

# BANGKOK AIRWAYS

## THAILAND / TRANSPORT & LOGISTICS

BA TB

**BUY**  
 UNCHANGED

### Strong Samui traffic shields BA's earnings

- Expect 1Q25 core profit to drop by 5% y-y to THB1.7b due to higher tax expenses. Excluding tax, EBT would still grow 3-5% y-y.
- Samui pax grew 11% y-y in 1Q25 and continued to grow 12-14% y-y in April, leading to potential profit growth resumption in 2Q25.
- Maintain BUY with an SoTP-based TP of THB28.0/shr.

### Higher tax rate may lead to a decline in 1Q25 profit

We expect the 1Q25 passenger volume to grow by 4% y-y to 1.35m. The load factor should slightly decline to 86-87% (vs 88% in 1Q24) due to its high base and the higher flight volume, while ticket fares should remain flat y-y at cTHB4,400. Thus, passenger revenue should grow by 4% y-y in 1Q25, while airport and airport-related revenue should grow by 5% y-y, led by a higher Samui passenger volume. Expenses should increase by 4% y-y, mainly from higher personnel expenses. Tax expenses should jump by 52% y-y to THB400m (vs THB263m in 1Q24), as BA utilized the tax loss carried forward in 1Q24. Thus, we estimate 1Q25 core profit to drop by 5% y-y to THB1.7b. Excluding tax expenses, EBT including share income would grow by 3-5% y-y in the quarter.

### Strong Samui passenger volume to drive profit growth in 2Q25

We expect growth to resume in 2Q25, despite the low season in Samui, as Samui passenger volume is solid and should grow 12-14% y-y in April (vs 11% y-y in 1Q25), according to CAAT. This outperforms Thailand's tourist arrivals, which should drop 6-8% y-y in April. Also, the tax rate from 2Q24 is already at 20%, leading to the same tax expense base.

### Expect 2025 core profit to grow by 3% y-y to THB3.9b

We estimate BA's passenger volume to grow by 5% y-y in 2025 to 4.6m (slightly below guidance of 4.7m), driven by 12% y-y growth from the Samui route. However, we conservatively estimate the non-Samui passenger volume to drop by 8-10% y-y. Ticket fares should be relatively flat at cTHB4,200, driven by a 1-2% increase for the Samui route, which should offset non-Samui ticket fares that we assume to decline by 8-10%. This should result in core profit growth of 3% y-y to THB3.9b in 2025.

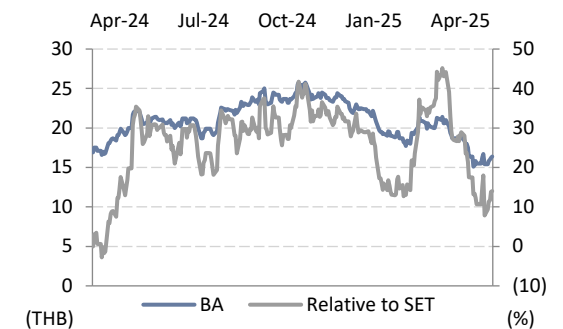
### Cheap valuation and attractive dividend yield

We trim our 2025-26 core profit estimates by 2-3% to reflect non-Samui operations and derive a 2025 SoTP-based TP of THB28/shr. The share price has plunged by 31% over the past six months amid concerns over Thailand tourism. We see this as an opportunity to buy the stock, as the Samui operation (68% of passenger revenue) is outperforming Thailand's tourist arrivals. BA also trades at a cheap valuation of only 9x 2025E P/E with a potential dividend yield of 8%.

TARGET PRICE	THB28.00
CLOSE	THB16.40
UP/DOWNSIDE	+70.7%
PRIOR TP	THB30.00
CHANGE IN TP	-6.7%
TP vs CONSENSUS	+9.5%

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	23,996	25,462	26,353	27,121
Net profit	3,788	3,935	4,196	4,566
EPS (THB)	1.80	1.87	2.00	2.17
vs Consensus (%)	-	1.5	1.6	5.9
EBITDA	6,990	7,452	7,648	7,920
Recurring net profit	3,838	3,935	4,196	4,566
Core EPS (THB)	1.83	1.87	2.00	2.17
Chg. In EPS est. (%)	nm	(3.4)	(2.5)	nm
EPS growth (%)	132.2	2.5	6.6	8.8
Core P/E (x)	9.0	8.8	8.2	7.5
Dividend yield (%)	7.9	7.9	7.3	8.0
EV/EBITDA (x)	7.0	6.3	5.9	5.3
Price/book (x)	2.2	2.0	1.9	1.7
Net debt/Equity (%)	89.9	73.3	56.0	37.4
ROE (%)	23.3	23.8	23.5	23.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(12.8)	(13.7)	(3.0)
Relative to country (%)	(10.8)	0.8	14.2
Mkt cap (USD m)	1,027		
3m avg. daily turnover (USD m)	2.9		
Free float (%)	41		
Major shareholder	Prasartong-Osoth Puttipong (25%)		
12m high/low (THB)	26.00/14.60		
Issued shares (m)	2,100.00		

Sources: Bloomberg consensus; FSSIA estimates



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### Investment thesis

BA has successfully turned its airline business around by focusing on its higher-yielding Samui route (48% of passenger revenue in 2019). BA also plans to reduce its fleet and trim its costs, which should support its earnings visibility in the long run.

BA’s non-airline business contributes more than half of its gross profit. It should be a key driver for the company, especially the airport business based on Samui Airport and the U-Tapao Airport project, in which BA holds a 45% stake.

Samui Airport is increasing its flight capacity from 50 to 73 flights/day, and there is a potential for an upgrade to its commercial space. This should improve the airport’s long-term profitability.

### Company profile

BA offers air transportation services. The company operates flights and airports servicing various resort destinations, including Thailand, CLMV, China and India.

[www.bangkokair.com](http://www.bangkokair.com)

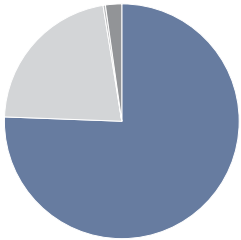
### Principal activities (revenue, 2024)

Air fares - 75.6 %

Revenue from sales and services - 21.8 %

Freight - 0.3 %

Passenger services - 2.2 %



Source: Bangkok Airways

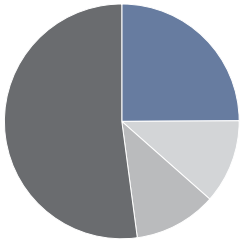
### Major shareholders

Prasarttong-Osoth Puttipong - 24.9 %

Prasarttong-Osoth Ariya - 11.6 %

Prasarttong-Osoth Prasert - 11.4 %

Others - 52.1 %



Source: Bangkok Airways

**Catalysts**

Key potential growth drivers include 1) a higher number of passengers carried following a global tourism recovery; 2) lower jet fuel prices; and 3) strong pent-up demand from Chinese tourists.

**Risks to our call**

Downside risks to our SoTP-based TP include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.

**Event calendar**

Date	Event
May 2025	1Q25 results announcement

**Key assumptions**

	2025E	2026E	2027E
Number of aircraft (no.)	25	26	27
Passengers carried (m)	4.6	4.7	4.8
Load factor (%)	80.5	81.0	81.0
Average ticket fare (THB)	4,190	4,273	4,337
Jet fuel spot price (USD/bbl)	85.0	90.0	90.0

Source: FSSIA estimates

**Earnings sensitivity**

- For every 1% increase in load factor, we project a 2025 profit increase of 5% and vice versa, all else being equal.
- For every 1% increase in average ticket fare, we project a 2025 profit increase of 4% and vice versa, all else being equal.
- For every 1% increase in Brent spot price, we project a 2025 profit reduction of 1% and vice versa, all else being equal.

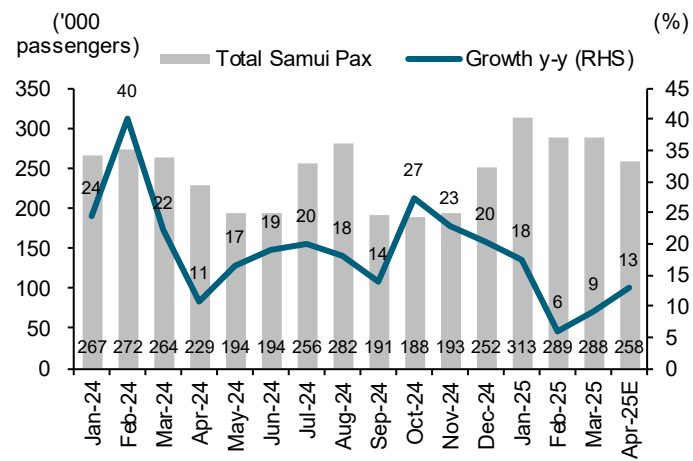
Source: FSSIA estimates

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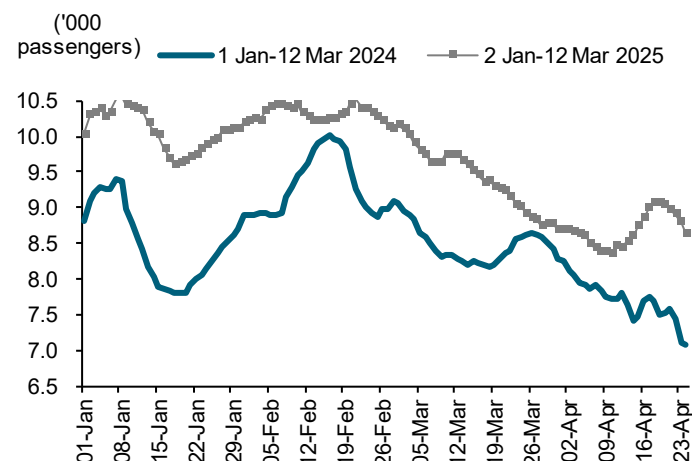
28 APRIL 2025

Exhibit 1: Samui passenger volume, monthly



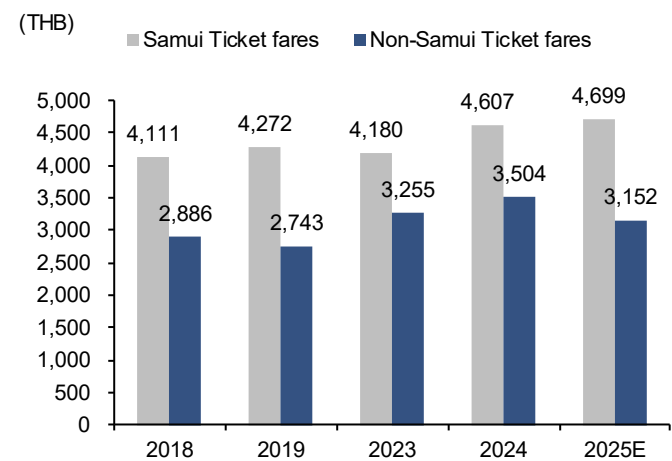
Note: Includes both arrivals and departures  
Source: CAAT; FSSIA estimates

Exhibit 2: Samui passenger volume trend



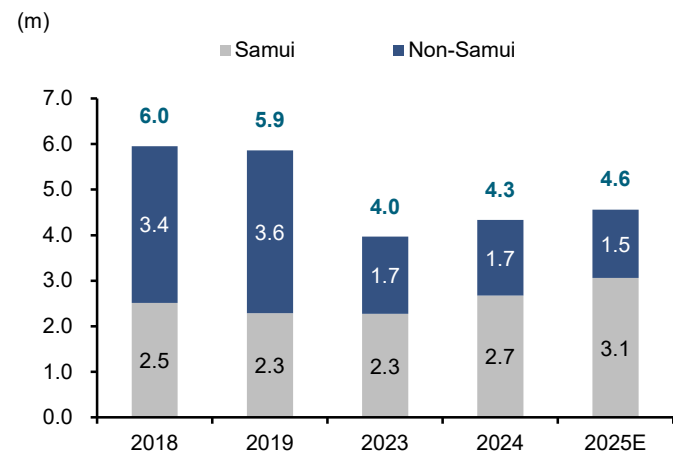
Note: 1) using 7-day average data; 2) includes both arrivals and departures  
Source: CAAT; FSSIA estimates

Exhibit 3: Samui and non-Samui ticket fares



Sources: BA; CAAT; FSSIA estimate

Exhibit 4: Passenger volume



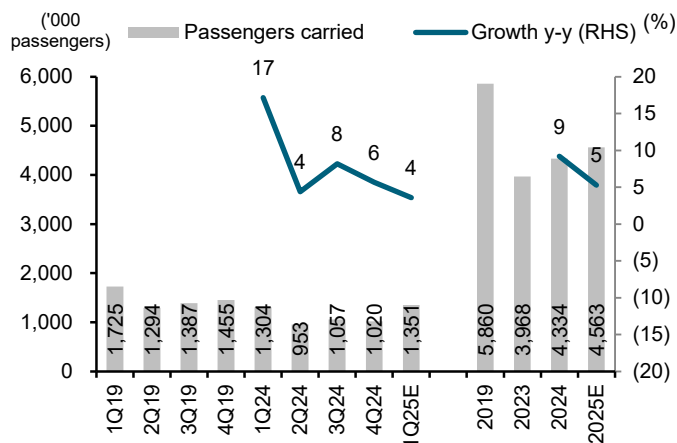
Sources: BA; CAAT; FSSIA estimate

## Exhibit 5: BA – 1Q25 results preview

	1Q24	2Q24	3Q24	4Q24	1Q25E	Change		2025E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)
Sales	7,241	5,172	5,936	5,646	7,514	33	4	25,462
- Passenger revenue	5,749	3,805	4,460	4,125	5,943	44	3	19,119
- Other revenue	1,492	1,367	1,476	1,522	1,571	3	5	6,343
Expense	(5,358)	(4,789)	(5,118)	(5,322)	(5,562)	5	4	(21,815)
- Fuel and oil	(1,056)	(886)	(910)	(805)	(970)	20	(8)	(3,895)
- Non-fuel operating expenses	(4,302)	(3,903)	(4,207)	(4,517)	(4,592)	2	7	(17,921)
<b>Operating profit</b>	<b>1,884</b>	<b>383</b>	<b>818</b>	<b>325</b>	<b>1,953</b>	<b>501</b>	<b>4</b>	<b>3,647</b>
Dividend income	0	266	263	0	0			569
Net other income	507	327	290	390	431	11	(15)	1,592
Interest income	51	128	74	161	74	(54)	44	271
Interest expense	(537)	(518)	(520)	(520)	(520)	(0)	(3)	(2,068)
<b>Pretax profit</b>	<b>1,905</b>	<b>586</b>	<b>925</b>	<b>356</b>	<b>1,939</b>	<b>444</b>	<b>2</b>	<b>4,011</b>
Income tax	(263)	(161)	(205)	(89)	(400)	348	52	(802)
Associates	159	256	190	188	176	(7)	11	737
Minority interest	(6)	0	(2)	(2)	(2)	0	(66)	(11)
<b>Core profit</b>	<b>1,794</b>	<b>682</b>	<b>909</b>	<b>453</b>	<b>1,712</b>	<b>278</b>	<b>(5)</b>	<b>3,935</b>
Extraordinaries	79	30	(237)	78	(10)			0
- FX	79	30	(237)	78	(10)			0
- Derivative	0	0	0	0	0			0
- Others	0	0	0	0	0			0
<b>Net profit</b>	<b>1,873</b>	<b>712</b>	<b>671</b>	<b>531</b>	<b>1,702</b>	<b>221</b>	<b>(9)</b>	<b>3,935</b>
Shares out (end Q, m)	2,100	2,100	2,100	2,100	2,100	0	0	2,100
<b>Pre-ex EPS</b>	<b>0.85</b>	<b>0.32</b>	<b>0.43</b>	<b>0.22</b>	<b>0.82</b>	<b>278</b>	<b>(5)</b>	<b>1.87</b>
<b>EPS</b>	<b>0.89</b>	<b>0.34</b>	<b>0.32</b>	<b>0.25</b>	<b>0.81</b>	<b>221</b>	<b>(9)</b>	<b>1.87</b>
Depreciation	(391)	(373)	(383)	(390)	(390)	0	(0)	(1,644)
EBITDA	2,275	756	1,201	715	2,343	228	3	5,290
<b>Key ratios</b>						<b>(ppt)</b>	<b>(ppt)</b>	
Operating profit margin (%)	26	7	14	6	26	20	(0)	14
EBITDA margin (%)	31	15	20	13	31	19	(0)	21
Net profit margin (%)	26	14	11	9	23	13	(3)	15
<b>Operating stats</b>								
Passenger carried (m)	1.30	0.95	1.06	1.02	1.35			
Load factor (%)	88	77	79	75	86			
RPK (m seats-km)	836	615	681	644	866			
ASK (m seats-km)	945	796	862	855	1,011			
Average fare (THB)	4,406	4,000	4,210	4,069	4,400			
RASK (THB)	6.8	5.4	5.7	5.5	0.0			
CASK (THB)	4.8	4.9	5.0	5.3	0.0			
CASK ex-fuel (THB)	3.7	3.8	3.9	4.3	0.0			

Sources: BA; FSSIA estimates

## Exhibit 6: Passengers carried



Sources: BA; FSSIA estimates

## Exhibit 7: ASK

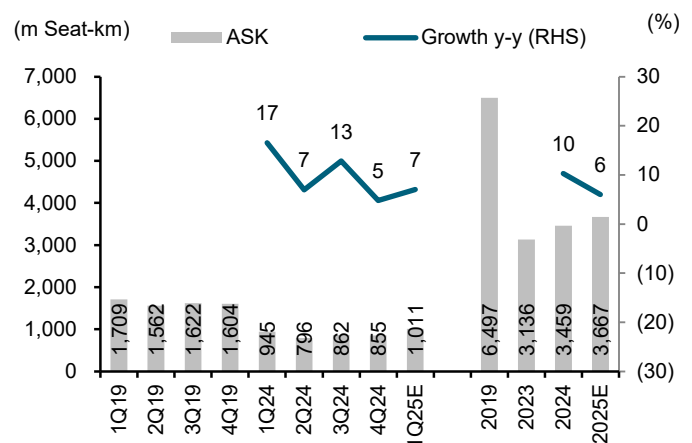
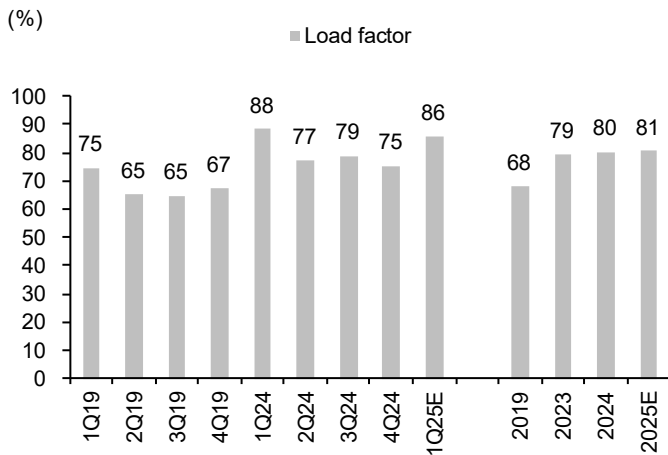
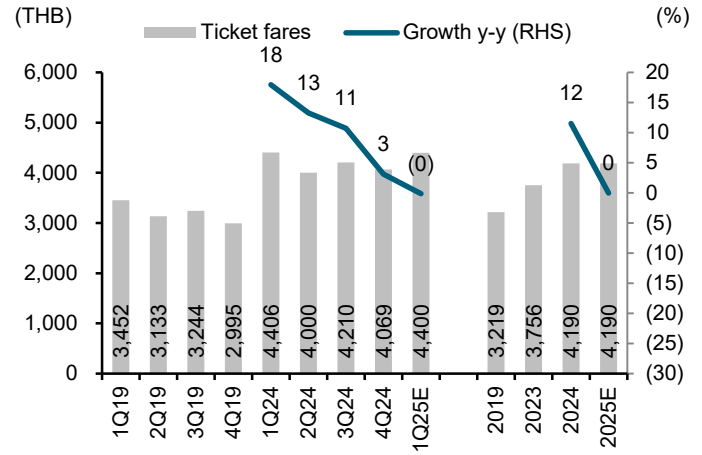
\* ASK = available seat kilometers  
Sources: BA; FSSIA estimates

Exhibit 8: Load factor



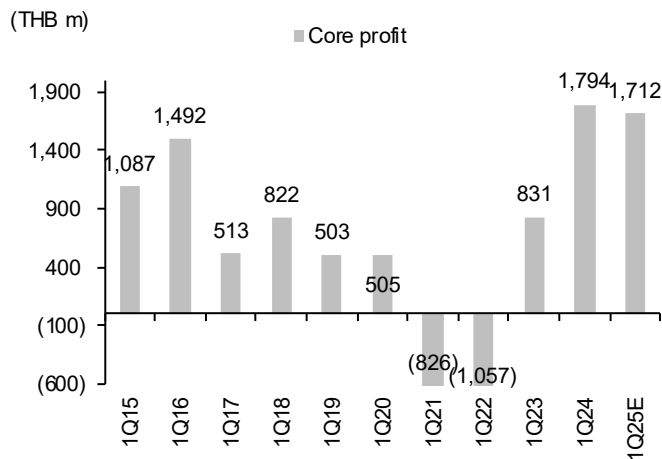
Sources: BA; FSSIA estimates

Exhibit 9: Ticket fares (average)



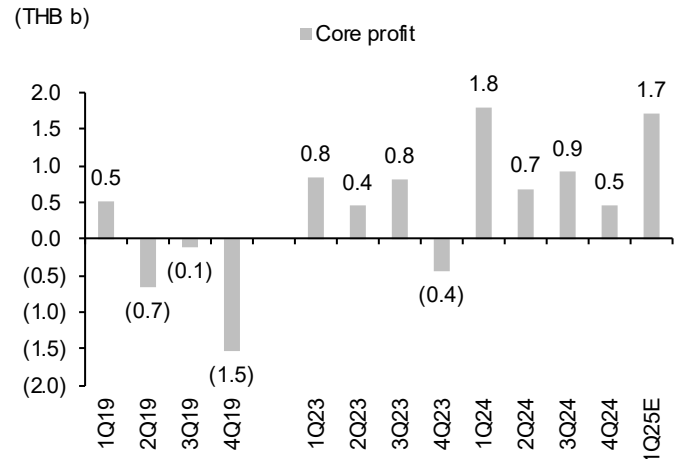
Sources: BA; FSSIA estimates

Exhibit 10: 1Q core profit, 2015-2023



Sources: BA; FSSIA estimates

Exhibit 11: Core profit



Sources: BA; FSSIA estimates

Exhibit 12: Forecast revisions

	Current			Previous			Change (%)		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Passengers carried (m)	4.6	4.7	4.8	4.6	4.6	-	(0.2)	1.1	-
Load factor (%)	81	81	81	82	83	-	(1.5)	(1.5)	-
Average ticket fare (THB)	4,190	4,273	4,337	4,268	4,353	-	(1.8)	(1.8)	-
Fuel price net hedging (USD/bbl)	85	90	90	100	100	-	(15.0)	(10.0)	-
Revenue (THB m)	25,462	26,353	27,121	25,824	26,397	-	(1.4)	(0.2)	-
EBITDA (THB m)	7,452	7,648	7,920	7,680	7,832	-	(3.0)	(2.4)	-
Core profit (THB m)	3,935	4,196	4,566	4,075	4,303	-	(3.4)	(2.5)	-

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

Sources: BA; FSSIA estimates

## Exhibit 13: SoTP valuation

SoTP base case	(THB b)	(THB/share)	Comments
BDMS	19.3	9.2	Fair price at our TP of THB36.5/shr with 20% holding discount and 10% discount factor due to current market share price
BAFS	0.5	0.2	Fair price at consensus TP of THB10.00/shr with 20% holding discount
BAREIT	2.4	1.2	Fair price at consensus TP of THB11.7/shr with 20% holding discount
Airport business	21.8	10.4	2025E net profit (excluding BAREIT lease payment) of THB1.3b and pegged at 17x P/E multiple
BAREIT lease liabilities	(14.4)	(6.9)	At end-2025E
Airline business	22.9	10.9	2025E net profit of THB2.2b and pegged at 10x P/E multiple
Cargo business	1.1	0.5	Share income of THB0.6b and concession ending in Sep-26
Ground handling business	1.1	0.5	Profit of THB0.6b and concession ending in Sep-26
Interest bearing debt	(9.8)	(4.7)	At end-2025E
Cash	14.0	6.6	At end-2025E
<b>Total value</b>	<b>58.9</b>	<b>28.0</b>	

Source: FSSIA estimates

## Exhibit 14: Peer comparisons as of 25 April 2025

Company	BBG	Rec	---- Share price ----			Market Cap (USD m)	----- PE -----		----- PBV -----		----- ROE -----		- EV/ EBITDA -	
			Current	Target	Upside		25E	26E	25E	26E	25E	26E	25E	26E
			(LCY)	(LCY)	(%)		(x)	(x)	(x)	(x)	(x)	(x)	(x)	(x)
Thailand														
Bangkok Airways	BA TB	BUY	16.40	28.00	70.7	1,027	8.8	8.2	2.0	1.9	23.8	23.5	6.3	5.9
Asia Aviation	AAV TB	BUY	1.42	2.50	76.1	544	6.9	6.3	1.3	1.1	20.9	19.5	5.6	5.5
Thailand average						1,570	7.8	7.2	1.7	1.5	22.4	21.5	6.0	5.7
Regional														
Spring Airlines Co Ltd-A	601021 CH	n/a	52.90	n/a	n/a	7,248	16.6	13.0	2.6	2.2	15.8	16.7	9.6	8.0
Interglobe Aviation	INDIGO IN	n/a	5,313.50	n/a	n/a	24,052	29.6	25.5	25.0	12.9	132.4	68.6	12.8	11.0
China Southern Airlines	600029 CH	n/a	5.66	n/a	n/a	12,398	35.4	16.8	2.7	2.3	8.9	14.9	8.9	7.8
China Eastern Airlines	600115 CH	n/a	3.72	n/a	n/a	10,263	72.7	22.8	1.9	1.7	4.2	12.5	9.2	8.0
Spring Airlines	601021 CH	n/a	52.90	n/a	n/a	7,248	16.6	13.0	2.6	2.2	15.8	16.7	9.6	8.0
Air China	601111 CH	n/a	7.20	n/a	n/a	15,420	45.1	6.8	2.6	2.3	9.5	16.2	8.9	7.0
Korea Air Lines	003490 KS	n/a	20,800	n/a	n/a	5,326	5.3	5.2	0.7	0.6	13.2	12.1	4.7	4.6
Singapore Airlines	SIA SP	n/a	6.68	n/a	n/a	15,029	8.7	13.3	1.3	1.2	14.7	9.4	5.5	5.8
Japan Airlines	9201 JP	n/a	2,593.50	n/a	n/a	7,885	11.1	10.1	1.2	1.1	10.9	11.3	4.4	4.1
Ana Holdings	9202 JP	n/a	2,703.50	n/a	n/a	9,139	9.2	9.8	1.1	1.0	12.5	11.1	4.4	4.2
Cathay Pacific Airways	293 HK	n/a	8.90	n/a	n/a	7,372	6.2	5.9	1.0	0.9	15.4	15.4	4.4	4.4
Vietjet Aviation	VJC VN	n/a	91,000	n/a	n/a	1,831	24.2	21.3	2.4	2.1	10.7	10.3	15.9	14.6
Regional average						123,210	23.4	13.6	3.7	2.6	22.0	17.9	8.2	7.3
Global														
Eva Airways	2618 TT	n/a	46.28	n/a	n/a	24,592	14.0	11.0	3.0	2.5	21.1	24.0	7.6	6.4
Ryanair	RYAAY US	n/a	1,377.00	n/a	n/a	3,937	7.4	7.1	1.8	1.4	27.0	22.2	0.9	0.9
Air Arabia	AIRARABIA UH	n/a	8.60	n/a	n/a	8,377	8.0	7.4	13.4	4.0	246.7	102.0	3.9	3.5
Easyjet (UK)	EZJ LN	n/a	489.00	n/a	n/a	4,937	7.0	6.5	1.1	1.0	16.3	15.5	2.3	2.1
Air Canada	AC CN	n/a	38.70	n/a	n/a	6,393	8.3	9.5	1.5	1.4	18.6	14.6	3.4	3.8
American Airline	AAL US	n/a	3.30	n/a	n/a	4,193	10.5	9.9	1.8	1.7	17.7	18.2	6.0	5.6
Qantas Airways	QAN AU	n/a	14.07	n/a	n/a	3,276	7.1	5.5	2.0	1.7	40.2	248.8	3.0	2.7
Alaska Airlines	ALK US	n/a	9.75	n/a	n/a	6,430	9.2	4.4	n/a	n/a	(20.1)	0.1	6.4	5.2
United Airlines	UAL US	n/a	41.91	n/a	n/a	5,145	10.2	6.4	1.1	0.9	11.5	16.7	4.5	3.6
Lufthansa	LHA GY	n/a	68.20	n/a	n/a	22,349	6.7	5.6	1.4	1.1	23.7	23.6	4.4	3.8
JetBlue Airways (US, Latin AM)	JBLU	n/a	6.48	n/a	n/a	8,834	5.9	4.9	0.6	0.6	11.2	12.5	3.1	2.9
Jet2	JET2 LN	n/a	3.88	n/a	n/a	1,375	n/a	n/a	0.6	0.6	(15.3)	(6.2)	11.4	7.6
Delta Air Lines	DAL US	n/a	41.58	n/a	n/a	27,150	7.7	6.3	1.5	1.2	21.2	21.3	4.9	4.4
Southwest Airlines (US)	LUV US	n/a	26.49	n/a	n/a	15,096	19.3	9.9	1.7	1.5	9.3	14.3	5.6	4.0
Global average						142,083	9.3	7.3	2.4	1.5	30.6	37.7	4.8	4.0
Overall average						266,863	15.5	10.1	3.0	2.0	26.4	28.1	6.4	5.5

Sources: Bloomberg consensus; FSSIA estimates

## Financial Statements

### Bangkok Airways

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	19,681	23,996	25,462	26,353	27,121
Cost of goods sold	(15,622)	(17,311)	(18,392)	(19,174)	(19,681)
<b>Gross profit</b>	<b>4,059</b>	<b>6,684</b>	<b>7,070</b>	<b>7,179</b>	<b>7,440</b>
Other operating income	1,979	2,044	2,162	2,310	2,363
Operating costs	(2,992)	(3,274)	(3,423)	(3,543)	(3,646)
<b>Operating EBITDA</b>	<b>4,820</b>	<b>6,990</b>	<b>7,452</b>	<b>7,648</b>	<b>7,920</b>
Depreciation	(1,775)	(1,536)	(1,644)	(1,703)	(1,763)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>3,045</b>	<b>5,454</b>	<b>5,808</b>	<b>5,945</b>	<b>6,157</b>
Net financing costs	(2,018)	(1,681)	(1,797)	(1,624)	(1,387)
Associates	612	794	737	750	764
Recurring non-operating income	612	794	737	750	764
Non-recurring items	1,457	(50)	0	0	0
<b>Profit before tax</b>	<b>3,095</b>	<b>4,516</b>	<b>4,748</b>	<b>5,072</b>	<b>5,533</b>
Tax	13	(718)	(802)	(864)	(954)
<b>Profit after tax</b>	<b>3,108</b>	<b>3,798</b>	<b>3,946</b>	<b>4,208</b>	<b>4,579</b>
Minority interests	2	(10)	(11)	(12)	(13)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>3,110</b>	<b>3,788</b>	<b>3,935</b>	<b>4,196</b>	<b>4,566</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(1,457)</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>1,653</b>	<b>3,838</b>	<b>3,935</b>	<b>4,196</b>	<b>4,566</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.79	1.83	1.87	2.00	2.17
Reported EPS	1.48	1.80	1.87	2.00	2.17
DPS	1.00	1.30	1.30	1.20	1.30
Diluted shares (used to calculate per share data)	2,100	2,100	2,100	2,100	2,100
<b>Growth</b>					
Revenue (%)	74.1	21.9	6.1	3.5	2.9
Operating EBITDA (%)	212.7	45.0	6.6	2.6	3.6
Operating EBIT (%)	nm	79.1	6.5	2.4	3.6
Recurring EPS (%)	nm	132.2	2.5	6.6	8.8
Reported EPS (%)	nm	21.8	3.9	6.6	8.8
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	20.6	27.9	27.8	27.2	27.4
Gross margin exc. depreciation (%)	29.6	34.3	34.2	33.7	33.9
Operating EBITDA margin (%)	24.5	29.1	29.3	29.0	29.2
Operating EBIT margin (%)	15.5	22.7	22.8	22.6	22.7
Net margin (%)	8.4	16.0	15.5	15.9	16.8
Effective tax rate (%)	(1.3)	19.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	127.1	71.1	69.5	60.0	60.0
Interest cover (X)	1.8	3.7	3.6	4.1	5.0
Inventory days	12.6	11.5	11.4	11.5	11.6
Debtor days	24.6	21.8	21.8	22.8	22.1
Creditor days	46.3	45.8	44.9	45.3	45.6
Operating ROIC (%)	33.5	59.0	65.8	73.5	84.3
ROIC (%)	8.5	14.1	15.3	16.0	16.8
ROE (%)	9.8	23.3	23.8	23.5	23.3
ROA (%)	6.2	9.2	9.6	9.9	10.5

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Air fares	14,914	18,139	19,119	20,073	20,774
Revenue from sales and services	4,270	5,243	5,625	5,763	5,904
Freight	62	79	82	86	89
Passenger services	436	536	636	431	354

Sources: Bangkok Airways; FSSIA estimates



## Financial Statements

### Bangkok Airways

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	1,653	3,838	3,935	4,196	4,566
Depreciation	1,775	1,536	1,644	1,703	1,763
Associates & minorities	-	-	-	-	-
Other non-cash items	(6,858)	2,592	11	12	13
Change in working capital	1,037	649	156	262	209
<b>Cash flow from operations</b>	<b>(2,393)</b>	<b>8,615</b>	<b>5,746</b>	<b>6,173</b>	<b>6,552</b>
Capex - maintenance	(2,443)	(2,082)	(1,273)	(1,318)	(1,356)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	34,113	(515)	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>31,670</b>	<b>(2,597)</b>	<b>(1,273)</b>	<b>(1,318)</b>	<b>(1,356)</b>
Dividends paid	(1,049)	(2,310)	(2,730)	(2,735)	(2,517)
Equity finance	(9,219)	0	0	0	0
Debt finance	(4,092)	(1,345)	(1,335)	(3,388)	(3,443)
Other financing cash flows	(7,936)	(2,444)	0	0	0
<b>Cash flow from financing</b>	<b>(22,296)</b>	<b>(6,099)</b>	<b>(4,065)</b>	<b>(6,123)</b>	<b>(5,960)</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>6,982</b>	<b>(81)</b>	<b>408</b>	<b>(1,268)</b>	<b>(764)</b>
Free cash flow to firm (FCFF)	31,444.66	8,113.48	6,541.02	6,757.48	6,836.59
Free cash flow to equity (FCFE)	17,249.26	2,228.36	3,137.58	1,466.89	1,753.14

#### Per share (THB)

FCFF per share	14.97	3.86	3.11	3.22	3.26
FCFE per share	8.21	1.06	1.49	0.70	0.83
Recurring cash flow per share	(1.63)	3.79	2.66	2.81	3.02

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	22,737	23,560	24,834	26,151	27,507
Less: Accumulated depreciation	(10,427)	(10,915)	(12,559)	(14,261)	(16,025)
<b>Tangible fixed assets (net)</b>	<b>12,310</b>	<b>12,645</b>	<b>12,275</b>	<b>11,890</b>	<b>11,482</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	6,039	6,763	6,763	6,763	6,763
Cash & equivalents	13,629	13,548	13,955	12,687	11,923
A/C receivable	1,472	1,390	1,645	1,645	1,645
Inventories	489	507	539	562	576
Other current assets	484	740	786	813	837
<b>Current assets</b>	<b>16,074</b>	<b>16,186</b>	<b>16,925</b>	<b>15,708</b>	<b>14,981</b>
Other assets	23,459	20,322	20,322	20,322	20,322
<b>Total assets</b>	<b>57,881</b>	<b>55,917</b>	<b>56,285</b>	<b>54,683</b>	<b>53,549</b>
Common equity	16,984	15,931	17,136	18,597	20,646
Minorities etc.	(76)	(75)	(64)	(52)	(38)
<b>Total shareholders' equity</b>	<b>16,908</b>	<b>15,856</b>	<b>17,072</b>	<b>18,545</b>	<b>20,607</b>
Long term debt	27,546	26,353	25,018	21,630	18,187
Other long-term liabilities	4,714	4,303	4,303	4,303	4,303
<b>Long-term liabilities</b>	<b>32,260</b>	<b>30,656</b>	<b>29,321</b>	<b>25,933</b>	<b>22,491</b>
A/C payable	1,958	1,997	2,120	2,212	2,268
Short term debt	1,598	1,446	1,446	1,446	1,446
Other current liabilities	5,158	5,961	6,325	6,546	6,737
<b>Current liabilities</b>	<b>8,714</b>	<b>9,404</b>	<b>9,891</b>	<b>10,204</b>	<b>10,451</b>
<b>Total liabilities and shareholders' equity</b>	<b>57,881</b>	<b>55,917</b>	<b>56,285</b>	<b>54,683</b>	<b>53,549</b>
Net working capital	(4,670)	(5,319)	(5,476)	(5,738)	(5,947)
Invested capital	37,137	34,411	33,884	33,237	32,621

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

#### Per share (THB)

Book value per share	8.09	7.59	8.16	8.86	9.83
Tangible book value per share	8.09	7.59	8.16	8.86	9.83

#### Financial strength

Net debt/equity (%)	91.8	89.9	73.3	56.0	37.4
Net debt/total assets (%)	26.8	25.5	22.2	19.0	14.4
Current ratio (x)	1.8	1.7	1.7	1.5	1.4
CF interest cover (x)	9.5	2.3	2.7	1.9	2.3

Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>20.8</b>	<b>9.0</b>	<b>8.8</b>	<b>8.2</b>	<b>7.5</b>
<b>Recurring P/E @ target price (x) *</b>	<b>35.6</b>	<b>15.3</b>	<b>14.9</b>	<b>14.0</b>	<b>12.9</b>
Reported P/E (x)	11.1	9.1	8.8	8.2	7.5
Dividend yield (%)	6.1	7.9	7.9	7.3	8.0
Price/book (x)	2.0	2.2	2.0	1.9	1.7
Price/tangible book (x)	2.0	2.2	2.0	1.9	1.7
EV/EBITDA (x) **	10.3	7.0	6.3	5.9	5.3
EV/EBITDA @ target price (x) **	15.4	10.4	9.6	9.0	8.4
EV/invested capital (x)	1.3	1.4	1.4	1.3	1.3

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

Sources: Bangkok Airways; FSSIA estimates



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETESG Index</b> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

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

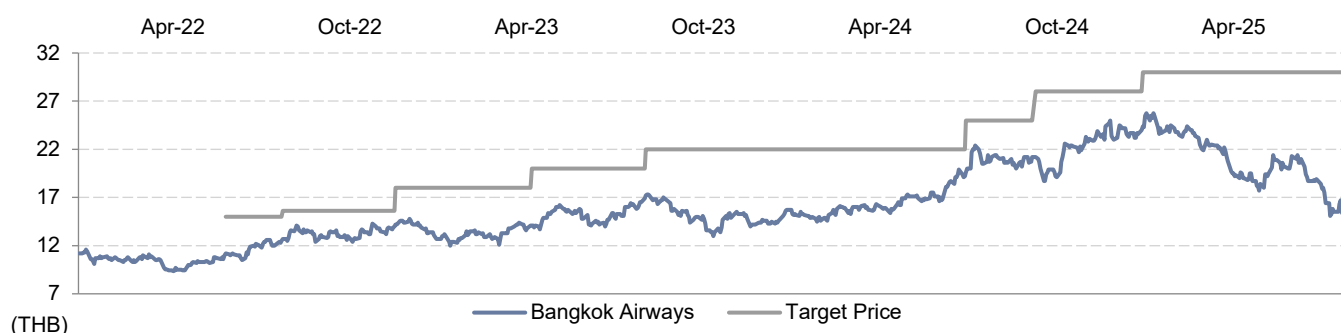
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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

#### Bangkok Airways (BA TB)



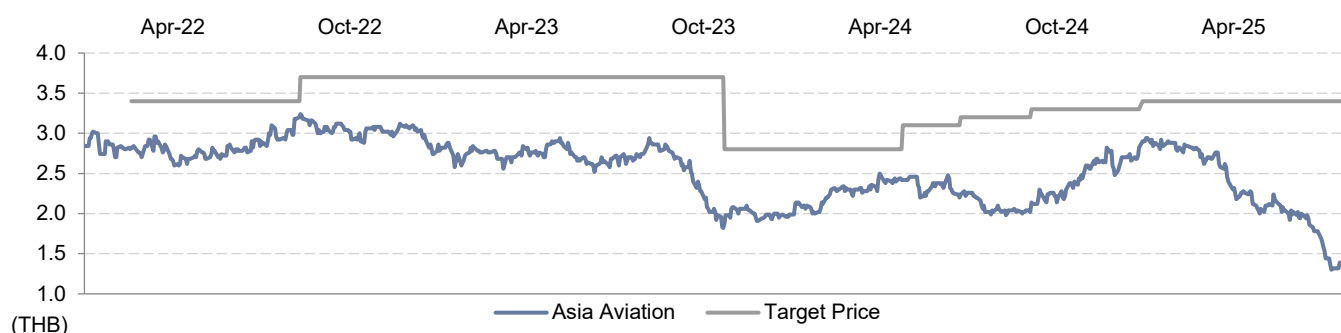
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Sep-2022	BUY	15.00	22-May-2023	BUY	20.00	26-Jul-2024	BUY	28.00
20-Oct-2022	BUY	15.60	28-Aug-2023	BUY	22.00	28-Oct-2024	BUY	30.00
25-Jan-2023	BUY	18.00	29-May-2024	BUY	25.00			

Teerapol Udomvej, CFA started covering this stock from 04-Jun-2021

Price and TP are in local currency

Source: FSSIA estimates

#### Asia Aviation (AAV TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
07-Jun-2022	BUY	3.40	03-Apr-2024	BUY	3.10	25-Oct-2024	BUY	3.40
31-Oct-2022	BUY	3.70	23-May-2024	BUY	3.20	23-Apr-2025	BUY	2.50
01-Nov-2023	BUY	2.80	23-Jul-2024	BUY	3.30			

Teerapol Udomvej, CFA started covering this stock from 21-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Airways	BA TB	THB 16.40	BUY	Downside risks to our SoTP-based TP include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.
Asia Aviation	AAV TB	THB 1.42	BUY	Downside risks to our P/E multiple target price include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.

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.

All share prices are as at market close on 25-Apr-2025 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

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

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.