n/a | n/a | 22 | (11.4) | (0.9) | 1.1 | 1.1 | n/a | 20.9 | 8.2 |
| Hainan Meilan Intl | 357 HK | NR | 18.26 | NR | 1,116 | 4.4 | 164.4 | 13.5 | 8.2 | 1.0 | 11.9 | 1.8 | 1.6 | 14.7 | 6.6 | 5.0 |
| Shanghai Intl Airport-A | 600009 CH | NR | 62.43 | NR | 21,119 | (222.3) | n/a | 72.7 | 34.1 | (6.6) | 5.4 | 4.3 | 4.1 | n/a | 33.4 | 23.6 |
| Guangzhou Baiyun Intl | 600004 CH | NR | 14.99 | NR | 4,894 | (241.4) | n/a | 61.1 | 27.2 | (2.9) | 3.1 | 2.0 | 1.9 | 38.8 | 14.2 | 11.1 |
| Shenzhen Airport -A | 000089 CH | NR | 7.18 | NR | 2,046 | (365.4) | n/a | 159.1 | 33.8 | (5.2) | 0.7 | 1.3 | 1.3 | 117.5 | 21.4 | 15.4 |
| Xiamen Int Airport -A | 600897 CH | NR | 14.78 | NR | 613 | 66 | 17.9 | 10.5 | 10.6 | 4.3 | 9.8 | 1.1 | 1.0 | 6.1 | 4.0 | 4.4 |
| Australia | | | | | | | | | | | | | | | | |
| Auckland Intl Airport** | AIA AU | NR | 6.50 | NR | 6,063 | n/a | n/a | 95.0 | 41.5 | (0.4) | 1.3 | 1.4 | 1.3 | 84.1 | 33.4 | 20.9 |
| Japan | | | | | | | | | | | | | | | | |
| Japan Airport Termi*** | 9706 JP | NR | 5,960 | NR | 3,743 | (152.0) | n/a | (4.0) | 119.7 | 3.6 | (4.0) | 3.6 | 3.6 | n/a | 49.1 | 17.9 |
| Average | | | | | 78,909 | (200.4) | 25.9 | 56.9 | 34.5 | (2.9) | 4.5 | 2.8 | 2.6 | (161.8) | 23.0 | 13.3 |

*Fiscal year-end is 30 September; ** Fiscal year-end is 30 June; *** Fiscal year-end is 31 March

Sources: Bloomberg consensus; +FSSIA estimates

Financial Statements

Airports of Thailand

| Profit and Loss (THB m) Year Ending Sep | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|----------------|-----------------|-----------------|---------------|---------------|
| Revenue | 31,179 | 7,086 | 15,724 | 48,747 | 76,203 |
| Cost of goods sold | (22,267) | (15,257) | (16,520) | (20,732) | (22,805) |
| Gross profit | 8,912 | (8,172) | (796) | 28,015 | 53,398 |
| Other operating income | - | - | - | - | - |
| Operating costs | 0 | 0 | 0 | 0 | 0 |
| Operating EBITDA | 8,912 | (8,172) | (796) | 28,015 | 53,398 |
| Depreciation | (5,441) | (9,027) | (8,885) | (10,185) | (11,052) |
| Goodwill amortisation | - | - | - | - | - |
| Operating EBIT | 3,470 | (17,199) | (9,681) | 17,830 | 42,346 |
| Net financing costs | 345 | (2,740) | (2,979) | (2,690) | (2,490) |
| Associates | 0 | 0 | 0 | (1) | (1) |
| Recurring non-operating income | 437 | 397 | 346 | 432 | 445 |
| Non-recurring items | 1,085 | (1,003) | 0 | 0 | 0 |
| Profit before tax | 5,337 | (20,545) | (12,313) | 15,572 | 40,301 |
| Tax | (1,038) | 4,173 | 2,463 | (2,336) | (6,851) |
| Profit after tax | 4,299 | (16,372) | (9,851) | 13,237 | 33,450 |
| Minority interests | 22 | 50 | (200) | (50) | (200) |
| Preferred dividends | - | - | - | - | - |
| Other items | - | - | - | - | - |
| Reported net profit | 4,321 | (16,322) | (10,051) | 13,187 | 33,250 |
| Non-recurring items & goodwill (net) | (1,085) | 1,003 | 0 | 0 | 0 |
| Recurring net profit | 3,236 | (15,319) | (10,051) | 13,187 | 33,250 |
| Per share (THB) | | | | | |
| Recurring EPS * | 0.23 | (1.07) | (0.70) | 0.92 | 2.33 |
| Reported EPS | 0.30 | (1.14) | (0.70) | 0.92 | 2.33 |
| DPS | 0.19 | 0.00 | 0.00 | 0.40 | 1.10 |
| Diluted shares (used to calculate per share data) | 14,286 | 14,286 | 14,286 | 14,286 | 14,286 |
| Growth | | | | | |
| Revenue (%) | (50.3) | (77.3) | 121.9 | 210.0 | 56.3 |
| Operating EBITDA (%) | (75.2) | nm | nm | nm | 90.6 |
| Operating EBIT (%) | (88.5) | nm | nm | nm | 137.5 |
| Recurring EPS (%) | (86.7) | nm | nm | nm | 152.1 |
| Reported EPS (%) | (82.7) | nm | nm | nm | 152.1 |
| Operating performance | | | | | |
| Gross margin inc. depreciation (%) | 11.1 | (242.7) | (61.6) | 36.6 | 55.6 |
| Gross margin of key business (%) | 11.1 | (242.7) | (61.6) | 36.6 | 55.6 |
| Operating EBITDA margin (%) | 28.6 | (115.3) | (5.1) | 57.5 | 70.1 |
| Operating EBIT margin (%) | 11.1 | (242.7) | (61.6) | 36.6 | 55.6 |
| Net margin (%) | 10.4 | (216.2) | (63.9) | 27.1 | 43.6 |
| Effective tax rate (%) | 24.4 | 21.4 | 20.0 | 15.0 | 17.0 |
| Dividend payout on recurring profit (%) | 83.9 | - | - | 43.3 | 47.3 |
| Interest cover (X) | (11.3) | (6.1) | (3.1) | 6.8 | 17.2 |
| Inventory days | 5.5 | 7.7 | 7.1 | 6.6 | 7.0 |
| Debtor days | 39.8 | 176.7 | 88.1 | 29.6 | 18.9 |
| Creditor days | 27.2 | 32.8 | 21.4 | 20.0 | 21.2 |
| Operating ROIC (%) | 2.5 | (9.9) | (4.8) | 9.4 | 20.7 |
| ROIC (%) | 2.7 | (9.0) | (4.2) | 8.8 | 19.2 |
| ROE (%) | 2.2 | (12.0) | (9.4) | 12.1 | 25.7 |
| ROA (%) | 1.6 | (7.2) | (3.4) | 6.1 | 12.8 |
| * Pre-exceptional, pre-goodwill and fully diluted | | | | | |
| Revenue by Division (THB m) | | | | | |
| Landing & parking | 3,789 | 987 | 2,004 | 3,920 | 7,426 |
| Passenger service | 12,351 | 1,141 | 5,230 | 19,624 | 27,019 |
| Aircraft service | 486 | 201 | 409 | 603 | 842 |
| Property rents | 1,838 | 1,437 | 1,437 | 1,939 | 2,288 |

Sources: Airports of Thailand; FSSIA estimates

Financial Statements

Airports of Thailand

| Cash Flow (THB m) Year Ending Sep | 2020 | 2021 | 2022E | 2023E | 2024E |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Recurring net profit | 3,236 | (15,319) | (10,051) | 13,187 | 33,250 |
| Depreciation | 5,441 | 9,027 | 8,885 | 10,185 | 11,052 |
| Associates & minorities | - | - | - | - | - |
| Other non-cash items | 570 | (23,885) | 200 | 50 | 200 |
| Change in working capital | (12,572) | (8,147) | 2,040 | 6,638 | 5,259 |
| Cash flow from operations | (3,325) | (38,323) | 1,075 | 30,060 | 49,761 |
| Capex - maintenance | (11,875) | (47,631) | (13,364) | (13,800) | (35,698) |
| Capex - new investment | - | - | - | - | - |
| Net acquisitions & disposals | 440 | 33 | 0 | 0 | 0 |
| Other investments (net) | - | - | - | - | - |
| Cash flow from investing | (11,435) | (47,598) | (13,364) | (13,800) | (35,698) |
| Dividends paid | (14,999) | (2,714) | 0 | 0 | (5,714) |
| Equity finance | 0 | 0 | 0 | 0 | 0 |
| Debt finance | (2,604) | 52,941 | 62,168 | (6,000) | (6,000) |
| Other financing cash flows | 11 | 616 | 0 | 0 | 0 |
| Cash flow from financing | (17,591) | 50,843 | 62,168 | (6,000) | (11,714) |
| Non-recurring cash flows | - | - | - | - | - |
| Other adjustments | 0 | 0 | 0 | 0 | 0 |
| Net other adjustments | 0 | 0 | 0 | 0 | 0 |
| Movement in cash | (32,352) | (35,079) | 49,879 | 10,260 | 2,349 |
| Free cash flow to firm (FCFF) | (14,114.34) | (82,948.56) | (9,265.14) | 19,262.53 | 16,920.89 |
| Free cash flow to equity (FCFE) | (17,352.98) | (32,364.70) | 49,879.05 | 10,259.67 | 8,063.13 |

Per share (THB)

| | | | | | |
|-------------------------------|--------|--------|--------|------|------|
| FCFF per share | (0.99) | (5.81) | (0.65) | 1.35 | 1.18 |
| FCFE per share | (1.21) | (2.27) | 3.49 | 0.72 | 0.56 |
| Recurring cash flow per share | 0.65 | (2.11) | (0.07) | 1.64 | 3.12 |

| Balance Sheet (THB m) Year Ending Sep | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|----------------|----------------|----------------|----------------|----------------|
| Tangible fixed assets (gross) | 222,734 | 282,931 | 296,295 | 310,095 | 345,793 |
| Less: Accumulated depreciation | (103,591) | (125,184) | (134,069) | (144,254) | (155,306) |
| Tangible fixed assets (net) | 119,143 | 157,747 | 162,226 | 165,841 | 190,487 |
| Intangible fixed assets (net) | 0 | 0 | 0 | 0 | 0 |
| Long-term financial assets | - | - | - | - | - |
| Invest. in associates & subsidiaries | 722 | 689 | 689 | 689 | 689 |
| Cash & equivalents | 43,558 | 8,479 | 58,358 | 68,617 | 70,966 |
| A/C receivable | 3,225 | 3,637 | 3,951 | 3,951 | 3,951 |
| Inventories | 340 | 307 | 332 | 417 | 459 |
| Other current assets | 3,368 | 9,077 | 6,350 | 7,500 | 11,724 |
| Current assets | 50,491 | 21,499 | 68,991 | 80,485 | 87,100 |
| Other assets | 3,202 | 15,150 | 15,150 | 15,150 | 15,150 |
| Total assets | 173,559 | 195,086 | 247,057 | 262,166 | 293,427 |
| Common equity | 142,236 | 112,344 | 102,293 | 115,480 | 143,015 |
| Minorities etc. | 796 | 1,078 | 1,278 | 1,328 | 1,528 |
| Total shareholders' equity | 143,032 | 113,421 | 103,571 | 116,807 | 144,543 |
| Long term debt | 8,245 | 60,848 | 122,675 | 116,675 | 110,675 |
| Other long-term liabilities | 6,949 | 7,206 | 7,206 | 7,206 | 7,206 |
| Long-term liabilities | 15,194 | 68,054 | 129,881 | 123,881 | 117,881 |
| A/C payable | 1,809 | 930 | 1,007 | 1,263 | 1,390 |
| Short term debt | 2,848 | 3,186 | 3,527 | 3,527 | 3,527 |
| Other current liabilities | 10,677 | 9,495 | 9,071 | 16,687 | 26,086 |
| Current liabilities | 15,333 | 13,610 | 13,605 | 21,478 | 31,003 |
| Total liabilities and shareholders' equity | 173,559 | 195,086 | 247,057 | 262,166 | 293,427 |
| Net working capital | (5,551) | 2,596 | 555 | (6,083) | (11,342) |
| Invested capital | 117,516 | 176,183 | 178,621 | 175,598 | 194,985 |

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

Per share (THB)

| | | | | | |
|-------------------------------|------|------|------|------|-------|
| Book value per share | 9.96 | 7.86 | 7.16 | 8.08 | 10.01 |
| Tangible book value per share | 9.96 | 7.86 | 7.16 | 8.08 | 10.01 |

Financial strength

| | | | | | |
|---------------------------|--------|--------|------|------|------|
| Net debt/equity (%) | (22.7) | 49.0 | 65.5 | 44.2 | 29.9 |
| Net debt/total assets (%) | (18.7) | 28.5 | 27.5 | 19.7 | 14.7 |
| Current ratio (x) | 3.3 | 1.6 | 5.1 | 3.7 | 2.8 |
| CF interest cover (x) | 51.3 | (10.8) | 17.7 | 4.8 | 4.2 |

| Valuation | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|--------------|---------------|----------------|-------------|-------------|
| Recurring P/E (x) * | 324.5 | (68.5) | (104.5) | 79.6 | 31.6 |
| Recurring P/E @ target price (x) * | 375.3 | (79.3) | (120.8) | 92.1 | 36.5 |
| Reported P/E (x) | 243.0 | (64.3) | (104.5) | 79.6 | 31.6 |
| Dividend yield (%) | 0.3 | - | - | 0.5 | 1.5 |
| Price/book (x) | 7.4 | 9.3 | 10.3 | 9.1 | 7.3 |
| Price/tangible book (x) | 7.4 | 9.3 | 10.3 | 9.1 | 7.3 |
| EV/EBITDA (x) ** | 114.3 | (135.4) | (1,406.0) | 39.4 | 20.5 |
| EV/EBITDA @ target price (x) ** | 132.7 | (155.5) | (1,612.4) | 45.2 | 23.6 |
| EV/invested capital (x) | 8.7 | 6.3 | 6.3 | 6.3 | 5.6 |

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

Sources: Airports of Thailand; 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 | DRS | 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 | PPP | 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 | WIJK |
| 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

Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

Airports of Thailand (AOT TB)



| Date | Rating | Target price | Date | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 10-Sep-2020 | BUY | 70.00 | 09-Jun-2021 | BUY | 82.00 | 26-Nov-2021 | BUY | 79.00 |
| 11-Feb-2021 | BUY | 85.00 | 13-Aug-2021 | BUY | 80.00 | 02-Jun-2022 | BUY | 85.00 |

Teerapol Udomvej, CFA started covering this stock from 10-Sep-2020

Price and TP are in local currency

Source: FSSIA estimates

| Company | Ticker | Price | Rating | Valuation & Risks |
|----------------------|--------|-----------|--------|---|
| Airports of Thailand | AOT TB | THB 73.50 | BUY | Downside risks to our DCF-based target price include 1) a slowdown in the recovery of international passengers; 2) delays in the Suvarnabhumi Airport expansions (satellite terminal and northern expansion); and 3) the termination of the duty-free concession contracts from King Power. |

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 Finasia 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 Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 27-Sep-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.