

Asia Aviation

(AAV.BK/AAV TB)*

Outperform • Maintained

Price as of 25 Jan 2024	2.14
12M target price (Bt/shr)	3.00
Unchanged/Revised up (down)(%)	Unchanged
Upside/downside (%)	40.2

Key messages

เราคาดว่าทั้งกำไรจากธุรกิจหลัก และกำไรสุทธิใน 4Q66F ของ AAV จะฟื้นตัวขึ้น เราคาดว่ากำไรปกติของ AAV จะอยู่ที่ 390 ล้านบาท จากที่มีผลขาดทุนปกติใน 3Q66 และ 4Q65 นอกจากนี้ เรายังคาดว่า AAV จะมีกำไรสุทธิ 2.5 พันล้านบาทใน 4Q66 เนื่องจากคาดว่าบริษัทจะมีกำไรจากอัตราแลกเปลี่ยน 2.1 พันล้านบาท (เพราะเงินบาทแข็งค่าขึ้น 2.1 บาท/ดอลลาร์ QoQ) ทั้งนี้ เมื่อพิจารณาถึงแนวโน้มการฟื้นตัวของบริษัท เรายังคงคำแนะนำซื้อ โดยประเมินราคาเป้าหมายปี 2567 ที่ 3.00 บาท (อิงจาก EV/EBITDA ปี 2567 ที่ 10x)

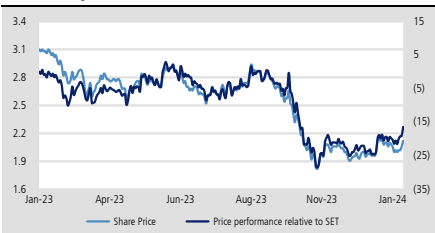
Trading data

Mkt cap (Btbn/US\$m)	26.0/743.7		
Outstanding shares (mn)	12,164		
Foreign ownership (mn)	12.85		
3M avg. daily trading (mn)	30		
52-week trading range (Bt)	1.8-3.1		
Performance (%)	3M	6M	12M
Absolute	7.1	(20.9)	(32.1)
Relative	8.1	(11.2)	(17.5)

Quarterly EPS

Bt	Q1	Q2	Q3	Q4
2020	(0.14)	(0.24)	(0.38)	(0.23)
2021	(0.38)	(0.35)	(0.43)	(0.10)
2022	(0.20)	(0.40)	(0.35)	0.27
2023	0.03	(0.08)	(0.14)	

Share price chart



Source: SET

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ประมาณการ 4Q66F: ผลประกอบการจะเป็นบวก

Event

ประมาณการ 4Q66F

Impact

คาดว่าผลการดำเนินงานจะพลิกเป็นบวกใน 4Q66F

เราคาดว่าทั้งกำไรจากธุรกิจหลักและกำไรสุทธิใน 4Q66F ของ AAV จะฟื้นตัวขึ้น ซึ่งตามปกติแล้ว 4Q จะเป็นไตรมาสที่ AAV ได้โอนเงินสดจากภาวการณ์ท่องเที่ยวที่แข็งแกร่ง ซึ่งใน 4Q66 บริษัทจะได้โอนเงินสดจากการฟื้นตัวอย่างต่อเนื่องของจำนวนผู้โดยสารระหว่างประเทศที่เดินทางเข้ามาในประเทศไทย เราคาดว่ากำไรปกติของ AAV จะอยู่ที่ 390 ล้านบาท จากที่มีผลขาดทุนปกติใน 3Q66 และ 4Q65 นอกจากนี้ เรายังคาดว่า AAV จะมีกำไรสุทธิ 2.5 พันล้านบาทใน 4Q66 เนื่องจากคาดว่าบริษัทจะมีกำไรจากอัตราแลกเปลี่ยน 2.1 พันล้านบาท (เพราะเงินบาทแข็งค่าขึ้น 2.1 บาท/ดอลลาร์ QoQ) นอกจากนี้ ถึงแม้ว่าราคาน้ำมันจะลดลงใน 4Q66 แต่ AAV ไม่ได้โอนเงินสดที่ เพราะ spread ของน้ำมันดิบและน้ำมันเครื่องบินยังเพิ่มขึ้น QoQ ทั้งนี้ AAV ได้เปิดเส้นทางบินใหม่ เช่น ดอนเมือง-Guwahati (อินเดีย), ดอนเมือง-Ahmedabad (อินเดีย) และกลับมาเปิดดำเนินการเส้นทางบินดอนเมือง-Shantou (จีน) ใน 4Q66 ด้วย ซึ่งเมื่ออิงจากสถิติการดำเนินงานเบื้องต้นของบริษัทใน 4Q66 AAV มีจำนวนผู้โดยสารรวม 5.1 ล้านคน (+25.6% YoY, +11.9% QoQ) และมีจำนวนเที่ยวบิน 31,014 เที่ยวบิน (+25.5% YoY, +11.3% QoQ) ในขณะที่ Load factor จากเครื่องบินที่มีการใช้งานอยู่ที่ 90% (ทรงตัวทั้ง YoY และ QoQ) เราคาดว่ายอดขายของ AAV ใน 4Q66F จะอยู่ที่ 1.27 หมื่นล้านบาท (+53.3% YoY, +31.1% QoQ) ในขณะที่ค่าตัวอัตรากำไรขั้นต้นจะอยู่ที่ 12.5% (จาก +8.1% ใน 4Q65 และ +0.3 ใน 3Q66)

ผลประกอบการมีแนวโน้มจะแข็งแกร่งขึ้นอย่างต่อเนื่องในปี 2567F

สำหรับในระยะต่อไป เราคาดว่าผลการดำเนินงานของ AAV จะแข็งแกร่งขึ้นจาก i) การฟื้นตัวของจำนวนผู้โดยสารระหว่างประเทศในช่วง high season ของการท่องเที่ยวใน 4Q66 และ 1Q67 ii) ต้นทุนน้ำมันมีเสถียรภาพมากขึ้นและบริหารจัดการได้ดีขึ้น และ iii) ค่าตัวที่ต่ำลงซึ่งจะสูงขึ้น QoQ ตามปัจจัยฤดูกาล

คงประมาณการกำไรปี 2567F เอาไว้เท่าเดิม

เมื่ออิงจากประมาณการกำไรใน 4Q66F กำไรสุทธิของ AAV ในปี 2566F จะอยู่ที่ 152 ล้านบาท โดยสาเหตุสำคัญจะมาจากกำไรพิเศษจากอัตราแลกเปลี่ยน และส่วนหนึ่งจะมาจากกำไรจากการดำเนินงานใน 4Q66F เรายังคงมองบวกกับแนวโน้มผลประกอบการของ AAV ในปีหน้า จากการฟื้นตัวอย่างต่อเนื่องของภาคการท่องเที่ยวในประเทศไทยและประเทศอื่น ๆ ที่เชื่อมโยงกับเส้นทางบินของ AAV (จีน, อินเดีย, ญี่ปุ่น, ฮองกง, มาเก๊า และ CLMV) ดังนั้น เรายังคงประมาณการกำไรสุทธิปี 2567F เอาไว้เท่าเดิมที่ 1.57 พันล้านบาท

Valuation & Action

ราคาหุ้น AAV ขยับขึ้นมาสะท้อนถึงแนวโน้มการฟื้นตัวของบริษัท เรายังคงคำแนะนำซื้อ โดยประเมินราคาเป้าหมายปี 2567 ที่ 3.00 บาท (อิงจาก EV/EBITDA ปี 2567 ที่ 10x)

Risks

ราคาน้ำมันเชื้อเพลิงสูงขึ้น, COVID-19 ระบาด, เศรษฐกิจถดถอย

Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Bt mn)	13,634	3,828	17,553	38,948	43,965
Gross profit (Bt mn)	(6,850)	(7,395)	(5,980)	2,726	5,715
EBIT (Bt mn)	(7,527)	(11,800)	(8,446)	857	3,737
Net profit (Bt mn)	(4,764)	(6,647)	(8,030)	(2,555)	1,566
EPS (Bt)	(0.98)	(0.67)	(0.62)	(0.20)	0.12
DPS (Bt)	0.00	0.00	0.00	0.00	0.00
EPS growth (%)	N.A.	N.A.	N.A.	N.A.	N.A.
P/E (x)	N.A.	N.A.	N.A.	N.A.	17.6
P/B (x)	0.6	1.3	3.3	5.1	3.9
EV/EBITDA (x)	N.A.	N.A.	N.A.	15.3	9.2
Net Debt to Equity (%)	252.7	188.0	527.5	785.9	593.7
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0
Return on Avg. Equity (%)	N.A.	N.A.	N.A.	N.A.	22.5

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

Figure 1: AAV's 4Q23F earnings estimate

Bt mn	4Q23F	4Q22	YoY (%)	3Q23	QoQ (%)	2023F	2022	YoY (%)
Sale revenue	12,669	8,264	53.3	9,662	31.1	41,453	17,553	136.2
Operating cost	(11,081)	(7,592)	46.0	(9,635)	15.0	(37,656)	(23,533)	60.0
Gross profit	1,588	672	136.3	27	5,841.8	3,797	(5,980)	N.A.
SG&A	(760)	(555)	36.8	(905)	(16.0)	(2,997)	(1,711)	75.2
Pretax profit	1,084	(996)	N.A.	(635)	N.A.	1,552	(8,446)	N.A.
Normalized profit	390	(2,170)	N.A.	(802)	N.A.	(203)	(8,030)	N.A.
Net profit	2,500	3,114	(19.7)	(1,695)	N.A.	152	(8,030)	N.A.
EPS (Bt)	0.21	0.26	(19.7)	(0.14)	N.A.	0.01	(0.70)	N.A.
Percent	4Q23F	4Q22	YoY (ppts)	3Q23	QoQ (ppts)	2023F	2022	YoY (ppts)
Gross margin	12.5	8.1	4.4	0.3	12.3	9.2	(34.1)	43.2
SG&A/Sales	6.0	6.7	(0.7)	9.4	(3.4)	7.2	9.7	(2.5)
Net profit margin	19.7	37.7	(18.0)	(17.5)	37.3	0.4	(45.7)	46.1

Source: Company data, KGI Securities Research

Figure 2: Key operating statistics by quarter

Thai AirAsia	Period				2021	2022	2022	2023	2023	2023	2023F	2023F	Chg. (%) - 4Q23F				
	1Q21	2Q21	3Q21	4Q21									YoY	QoQ			
Passenger carried (people)	977,932	721,794	79,767	1,148,647	2,928,140	1,451,681	1,683,786	2,754,920	4,059,177	9,949,564	4,580,331	4,642,695	4,555,306	5,099,263	18,877,595	25.6	11.9
Capacity (seats)	1,484,384	1,177,380	133,548	1,512,864	4,308,176	1,985,014	2,240,490	3,155,112	4,521,154	11,901,770	4,976,256	5,193,614	5,077,838	5,640,838	20,888,546	24.8	11.1
Load factor (%)	66	61	60	76	68	73	75	87	90	84	92	89	90	90	90	0.0	0.0
Average fare (Bt)	952	1,129	1,836	1,130	1,090	1,018	1,317	1,404	1,652	1,434	1,590	1,755	1,720	2,012	1,776	21.8	17.0
ASK (mil)	1,035	839	99	1,030	3,003	1,387	1,811	2,863	4,246	10,307	4,895	5,940	5,921	6,189	22,945	45.8	4.5
RPK (mil)	699	536	64	783	2,082	1,012	1,363	2,478	3,774	8,627	4,417	5,148	5,219	5,477	20,261	45.1	4.9
Number of stages (flights)	8,314	6,586	770	8,341	11,002	12,326	17,269	24,711	65,308	27,214	28,475	27,868	31,014	114,571	25.5	11.3	
Average stage length (km)	686	698	713	681	699	809	906	936	864	979	1,139	1,161	1,092	1,094	16.7	-5.9	
Size of fleet at month end (aircraft)	61	60	60	60	60	59	58	54	54	54	54	54	54	56	3.7	3.7	

4Q23F = Preliminary statistics

4Q23 average fare = Forecast by KGI Securities Research

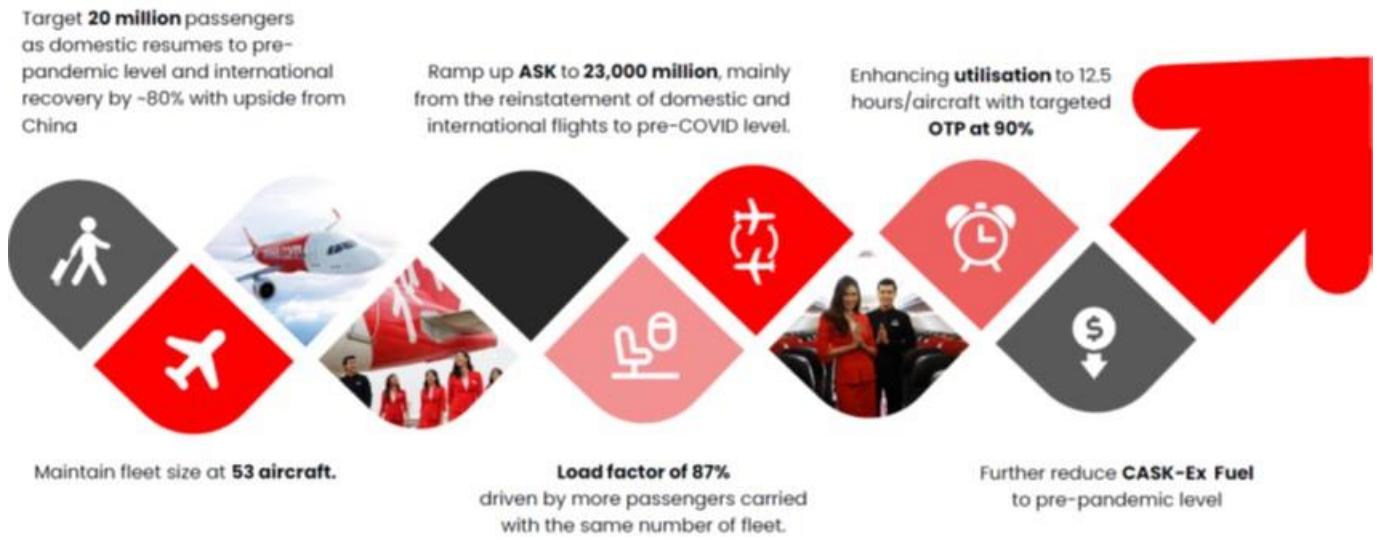
Source: Company data, KGI Securities Research

Figure 3: 12M23 tourist arrivals rose 154.4% YoY

Nationality	January-December				
	2023		2022		%chg
	Number	%Share	Number	%Share	
East Asia	17,400,789	61.8%	5,931,263	53.6%	193.4%
ASEAN	9,822,280	34.9%	4,588,280	41.5%	114.1%
China	3,521,095	12.5%	258,586	2.3%	1261.7%
Hong Kong	802,368	2.9%	157,176	1.4%	410.5%
Japan	805,768	2.9%	288,342	2.6%	179.4%
Korea	1,660,043	5.9%	531,686	4.8%	212.2%
Taiwan	724,594	2.6%	89,655	0.8%	708.2%
Others	64,641	0.2%	17,538	0.2%	268.6%
Europe	5,962,231	21.2%	2,641,076	23.9%	125.8%
The Americas	1,287,461	4.6%	586,153	5.3%	119.6%
South Asia	1,998,790	7.1%	1,178,137	10.6%	69.7%
Oceania	778,179	2.8%	367,784	3.3%	111.6%
Middle East	600,499	2.1%	302,088	2.7%	98.8%
Africa	122,067	0.4%	58,725	0.5%	107.9%
Grand Total	28,150,016	100.0%	11,065,226	100%	154.4%

Source: Ministry of Tourism and Sports, KGI Securities Research

Figure 4: 2023 targets



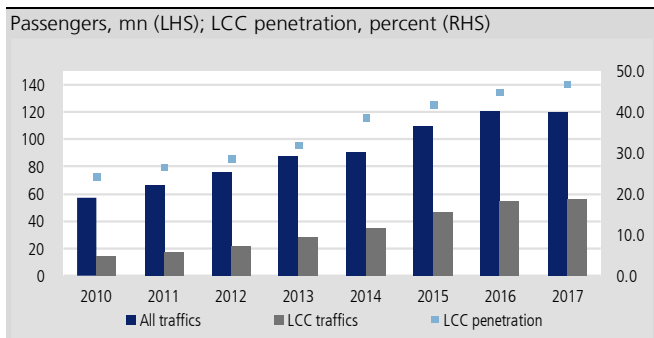
Source: Company data

Figure 5: Company profile

Asia Aviation (AAV) was established on February 14, 2006, as a holding company, now consisting of just Thai Air Asia Co., Ltd. Thai Air Asia (TAA) was set up on September 19, 2003, to operate Thailand's first low cost airline. Currently, AAV holds a 55% stake in TAA, and the rest by Air Asia Investment (100% held by Air Asia Berhad, listed on the Malaysian Stock Exchange and the major shareholder of Air Asia Group). TAA focuses on short-haul and point-to-point flights with a network covering 18 domestic routes and 27 international routes. Its hubs are now located in Bangkok, Chiangmai, Krabi, Phuket and U-Tapao.

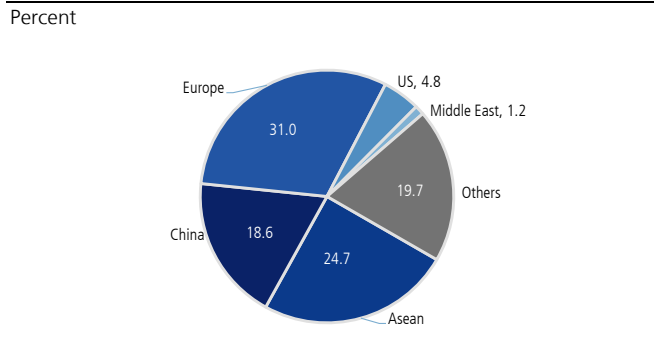
Source: Company data, KGI Securities Research

Figure 7: LCC penetration



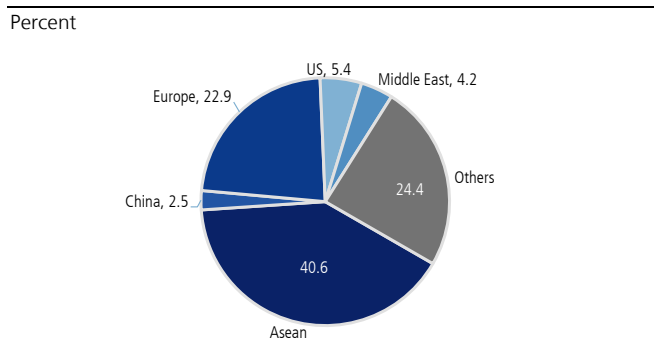
Source: Company data, KGI Securities Research

Figure 9: International tourist arrivals in 2020



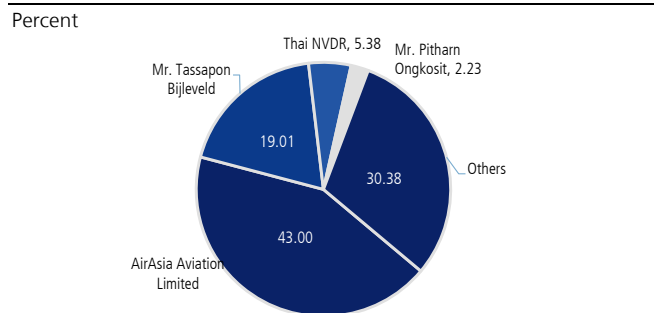
Source: Company data, KGI Securities Research

Figure 11: International tourist arrivals in 2022



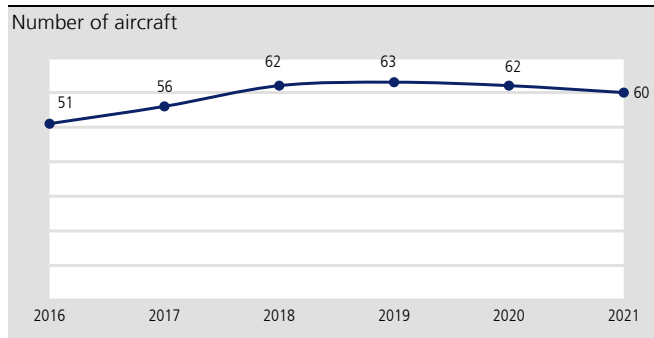
Source: Company data, KGI Securities Research

Figure 6: Shareholding structure (as of December 2022)



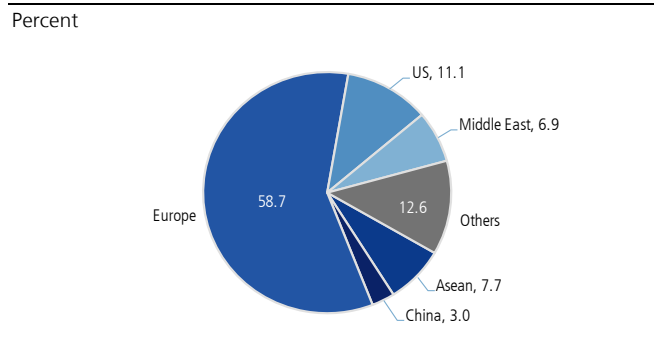
Source: Company data, KGI Securities Research

Figure 8: Historical fleet



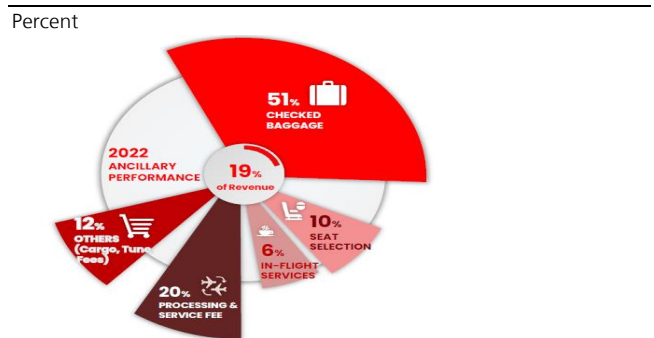
Source: Company data, KGI Securities Research

Figure 10: International tourist arrivals in 2021



Source: Company data, KGI Securities Research

Figure 12: Breakdown of ancillary revenue in 2022



Source: Company data

Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A
Income Statement (Bt mn)															
Revenue	7,813	267	2,122	3,433	1,147	983	170	1,529	1,786	2,692	4,811	8,264	9,086	10,036	9,662
Cost of Goods Sold	(8,051)	(3,520)	(4,370)	(4,543)	(2,816)	(2,790)	(1,818)	(3,799)	(4,336)	(4,987)	(6,618)	(7,592)	(7,901)	(9,038)	(9,635)
Gross Profit	(238)	(3,254)	(2,248)	(1,110)	(1,670)	(1,807)	(1,648)	(2,270)	(2,549)	(2,296)	(1,807)	672	1,184	998	27
Operating Expenses	(620)	(332)	(307)	(406)	(335)	(313)	(284)	(303)	(368)	(376)	(412)	(555)	(680)	(652)	(905)
Other incomes	(502)	1,795	(558)	254	(1,172)	(685)	(1,778)	466	198	57	102	(1,112)	(40)	292	244
Operating Profit	(1,361)	(1,790)	(3,114)	(1,263)	(3,177)	(2,805)	(3,711)	(2,108)	(2,719)	(2,614)	(2,118)	(996)	465	638	(635)
Non-Operating Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Expenses	(551)	(391)	(410)	(447)	(426)	(425)	(476)	(572)	(559)	(552)	(625)	(484)	(494)	(549)	(596)
Interest Expense	(551)	(391)	(410)	(447)	(426)	(425)	(476)	(572)	(559)	(552)	(625)	(484)	(494)	(549)	(596)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Profit	(1,912)	(2,181)	(3,524)	(1,710)	(3,603)	(3,229)	(4,187)	(2,680)	(3,277)	(3,166)	(2,743)	(1,480)	(29)	89	(1,231)
Current taxation	690	106	183	(319)	212	152	369	1,008	722	841	1,578	(690)	(140)	289	429
Minorities	551	934	1,504	914	1,526	1,386	1,720	679	184	-	-	(0)	-	-	-
Extraordinary items	-	-	-	-	-	-	-	-	-	(2,399)	(2,885)	5,284	529	(1,391)	(893)
Net Profit	(671)	(1,141)	(1,837)	(1,114)	(1,865)	(1,692)	(2,098)	(993)	(2,371)	(4,724)	(4,050)	3,114	359	(1,013)	(1,695)
EPS (Bt)	(0.2)	(0.3)	(0.4)	(0.3)	(0.5)	(0.4)	(0.5)	(0.2)	(0.6)	(1.2)	(1.0)	0.8	0.1	(0.2)	(0.4)
Margins (%)															
Gross profit margin	(3.0)	(1,220.6)	(106.0)	(32.3)	(145.6)	(183.7)	(970.5)	(148.5)	(142.7)	(85.3)	(37.6)	8.1	13.0	9.9	0.3
Operating margin	(17.4)	(671.6)	(146.7)	(36.8)	(277.1)	(285.3)	(2,184.8)	(137.9)	(152.2)	(97.1)	(44.0)	(12.0)	5.1	6.4	(6.6)
Net profit margin	(8.6)	(428.2)	(86.6)	(32.5)	(162.6)	(172.1)	(1,235.3)	(64.9)	(132.7)	(175.5)	(84.2)	37.7	4.0	(10.1)	(17.5)
Growth (%)															
Revenue growth	(30.0)	(97.2)	(77.5)	(65.7)	(85.3)	268.9	(92.0)	(55.5)	55.8	173.8	2,732.6	440.5	408.6	272.9	100.8
Operating growth	(220.5)	126.9	673.8	225.2	133.5	56.7	19.2	66.9	(14.4)	(6.8)	(42.9)	(52.8)	(117.1)	(124.4)	(70.0)
Net profit growth	(235.1)	136.6	340.9	1,445.9	177.7	48.2	14.2	(10.9)	27.1	179.2	93.0	(413.7)	(115.2)	(78.6)	(58.2)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Total Assets	67,978	71,208	64,686	66,246	69,224
Current Assets	2,760	7,673	5,236	5,725	7,598
Cash & ST Investments	1,110	5,360	798	1,056	2,705
Inventories	240	230	401	281	295
Accounts Receivable	284	563	854	1,110	1,221
Others	1,125	1,520	3,184	3,279	3,377
Non-current Assets	65,218	63,535	59,449	60,521	61,626
LT Investments	0	0	0	0	0
Net fixed Assets	55,485	53,383	47,126	48,093	49,090
Others	9,732	10,152	12,323	12,428	12,536
Total Liabilities	50,617	54,380	56,731	60,847	62,259
Current Liabilities	17,823	17,560	21,893	25,795	26,984
Accounts Payable	757	989	1,464	1,537	1,614
ST Borrowings	7,813	7,703	8,652	9,183	9,541
Others	9,254	8,868	11,778	15,075	15,829
Long-term Liabilities	32,794	36,819	34,838	35,052	35,275
Long-term Debts	29,346	35,637	34,104	34,302	34,511
Others	3,448	1,182	734	749	764
Shareholders' Equity	17,360	16,829	7,954	5,399	6,965
Common Stock	485	988	1,216	1,216	1,216
Capital Surplus	2,600	10,897	14,668	14,668	14,668
Retained Earnings	11,386	6,175	(9,130)	(11,686)	(10,120)
Others	2,890	(1,231)	1,200	1,200	1,200

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Growth (% YoY)					
Sales	(66.1)	(71.9)	358.5	121.9	12.9
OP	N.A.	N.A.	N.A.	N.A.	336.1
EBITDA	N.A.	N.A.	N.A.	N.A.	63.1
NP	N.A.	N.A.	N.A.	N.A.	(161.3)
EPS	N.A.	N.A.	N.A.	N.A.	(161.3)
Profitability (%)					
Gross Margin	(50.2)	(193.2)	(34.1)	7.0	13.0
Operating Margin	(55.2)	(308.2)	(48.1)	2.2	8.5
EBITDA Margin	(8.6)	(166.3)	(13.3)	11.7	16.9
Net Profit Margin	(34.9)	(173.6)	(45.7)	(6.6)	3.6
ROAA	(7.0)	(9.3)	(12.4)	(3.9)	2.3
ROAE	(33.4)	(32.9)	(101.0)	(47.3)	22.5
Stability					
Gross Debt/Equity (%)	354.8	269.2	713.2	1,127.0	893.9
Net Debt/Equity (%)	252.7	188.0	527.5	785.9	593.7
Interest Coverage (x)	(0.6)	(4.2)	(6.2)	(3.8)	0.4
Interest & ST Debt Coverage (x)	(0.8)	(1.2)	(0.8)	0.1	0.3
Cash Flow Interest Coverage (x)	(0.5)	(2.3)	0.3	1.5	3.2
Cash Flow/Interest & ST Debt (x)	(0.1)	(0.5)	0.1	0.3	0.6
Current Ratio (x)	0.2	0.4	0.2	0.2	0.3
Quick Ratio (x)	0.1	0.4	0.2	0.2	0.3
Net Debt (Bt mn)	36,048.4	37,980.0	41,957.7	42,430.3	41,347.7
Per Share Data (Bt)					
EPS	(1.0)	(0.7)	(0.6)	(0.2)	0.1
CFPS	0.2	0.5	0.1	0.1	0.2
BVPS	3.6	1.7	0.7	0.4	0.5
SPS	2.8	0.4	1.4	3.0	3.4
EBITDA/Share	(0.2)	(0.6)	(0.2)	0.4	0.6
DPS	0.0	0.0	0.0	0.0	0.0
Activity					
Asset Turnover (x)	0.2	0.1	0.3	0.6	0.6
Days Receivables	7.6	53.7	17.8	10.4	10.1
Days Inventory	6.4	22.0	8.3	2.6	2.4
Days Payable	13.5	32.2	22.7	15.5	15.4
Cash Cycle	0.6	43.5	3.4	(2.5)	(2.8)

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Sales	13,634	3,828	17,553	38,948	43,965
Cost of Goods Sold	(20,484)	(11,223)	(23,533)	(36,222)	(38,249)
Gross Profit	(6,850)	(7,395)	(5,980)	2,726	5,715
Operating Expenses	(1,665)	(1,236)	(1,711)	(2,726)	(3,078)
Operating Profit	(8,516)	(8,630)	(7,691)	-	2,638
Net Interest	(1,800)	(1,899)	(2,219)	(2,150)	(2,172)
Interest Income	0	0	0	0	0
Interest Expense	(1,800)	(1,899)	(2,219)	(2,150)	(2,172)
Net Investment Income/(Loss)	0	0	0	0	0
Net other Non-op. Income/(Loss)	989	(3,170)	(755)	857	1,099
Net Extraordinary	3,903	5,310	184	(1,862)	0
Pretax Income	(9,327)	(13,699)	(10,666)	(1,293)	1,566
Income Taxes	660	1,741	2,452	600	0
Net Profit	(4,764)	(6,647)	(8,030)	(2,555)	1,566
EBITDA	(1,172)	(6,366)	(2,332)	4,563	7,443
EPS (Bt)	(0.98)	(0.67)	(0.62)	(0.20)	0.12

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Operating Cash Flow	(898)	(4,347)	564	3,268	7,029
Net Profit	(4,764)	(6,647)	(8,030)	(2,555)	1,566
Depreciation & Amortization	6,355	5,434	6,114	3,706	3,706
Change in Working Capital	1,285	(817)	1,258	1,195	1,136
Others	(3,774)	(2,317)	1,222	922	622
Investment Cash Flow	12,064	1,284	(590)	(993)	(993)
Net CAPEX	(821)	(100)	(596)	(1,000)	(1,000)
Change in LT Investment	0	0	0	0	0
Change in Other Assets	12,885	1,383	7	7	7
Free Cash Flow	11,166	(3,063)	(26)	2,275	6,036
Financing Cash Flow	(14,038)	7,313	(4,537)	(6,247)	(4,892)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	(7,334)	(50)	(7,501)	(7,651)	(7,805)
Change in Other LT Liab.	(6,704)	7,362	2,964	1,404	2,913
Net Cash Flow	(2,872)	4,249	(4,563)	(3,972)	1,145

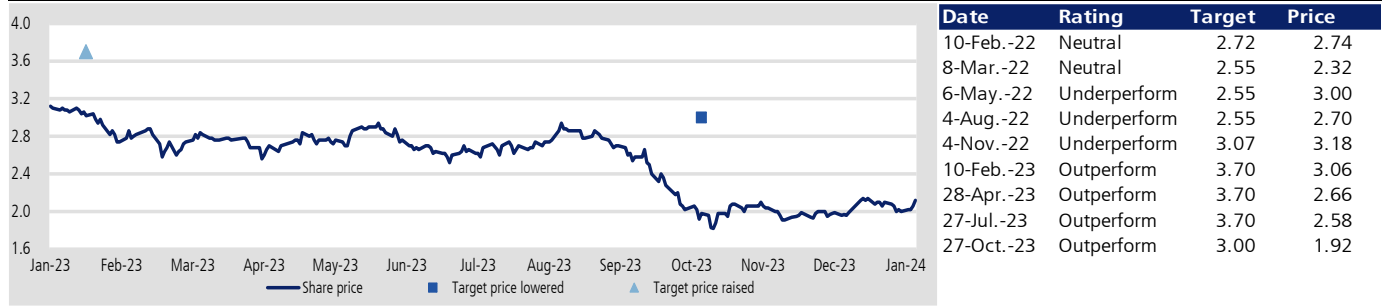
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= Operating Margin		
2020	150.2%	46.6%	12.2%	-109.1%		
2021	293.2%	141.9%	32.3%	-367.4%		
2022	134.1%	34.8%	9.7%	-78.6%		
2023F	93.0%	9.5%	7.0%	-9.5%		
2024F	87.0%	8.4%	7.0%	-2.4%		
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= Capital Turnover		
2020	0.06	2.98	4.99	0.12		
2021	1.35	10.06	18.60	0.03		
2022	0.03	1.84	3.69	0.18		
2023F	0.02	0.85	1.70	0.39		
2024F	0.06	0.78	1.57	0.41		
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	= After-tax Return on Inv. Capital
2020	-109.1%		0.1		92.9%	-12.6%
2021	-367.4%		0.0		87.3%	-10.7%
2022	-78.6%		0.2		77.0%	-10.9%
2023F	-9.5%		0.4		100.0%	-3.7%
2024F	-2.4%		0.4		100.0%	-1.0%

Source: KGI Securities Research

Asia Aviation – Recommendation & target price history



Source: KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRIAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERAWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTOUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFECO	SEAFECO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B. GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENDEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRISAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFECO	SEAFECO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

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