

## AIRPORTS OF THAILAND

## AOT TB

THAILAND / TRANSPORT &amp; LOGISTICS

BUY

UNCHANGED

## อัปเดตจากความต้องการที่อ่อนแอของจีน

- คาดการณ์ตัวเลขนักท่องเที่ยวขาเข้าจากจีนจะดีดกลับอย่างรวดเร็วและฟื้นตัวเป็น 60% ของระดับก่อนโควิดในปี 2023
- กำไรปกติจะเริ่มฟื้นตัวใน 1QFY23 (ต.ค. ถึง ธ.ค. 22) ก่อนกระโดดใน 3QFY23 จากสัญญาสัมปทานรายได้ขั้นต่ำที่ปรับใหม่
- คงแนะนำซื้อที่ราคาเป้าหมายปี FY23 ที่ 85 บาท (DCF)

TARGET PRICE	THB85.00
CLOSE	THB75.00
UP/DOWNSIDE	+13.3%
PRIOR TP	THB85.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+8.1%

## KEY STOCK DATA

YE Sep (THB m)	2022	2023E	2024E	2025E
Revenue	16,560	49,506	76,181	87,611
Net profit	(11,088)	13,188	33,252	39,519
EPS (THB)	(0.78)	0.92	2.33	2.77
vs Consensus (%)	-	nm	206.2	41.8
EBITDA	(1,400)	27,758	52,389	62,390
Core net profit	(10,173)	13,188	33,252	39,519
Core EPS (THB)	(0.71)	0.92	2.33	2.77
Chg. In EPS est. (%)	nm	-	-	-
EPS growth (%)	nm	nm	152.1	18.8
Core P/E (x)	(105.3)	81.2	32.2	27.1
Dividend yield (%)	-	0.5	1.5	1.7
EV/EBITDA (x)	(807.6)	40.1	21.1	17.6
Price/book (x)	10.6	9.4	7.5	6.5
Net debt/Equity (%)	56.3	35.4	23.7	13.9
ROE (%)	(9.5)	12.2	25.9	25.7

## การเปิดพรมแดนของจีนน่าจะเป็น Upside

ในปี 2019 นักท่องเที่ยวจีนคิดเป็นประมาณ 30% ของรายได้จากผู้โดยสารของ AOT ด้วยเหตุผลดังกล่าวเราจึงเห็นว่าแผนการเปิดพรมแดนจีนในวันที่ 8 ม.ค. 23 น่าจะเป็นประโยชน์โดยตรงต่อ AOT ปัจจุบันเราคาดตัวเลขนักท่องเที่ยวขาเข้าในปี 2023 ไว้ที่ 34 ล้าน (85% ของระดับก่อนโควิด) จากสมมติฐานที่ว่าตัวเลขนักท่องเที่ยวขาเข้าจากจีนจะฟื้นตัวเป็น 60% ของระดับก่อนโควิด แม้ว่าสมมติฐานของเราอาจจะดูสูง เราเชื่อว่าจะมีความต้องการอันอยู่กึ่งเป็นจำนวนมาก ตัวอย่างเช่นตัวเลขนักท่องเที่ยวขาเข้าจากอินเดียใช้เวลาเพียง 6 เดือนในการฟื้นตัวเป็น 84% ของระดับก่อนโควิดในเดือน พ.ย. 22 หลังไทยเปิดประเทศเต็มตัวในเดือน ก.ค. 22 เพราะฉะนั้นเราจึงคาดว่าปริมาณผู้โดยสารในปี FY23 ไว้ที่ 110 ล้าน (ต่างประเทศ 61 ล้าน และในประเทศ 49 ล้าน) ซึ่งสูงกว่าที่ AOT คาดไว้ที่ 96 ล้าน (ต่างประเทศ 49 ล้านและในประเทศ 47 ล้าน)

## คาดการณ์พลิกฟื้นใน 1QFY23

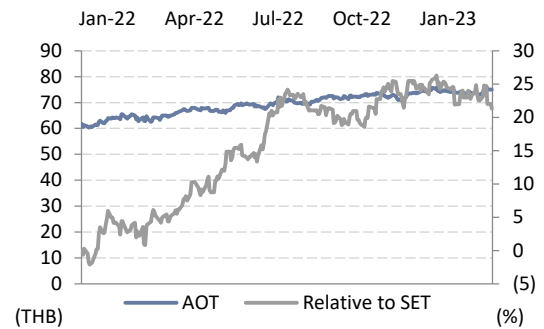
เราคาดว่ากำไรปกติของ AOT จะแตะ 0.2 พัน ลบ. ใน 1QFY23 (ต.ค. ถึง ธ.ค. 22) จากการฟื้นตัวของปริมาณผู้โดยสารเป็น 64% ของระดับก่อนโควิด (เทียบกับ 51% ใน 4QFY22) ตัวเลขดังกล่าวใกล้เคียงกับประมาณการของผู้บริหารที่คาดว่าจุดคุ้มทุนในด้านปริมาณผู้โดยสารอยู่ที่ประมาณ 60%-70% ของระดับก่อนโควิด เราคาดว่ากำไรจะมีแนวโน้มดีต่อเนื่องตลอดปีนี้ ซึ่งจะทำให้กำไรโตแบบก้าวกระโดดใน 3QFY23 เมื่อ AOT เริ่มเก็บเงินประกันรายได้ขั้นต่ำจากสัญญาสัมปทานในเดือน เม.ย. 23

## คาดการณ์กำไรโตดีใน FY23-24

เราคาดว่ากำไรปกติจะแตะ 13.2 พัน ลบ. ใน FY23 และกระโดดเป็น 33.3 พัน ลบ. ใน FY24 ซึ่งสูงกว่ากำไรปกติก่อนโควิดที่ 24.4 พัน ลบ. เนื่องจากเราเชื่อว่าปริมาณผู้โดยสารน่าจะฟื้นตัวสู่ระดับก่อนโควิดภายใน FY24 นอกจากนี้สัญญาของ King Power ยังมีการรับประกันรายได้ขั้นต่ำต่อหัวอยู่ที่ 233 บาทต่อผู้โดยสาร (เริ่มตั้งแต่เดือน เม.ย. 23) เทียบกับค่าเฉลี่ยที่ 90 บาทต่อหัวภายใต้ข้อตกลงแบ่งรายได้ในปัจจุบัน

## หุ้นมีการซื้อขายโดยมีส่วนลดเมื่อเทียบกับค่าเฉลี่ยในอดีต

AOT มีการซื้อขายในระดับการประเมินมูลค่าที่น่าสนใจที่ 32x ของค่า FY24E P/E (ปีปกติปีแรก) ซึ่งต่ำกว่าค่าเฉลี่ยย้อนหลังที่ 47x นอกจากนี้หุ้นยังอาจมี Upside จากสนามบินใหม่ 3 แห่ง (อุดรธานี บุรีรัมย์และกระบี่) ซึ่งน่าจะโอนจากกรมท่าอากาศยานให้แก่ AOT ได้ภายใน 1H23 หลังได้รับการอนุมัติจาก ครม.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	1.7	4.5	23.0
Relative to country (%)	(0.6)	(1.0)	21.4
Mkt cap (USD m)			31,079
3m avg. daily turnover (USD m)			46.7
Free float (%)			30
Major shareholder		Ministry of Finance (70%)	
12m high/low (THB)			76.50/59.75
Issued shares (m)			14,285.70

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 4 มกราคม 2023

## Investment thesis

We think AOT has passed the bottom and is now in a recovery mode. Domestic passenger volume was at 86% of the pre-Covid level in Dec-22, and international passenger volume was at 55% of the pre-Covid level in Dec-22. The momentum should continue in 2023.

Despite waiving the minimum guarantee (MG) until Mar-23 and changing its calculation scheme to a 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 4QFY22, which we think is sufficient to support project expansions over the next three years, including a third runway and the East and North Expansions of BKK Airport.

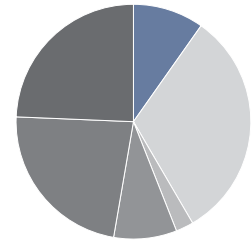
## Company profile

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

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

## Principal activities (revenue, 2022)

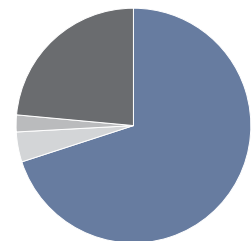
- Landing & parking - 9.8 %
- Passenger service - 31.8 %
- Aircraft service - 2.4 %
- Property rents - 8.7 %
- Service revenue - 23.0 %
- Concession revenue - 24.3 %



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 transfer 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
Feb 2023	1QFY23 results announcement

## Key assumptions

	FY23E	FY24E	FY25E
	(%)	(%)	(%)
Flight traffic growth - international	150.5	35.3	7.8
Flight traffic growth - domestic	28.9	10.2	7.0
Passenger growth - international	335.4	40.3	8.8
Passenger growth - domestic	49.9	15.2	8.0
PSC revenue growth	263.0	37.7	8.7
Concession revenue growth	330.1	75.1	25.5

Source: FSSIA estimates

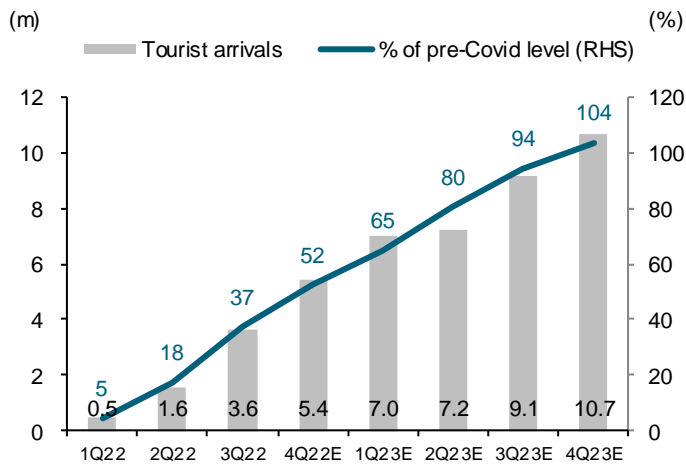
## Earnings sensitivity

- 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

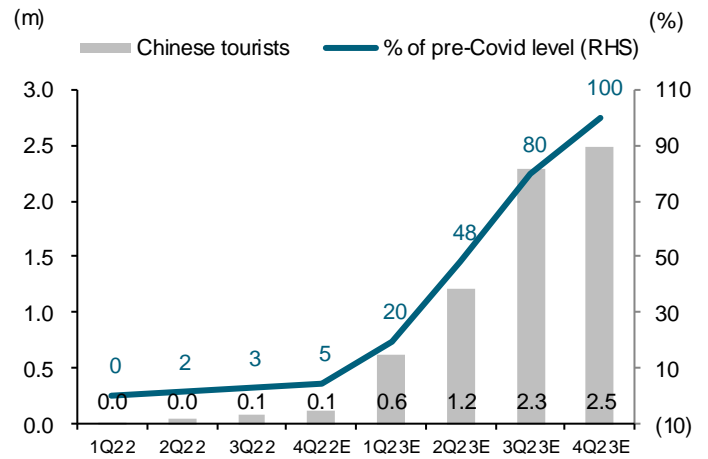


**Exhibit 1: Inbound tourist arrivals (quarterly)**



Sources: Ministry of Tourism and Sports (MOTS); FSSIA estimates

**Exhibit 2: Inbound Chinese tourist arrivals (quarterly)**



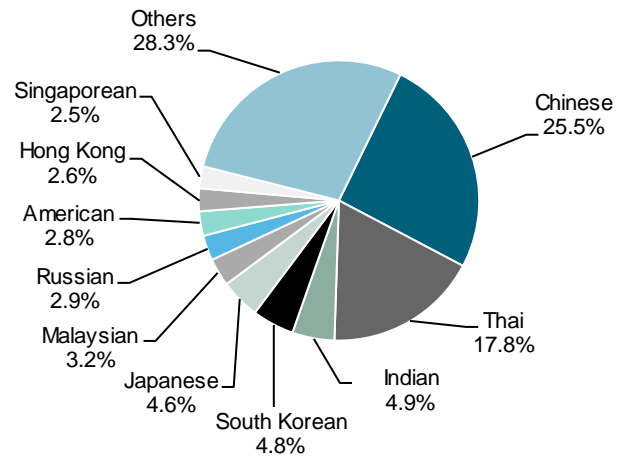
Sources: MOTS; FSSIA estimates

**Exhibit 3: Inbound tourist arrivals (yearly)**



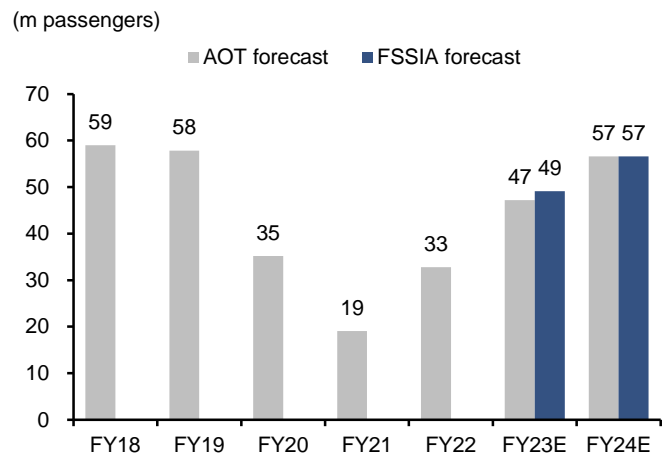
Source: FSSIA estimates

**Exhibit 4: AOT's PSC revenue breakdown by nationality, 2019**



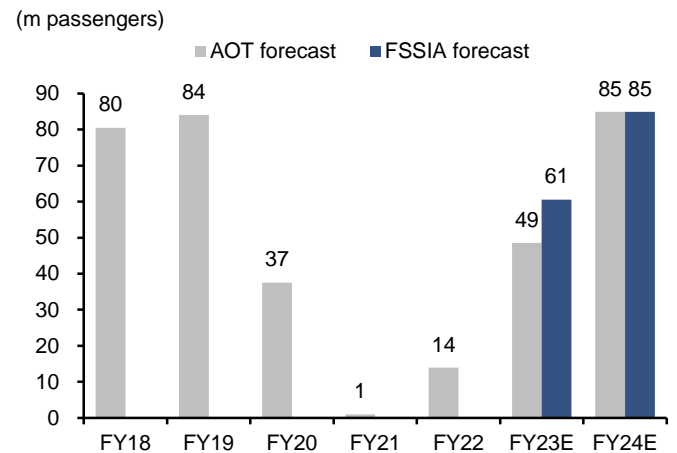
Source: FSSIA estimates

**Exhibit 5: Domestic passenger volume**



Source: AOT; FSSIA estimates

**Exhibit 6: International passenger volume**



Source: AOT; FSSIA estimates

## 1QFY23 results preview

We expect AOT's core profit to recover to THB0.2b in 1QFY23 (Oct to Dec-22) as domestic passenger volume returns to 82% of the pre-Covid level (vs 74% in 4QFY22) and international passenger volume recovers to 51% of the pre-Covid level (vs 36% in 4QFY22). Thus, we estimate that passenger service charges should improve to 54% of the pre-Covid level (vs 39% in 4QFY22). Concession revenue should also improve thanks to an expected recovery in international passenger numbers.

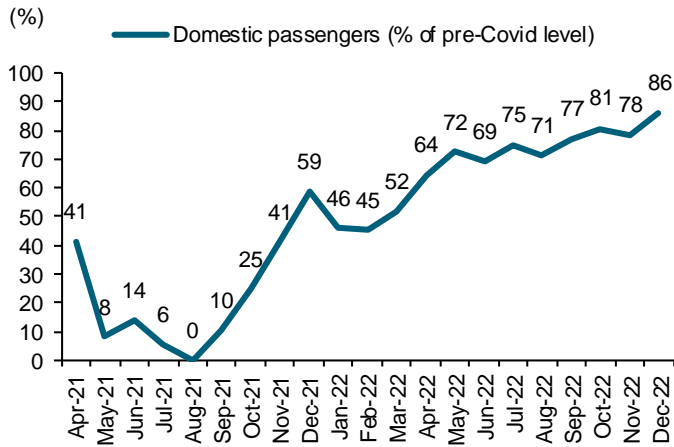
Overall, we expect revenue to grow by 23% q-q in 1QFY23. Meanwhile, we estimate expenses to be flat q-q. As a result, the EBITDA margin should improve to 36% in 1QFY23 from 21% in 4QFY22.

### Exhibit 7: 1QFY23 results preview

	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23E	----- Change -----		FY23E	Change
	(THB m)	(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	6,550	8,055	23	246	49,506	199
Expense (Incl. depreciation)	(6,524)	(6,154)	(6,383)	(6,907)	(7,446)	(7,448)	0	21	(31,980)	19
<b>Operating Profit</b>	<b>(5,059)</b>	<b>(3,827)</b>	<b>(3,366)</b>	<b>(2,241)</b>	<b>(897)</b>	<b>607</b>	<b>168</b>	<b>116</b>	<b>17,526</b>	<b>(270)</b>
Net other income	145	52	117	27	69	88	27	69	433	63
Interest income	31	21	12	9	6	6	0	(73)	21	(55)
Interest expense	(742)	(739)	(734)	(730)	(727)	(734)	1	(1)	(2,396)	(18)
<b>Pretax profit</b>	<b>(5,624)</b>	<b>(4,492)</b>	<b>(3,972)</b>	<b>(2,935)</b>	<b>(1,549)</b>	<b>(34)</b>	<b>98</b>	<b>99</b>	<b>15,584</b>	<b>(220)</b>
Income Tax	1,421	1,090	749	549	499	200	(60)	(82)	(2,345)	(181)
Minority interest	2	32	(130)	(6)	(7)	(7)	0	(123)	(50)	(55)
<b>Core profit</b>	<b>(4,201)</b>	<b>(3,370)</b>	<b>(3,353)</b>	<b>(2,392)</b>	<b>(1,057)</b>	<b>159</b>	<b>115</b>	<b>105</b>	<b>13,188</b>	<b>(230)</b>
Extraordinaries	(904)	(961)	(9)	(13)	(189)				0	(100)
Forex gain/(loss)	(459)	359	390	283	(135)				0	(100)
Derivative gain/(loss)	407	(300)	(304)	(85)	48					
<b>Reported net profit</b>	<b>(5,157)</b>	<b>(4,272)</b>	<b>(3,276)</b>	<b>(2,207)</b>	<b>(1,333)</b>	<b>159</b>	<b>112</b>	<b>104</b>	<b>13,188</b>	<b>(219)</b>
Shares (end Q, m)	14,286	14,286	14,286	14,286	14,286	14,286	0	0	14,286	0
<b>Core EPS (THB)</b>	<b>(0.29)</b>	<b>(0.24)</b>	<b>(0.23)</b>	<b>(0.17)</b>	<b>(0.07)</b>	<b>0.01</b>	<b>115</b>	<b>105</b>	<b>0.92</b>	<b>(230)</b>
<b>EPS (THB)</b>	<b>(0.36)</b>	<b>(0.30)</b>	<b>(0.23)</b>	<b>(0.15)</b>	<b>(0.09)</b>	<b>0.01</b>	<b>112</b>	<b>104</b>	<b>0.92</b>	<b>(219)</b>
Expenses (excl depreciation)	(3,846)	(3,861)	(4,200)	(4,723)	(5,175)	(5,177)	0	34	(21,748)	21
Depreciation	(2,678)	(2,293)	(2,184)	(2,184)	(2,271)	(2,271)	0	(1)	(10,232)	15
EBITDA	(2,381)	(1,534)	(1,183)	(57)	1,375	2,878	109	288	27,758	(2,083)
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>
Operating profit margin	(345)	(164)	(112)	(48)	(14)	8	21	172	35	98
EBITDA margin	(162)	(66)	(39)	(1)	21	36	15	102	56	65
Net profit margin	(352)	(184)	(109)	(47)	(20)	2	22	186	27	94
<b>Operating stat</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>	<b>(y-y %)</b>				
International pax growth	9	331	659	1,583	2,315	1,110				
Domestic pax growth	(4)	(43)	53	214	1,348	106				
Total pax growth	3	(36)	77	316	1,648	232				

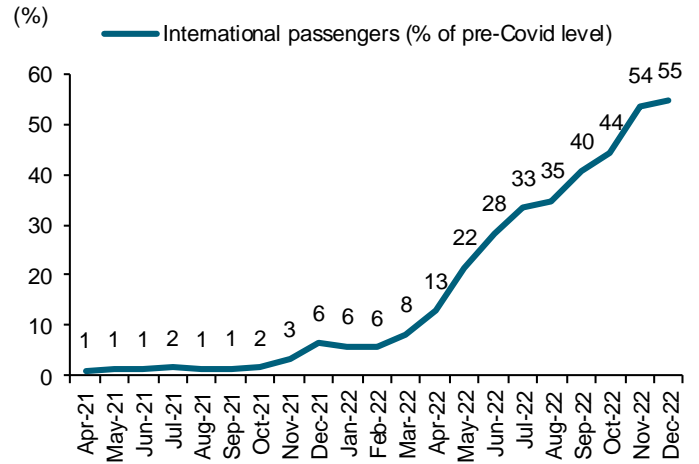
Sources: AOT; FSSIA estimates

**Exhibit 8: Domestic passengers vs pre-Covid**



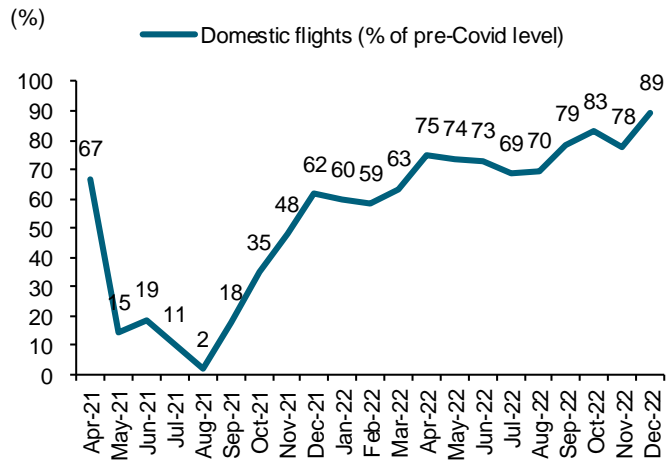
Source: AOT

**Exhibit 9: International passengers vs pre-Covid**



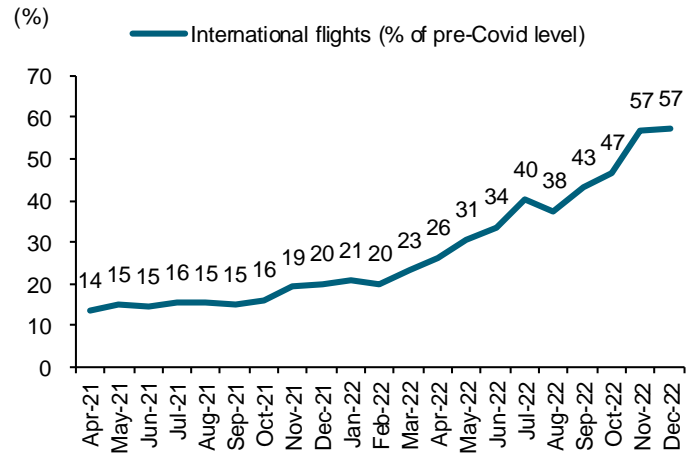
Source: AOT

**Exhibit 10: Domestic flights vs pre-Covid**



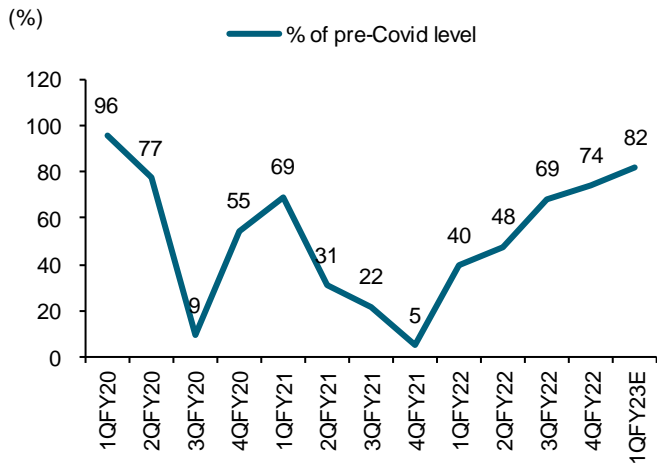
Source: AOT

**Exhibit 11: International flights vs pre-Covid**



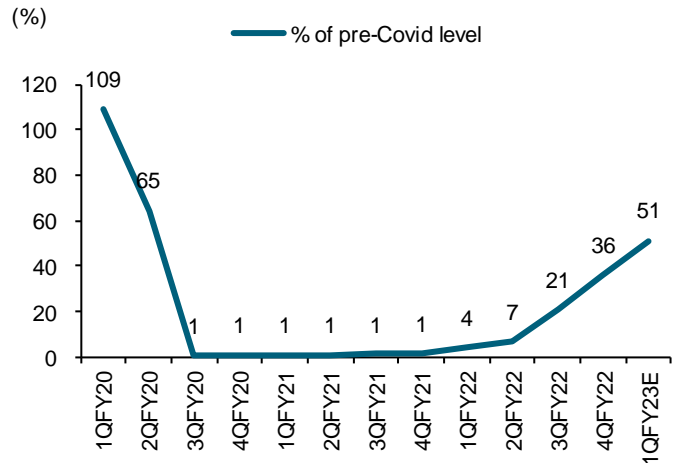
Source: AOT

**Exhibit 12: Domestic passenger volume (quarterly)**



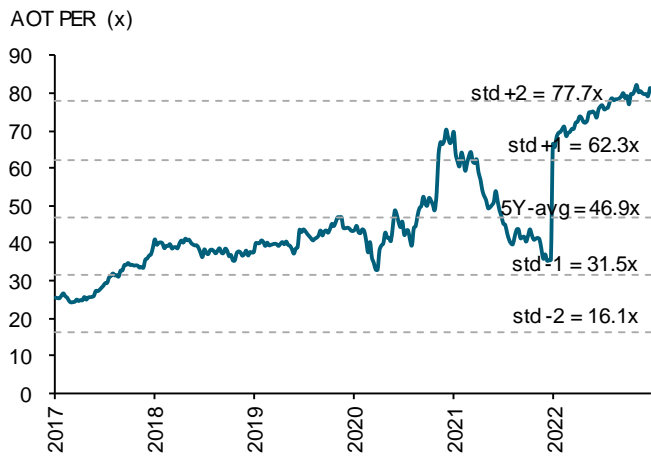
Sources: AOT; FSSIA estimates

**Exhibit 13: International passenger volume (quarterly)**



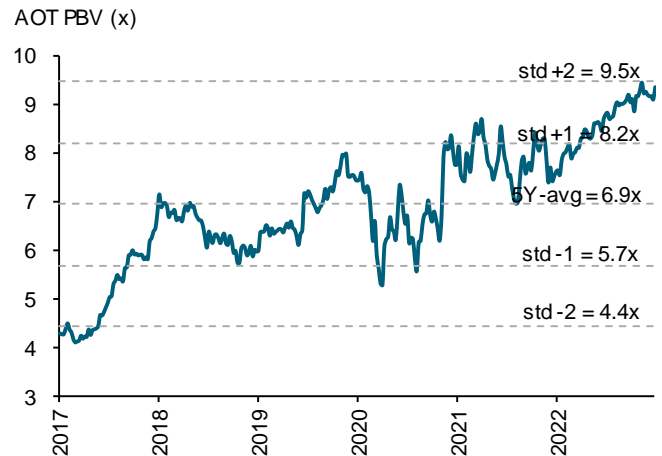
Sources: AOT; FSSIA estimates

Exhibit 14: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

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



Sources: Bloomberg; FSSIA estimates

Exhibit 16: Peer comparisons as of 3 Jan-23

Company	BBG	Rec	--- Share price ---		Market Cap (USD m)	3Y EPS CAGR (%)	----- PE -----		---- ROE ----		--- PBV ---		----- EV/ EBITDA -----		
			Current (THB)	Target (THB)			23E (x)	24E (x)	23E (%)	24E (%)	23E (x)	24E (x)	23E (x)	24E (x)	25E (x)
<b>Thailand</b>															
Airports of Thailand*+	AOT TB	BUY	75.00	85.00	31,079	(229.6)	81.2	32.2	12.2	25.9	9.4	7.5	40.1	21.1	17.6
<b>Malaysia</b>															
Malaysia Airports	MAHB MK	NR	6.01	NR	2,152	(186.2)	26	17	(3.2)	5.3	1.5	1.4	11.7	7.5	6.5
<b>China</b>															
Beijing Capital Intl-A	694 HK	NR	4.45	NR	2,623	(165.3)	n/a	30	(12.5)	(3.2)	1.0	1.0	n/a	26.7	7.9
Hainan Meilan Intl	357 HK	NR	17.58	NR	1,071	3.3	13	8	0.4	11.2	1.7	1.5	14.1	6.5	5.0
Shanghai Intl Airport-A	600009 CH	NR	52.24	NR	18,240	(219.0)	77	32	(7.5)	4.0	3.6	3.5	n/a	33.8	21.5
Guangzhou Baiyun Intl-A	600004 CH	NR	13.75	NR	4,581	(240.8)	63.6	25.5	(3.8)	2.5	1.9	1.8	41.0	14.5	10.9
Shenzhen Airport -A	000089 CH	NR	6.88	NR	1,966	(373.9)	n/a	29.2	(8.5)	(0.8)	1.3	1.3	n/a	22.1	15.3
Xiamen Int Airport -A	600897 CH	NR	15.13	NR	636	63.1	13.3	10.9	4.3	9.8	1.2	1.1	9.3	5.4	4.7
<b>Australia</b>															
Auckland Intl Airport**	AIA AU	NR	7.45	NR	7,148	n/a	98.3	44.7	(0.4)	1.5	1.5	1.4	90.2	35.6	22.3
<b>Japan</b>															
Japan Airport Terminal***	9706 JP	NR	6,180	NR	4,044	(152.8)	(2.3)	114.7	3.8	(2.3)	3.8	3.8	n/a	41.1	17.5
<b>Average</b>					<b>90,777</b>	<b>(188.6)</b>	<b>56.1</b>	<b>25.7</b>	<b>4.5</b>	<b>9.2</b>	<b>2.8</b>	<b>2.5</b>	<b>24.6</b>	<b>13.8</b>	<b>13.5</b>

\*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	2021	2022	2023E	2024E	2025E
Revenue	7,086	16,560	49,506	76,181	87,611
Cost of goods sold	(15,257)	(17,960)	(21,748)	(23,793)	(25,220)
<b>Gross profit</b>	<b>(8,172)</b>	<b>(1,400)</b>	<b>27,758</b>	<b>52,389</b>	<b>62,390</b>
Other operating income	-	-	-	-	-
Operating costs	0	0	0	0	0
<b>Operating EBITDA</b>	<b>(8,172)</b>	<b>(1,400)</b>	<b>27,758</b>	<b>52,389</b>	<b>62,390</b>
Depreciation	(9,027)	(8,932)	(10,232)	(11,155)	(11,465)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>(17,199)</b>	<b>(10,331)</b>	<b>17,526</b>	<b>41,234</b>	<b>50,925</b>
Net financing costs	(2,740)	(2,882)	(2,375)	(1,855)	(1,704)
Associates	0	0	(1)	(1)	(1)
Recurring non-operating income	397	265	433	445	459
Non-recurring items	(1,003)	(915)	0	0	0
<b>Profit before tax</b>	<b>(20,545)</b>	<b>(13,864)</b>	<b>15,584</b>	<b>39,824</b>	<b>49,679</b>
Tax	4,173	2,888	(2,345)	(6,372)	(9,936)
<b>Profit after tax</b>	<b>(16,372)</b>	<b>(10,976)</b>	<b>13,238</b>	<b>33,452</b>	<b>39,743</b>
Minority interests	50	(112)	(50)	(200)	(224)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(16,322)</b>	<b>(11,088)</b>	<b>13,188</b>	<b>33,252</b>	<b>39,519</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>1,003</b>	<b>915</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(15,319)</b>	<b>(10,173)</b>	<b>13,188</b>	<b>33,252</b>	<b>39,519</b>
<b>Per share (THB)</b>					
Recurring EPS *	(1.07)	(0.71)	0.92	2.33	2.77
Reported EPS	(1.14)	(0.78)	0.92	2.33	2.77
DPS	0.00	0.00	0.40	1.10	1.30
Diluted shares (used to calculate per share data)	14,286	14,286	14,286	14,286	14,286
<b>Growth</b>					
Revenue (%)	(77.3)	133.7	198.9	53.9	15.0
Operating EBITDA (%)	nm	nm	nm	88.7	19.1
Operating EBIT (%)	nm	nm	nm	135.3	23.5
Recurring EPS (%)	nm	nm	nm	152.1	18.8
Reported EPS (%)	nm	nm	nm	152.1	18.8
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	(242.7)	(62.4)	35.4	54.1	58.1
Gross margin of key business (%)	(242.7)	(62.4)	35.4	54.1	58.1
Operating EBITDA margin (%)	(115.3)	(8.5)	56.1	68.8	71.2
Operating EBIT margin (%)	(242.7)	(62.4)	35.4	54.1	58.1
Net margin (%)	(216.2)	(61.4)	26.6	43.6	45.1
Effective tax rate (%)	21.4	22.3	15.1	16.0	20.0
Dividend payout on recurring profit (%)	-	-	43.3	47.3	47.0
Interest cover (X)	(6.1)	(3.5)	7.6	22.5	30.2
Inventory days	7.7	6.5	6.3	6.6	6.7
Debtor days	176.7	81.8	27.9	18.1	15.8
Creditor days	32.8	20.2	19.6	20.5	20.9
Operating ROIC (%)	(9.9)	(5.2)	10.0	22.0	23.3
ROIC (%)	(9.0)	(4.5)	9.1	19.9	21.3
ROE (%)	(12.0)	(9.5)	12.2	25.9	25.7
ROA (%)	(7.2)	(4.1)	7.0	13.0	13.9
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Landing & parking	987	1,619	3,920	7,426	8,057
Passenger service	1,141	5,267	19,120	26,321	28,611
Aircraft service	201	403	725	1,029	1,117
Property rents	1,437	1,438	1,941	2,330	2,400

Sources: Airports of Thailand; FSSIA estimates



## Financial Statements

### Airports of Thailand

Cash Flow (THB m) Year Ending Sep	2021	2022	2023E	2024E	2025E
Recurring net profit	(15,319)	(10,173)	13,188	33,252	39,519
Depreciation	9,027	8,932	10,232	11,155	11,465
Associates & minorities	-	-	-	-	-
Other non-cash items	(23,885)	(2,376)	(412)	(262)	(238)
Change in working capital	(8,147)	8,846	166	5,109	2,211
<b>Cash flow from operations</b>	<b>(38,323)</b>	<b>5,229</b>	<b>23,174</b>	<b>49,255</b>	<b>52,959</b>
Capex - maintenance	(47,631)	(7,750)	(6,438)	(36,458)	(26,538)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	33	(5)	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(47,598)</b>	<b>(7,755)</b>	<b>(6,438)</b>	<b>(36,458)</b>	<b>(26,538)</b>
Dividends paid	(2,714)	(8)	0	(5,714)	(15,714)
Equity finance	0	0	0	0	0
Debt finance	52,941	(2,477)	50,415	(6,000)	(6,000)
Other financing cash flows	616	329	0	0	0
<b>Cash flow from financing</b>	<b>50,843</b>	<b>(2,156)</b>	<b>50,415</b>	<b>(11,714)</b>	<b>(21,714)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(35,079)</b>	<b>(4,681)</b>	<b>67,151</b>	<b>1,082</b>	<b>4,706</b>
Free cash flow to firm (FCFF)	(82,948.56)	404.45	19,131.59	15,047.63	28,526.24
Free cash flow to equity (FCFE)	(32,364.70)	(4,673.07)	67,150.74	6,796.63	20,420.11
<b>Per share (THB)</b>					
FCFF per share	(5.81)	0.03	1.34	1.05	2.00
FCFE per share	(2.27)	(0.33)	4.70	0.48	1.43
Recurring cash flow per share	(2.11)	(0.25)	1.61	3.09	3.55
<b>Balance Sheet (THB m) Year Ending Sep</b>					
Tangible fixed assets (gross)	282,931	290,774	297,674	334,594	361,594
Less: Accumulated depreciation	(125,184)	(133,776)	(144,008)	(155,163)	(166,629)
<b>Tangible fixed assets (net)</b>	<b>157,747</b>	<b>156,998</b>	<b>153,666</b>	<b>179,431</b>	<b>194,966</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	689	694	694	694	694
Cash & equivalents	8,479	3,798	70,948	72,031	76,737
A/C receivable	3,637	3,785	3,785	3,785	3,785
Inventories	307	338	409	447	474
Other current assets	9,077	556	7,616	11,720	13,479
<b>Current assets</b>	<b>21,499</b>	<b>8,476</b>	<b>82,758</b>	<b>87,983</b>	<b>94,474</b>
Other assets	15,150	17,645	17,645	17,645	17,645
<b>Total assets</b>	<b>195,086</b>	<b>183,813</b>	<b>254,763</b>	<b>285,753</b>	<b>307,778</b>
Common equity	112,344	101,324	114,512	142,050	165,855
Minorities etc.	1,078	1,195	1,245	1,445	1,669
<b>Total shareholders' equity</b>	<b>113,421</b>	<b>102,519</b>	<b>115,757</b>	<b>143,495</b>	<b>167,524</b>
Long term debt	60,848	57,991	107,872	101,872	95,872
Other long-term liabilities	7,206	8,808	8,808	8,808	8,808
<b>Long-term liabilities</b>	<b>68,054</b>	<b>66,799</b>	<b>116,680</b>	<b>110,680</b>	<b>104,680</b>
A/C payable	930	1,056	1,279	1,399	1,483
Short term debt	3,186	3,566	4,100	4,100	4,100
Other current liabilities	9,495	9,873	16,947	26,078	29,991
<b>Current liabilities</b>	<b>13,610</b>	<b>14,495</b>	<b>22,326</b>	<b>31,578</b>	<b>35,574</b>
<b>Total liabilities and shareholders' equity</b>	<b>195,086</b>	<b>183,813</b>	<b>254,763</b>	<b>285,753</b>	<b>307,778</b>
Net working capital	2,596	(6,251)	(6,416)	(11,526)	(13,737)
Invested capital	176,183	169,086	165,589	186,244	199,568
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	7.86	7.09	8.02	9.94	11.61
Tangible book value per share	7.86	7.09	8.02	9.94	11.61
<b>Financial strength</b>					
Net debt/equity (%)	49.0	56.3	35.4	23.7	13.9
Net debt/total assets (%)	28.5	31.4	16.1	11.9	7.5
Current ratio (x)	1.6	0.6	3.7	2.8	2.7
CF interest cover (x)	(10.8)	(0.6)	29.3	4.7	13.0
<b>Valuation</b>					
<b>Recurring P/E (x) *</b>	<b>(69.9)</b>	<b>(105.3)</b>	<b>81.2</b>	<b>32.2</b>	<b>27.1</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(79.3)</b>	<b>(119.4)</b>	<b>92.1</b>	<b>36.5</b>	<b>30.7</b>
Reported P/E (x)	(65.6)	(96.6)	81.2	32.2	27.1
Dividend yield (%)	-	-	0.5	1.5	1.7
Price/book (x)	9.5	10.6	9.4	7.5	6.5
Price/tangible book (x)	9.5	10.6	9.4	7.5	6.5
EV/EBITDA (x) **	(138.0)	(807.6)	40.1	21.1	17.6
EV/EBITDA @ target price (x) **	(155.5)	(909.7)	45.3	23.9	19.9
EV/invested capital (x)	6.4	6.7	6.7	5.9	5.5
* 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	SEAOL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	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:**

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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

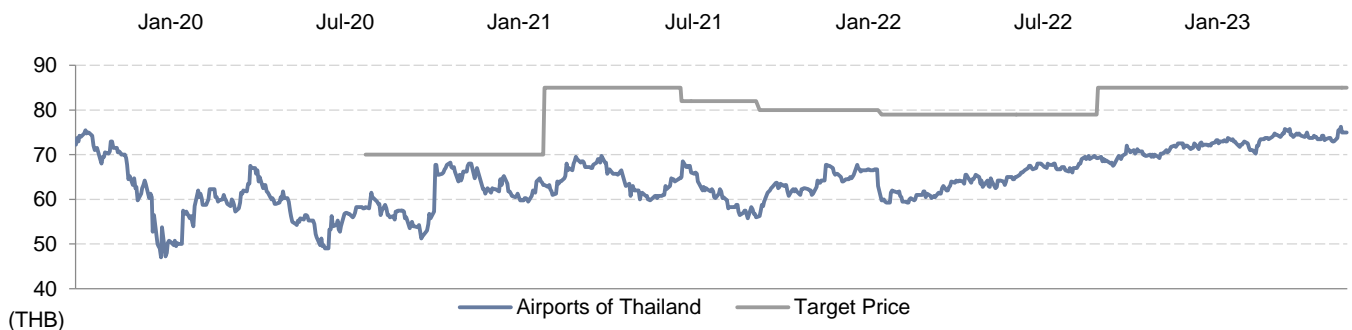
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### History of change in investment rating and/or target price

#### 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 75.00	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 Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 03-Jan-2023 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.