FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

EQUITY RESEARCH - COMPANY REPORT

FSSIA ESG rating ★★★★

# AIRPORTS OF THAILAND AOT TB

THAILAND / TRANSPORT & LOGISTICS

**BUY**

UNCHANGED

| | |
|---|---|
| TARGET PRICE | THB70.00 |
| CLOSE | THB58.50 |
| UP/DOWNSIDE | +19.7% |
| PRIOR TP | THB75.00 |
| CHANGE IN TP | -6.7% |
| TP vs CONSENSUS | -4.5% |

## เจ็บระยะสั้นเพื่อปรับปรุงคุณภาพ

- รายได้ขั้นต่ำ (Minimum Guarantee: MG) จะถูกปรับลดลง จากการเรียกคืนพื้นที่เชิงพาณิชย์ซึ่งจะมีผลทำให้ประมาณการกำไรปกติในปี FY25 ลดลง 4%
- Upside ที่จะช่วยชดเชยผลกระทบอยู่ที่โอกาสในการเก็บค่าบริการผู้โดยสาร (PSC) กับผู้โดยสารเปลี่ยนเครื่อง รวมถึงรายได้ที่ไม่เกี่ยวกับการบิน (Non-aero revenue) ที่สูงขึ้น
- คงคำแนะนำซื้อหลังลดราคาเป้าหมายปี FY24 ลงเหลือ 70 บาท (DCF)

### การขยายสนามบินดอนเมืองจะช่วยเพิ่มความสามารถในการรองรับผู้โดยสารได้ 33%

AOT จัดให้มีการเยี่ยมชมสนามบินดอนเมืองเมื่อวานนี้เพื่อให้ข่าวคืบหน้าเกี่ยวกับโครงการขยายสนามบินขั้นที่ 3 โดยบริษัทฯ วางแผนปรับปรุงอาคารผู้โดยสารหมายเลข 3 (ปัจจุบันปิด) เพื่อรองรับสำหรับเที่ยวบินนานาชาติพร้อมความสามารถในการรองรับผู้โดยสารต่อปี (MAP) รวม 18 ล้านคน ในขณะที่จะปรับปรุงอาคารผู้โดยสารหมายเลข 1 และเชื่อมต่อเข้ากับอาคารผู้โดยสารหมายเลข 2 เพื่อรับมือกับเที่ยวบินในประเทศพร้อมความสามารถในการรองรับผู้โดยสารรวม 22 MAP ซึ่งน่าจะทำให้โครงการดังกล่าวช่วยเพิ่มความสามารถในการรองรับผู้โดยสารจาก 30 MAP ในปัจจุบันเป็น 40 MAP และสามารถเพิ่มต่อเนื่องเป็น 50 MAP เพื่อสนับสนุนความต้องการของผู้โดยสารซึ่ง AOT คาดว่าจะเพิ่มจาก 41ล้านในปี 2019 และปี2024 เป็น 54ล้าน ในปี 2030 นอกจากนี้ AOT ยังมีแผนสร้างอาคารเชื่อมพร้อมพื้นที่เชิงพาณิชย์ 19k ตรม. และเชื่อมต่ออาคารดังกล่าวเข้ากับรถไฟฟ้าสายสีแดง งบลงทุนรวมสำหรับแผนการขยายธุรกิจดังกล่าวอยู่ที่ 37พัน ลบ. และมีกำหนดแล้วเสร็จภายในปี 2030

### ประกาศเรียกคืนพื้นที่เชิงพาณิชย์ที่ BKK และ HKT

เมื่อเร็ว ๆ นี้ AOT ได้ประกาศเรียกคืนพื้นที่เชิงพาณิชย์จาก King Power Duty Free และพื้นที่สำนักงานจากหน่วยงานรัฐบาลรวม 1,097 ตรม. (7.5% ของพื้นที่เชิงพาณิชย์รวม) ที่สนามบินสุวรรณภูมิและอีก 491 ตรม. (19% ของพื้นที่เชิงพาณิชย์รวม) ที่สนามบินภูเก็ตเพื่อพัฒนาพื้นที่เพื่อการสันทนาการและทำงาน (Co-working space) รวมถึงพื้นที่สำหรับเด็กและเกมเพื่อลดความแออัด แผนดังกล่าวน่าจะทำให้ MG ลดลงและกระทบต่อประมาณการกำไรปกติปี FY24 ของเราเป็นเงิน 0.3พัน ลบ. และปี FY25 เป็นเงิน 1.1พัน ลบ.

### Upside ที่จะช่วยชดเชย MG ที่ลดลง

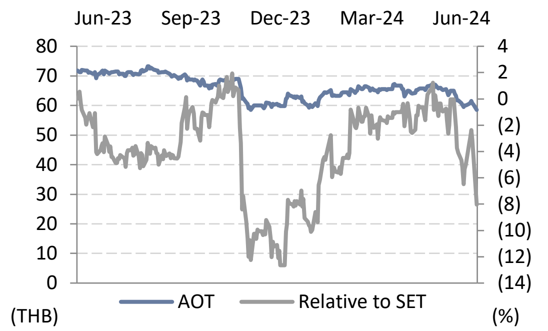
เราเห็น Upside 3 ประการที่อาจช่วยชดเชยรายได้สัมปทานที่ลดลง ข้อแรก AOT ได้ทำการศึกษาการเก็บค่า PSC สำหรับผู้โดยสารเปลี่ยนเครื่อง (6-7ล้านราย/ปี) ถ้า AOT เก็บค่า PSC 200 บาท ค่าบริการดังกล่าวน่าจะช่วยชดเชยผลกระทบได้ ข้อสอง AOT น่าจะมีรายได้จาก MG ประมาณ 0.9พัน ลบ./ปี จากสัญญาสัมปทานที่เพิ่มขึ้นในช่วง 5 ปีข้างหน้าประกอบด้วยโครงการ Airport City ผู้ให้บริการภาคพื้นดินรายที่ 3 และพื้นที่เชิงพาณิชย์ที่อาคารเชื่อม ข้อสามอาคารผู้โดยสาร SAT-1 และช่องทางวิ่งหมายเลข 3 อาจช่วยเพิ่มตัวเลขผู้โดยสารที่สนามบินสุวรรณภูมิเป็น 80ล้านภายในปี 2027 (เทียบกับ 65ล้านในปี FY19 และคาดการณ์ที่ 76ล้านในปี 2027)

### ปรับลดประมาณการกำไร หุ้นมีการซื้อขายโดยมีระดับการประเมินมูลค่าที่น่าสนใจ

เราปรับลดประมาณการกำไรปกติปี FY24-26 ลง 1-4% เพื่อสะท้อนรายได้สัมปทานที่ลดลงและได้ราคาเป้าหมายปี FY24 ใหม่ที่ 70 บาท (DCF) AOT มีการซื้อขายโดยมีระดับการประเมินมูลค่าที่น่าสนใจที่ 31x FY25E P/E

## KEY STOCK DATA

| YE Sep (THB m) | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|
| Revenue | 48,141 | 64,526 | 74,483 | 83,275 |
| Net profit | 8,791 | 19,259 | 26,837 | 33,071 |
| EPS (THB) | 0.62 | 1.35 | 1.88 | 2.31 |
| vs Consensus (%) | - | (10.7) | (2.9) | 2.6 |
| EBITDA | 23,230 | 37,767 | 47,189 | 55,435 |
| Recurring net profit | 9,247 | 19,259 | 26,837 | 33,071 |
| Core EPS (THB) | 0.65 | 1.35 | 1.88 | 2.31 |
| Chg. In EPS est. (%) | - | (1.1) | (3.7) | (3.2) |
| EPS growth (%) | nm | 108.3 | 39.4 | 23.2 |
| Core P/E (x) | 90.4 | 43.4 | 31.1 | 25.3 |
| Dividend yield (%) | - | 1.0 | 1.5 | 1.9 |
| EV/EBITDA (x) | 38.4 | 23.2 | 18.4 | 15.5 |
| Price/book (x) | 7.6 | 6.4 | 5.6 | 5.0 |
| Net debt/Equity (%) | 49.4 | 30.3 | 20.5 | 11.9 |
| ROE (%) | 8.7 | 16.0 | 19.3 | 20.9 |




| Share price performance | 1 Month | 3 Month | 12 Month |
|---|---|---|---|
| Absolute (%) | (10.3) | (10.3) | (18.2) |
| Relative to country (%) | (7.1) | (6.0) | (6.5) |

| | |
|---|---|
| Mkt cap (USD m) | 22,794 |
| 3m avg. daily turnover (USD m) | 33.6 |
| Free float (%) | 30 |
| Major shareholder | Ministry of Finance (70%) |
| 12m high/low (THB) | 73.50/56.75 |
| Issued shares (m) | 14,285.70 |

Sources: Bloomberg consensus; FSSIA estimates

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The Chairman of The Audit Committee and Independent Director of Finansia Syrus Securities PCL is also AOT's Chairman of Board of Directors.



บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 25 มิถุนายน 2024

## Investment thesis

AOT is now in a recovery mode. The domestic passenger volume was at 82% of the pre-Covid level and the international passenger volume was at 93% of the pre-Covid level in May-24. The momentum should continue in 2024-25, led by Chinese tourists.

AOT has been collecting the minimum guarantee (MG) for main concession contracts with King Power under a sharing-per-head basis since Apr-23. We forecast AOT to collect an MG amount equivalent to the amount that King Power proposed by 2027, under our baseline case.

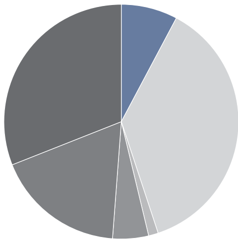
AOT has a healthy balance sheet with an IBD/E ratio of only 0.1x as of FY23, which we think is sufficient to support project expansions over the next three years, including a third runway and the East and North Expansions of BKK Airport.

## Company profile

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

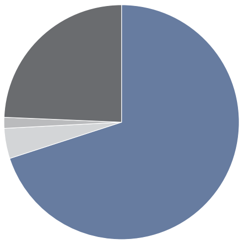
www.airportthai.co.th

## Principal activities (revenue, 2023)




Source: Airports of Thailand

## Major shareholders




Source: Airports of Thailand

## Catalysts

Key growth drivers include 1) higher international passenger volumes; 2) BKK's East 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 |
|---|---|
| Aug 2024 | 3QFY24 results announcement |

## Key assumptions

| | FY24E (%) | FY25E (%) | FY26E (%) |
|---|---|---|---|
| Flight traffic growth - international | 30.1 | 17.8 | 7.0 |
| Flight traffic growth - domestic | 13.2 | 11.9 | 5.0 |
| Passenger growth - international | 32.3 | 17.8 | 8.0 |
| Passenger growth - domestic | 11.9 | 11.9 | 6.0 |
| PSC revenue growth | 33.8 | 20.9 | 7.8 |
| Concession revenue growth | 58.2 | 13.5 | 19.8 |

Source: FSSIA estimates

## Earnings sensitivity

- For every 5% increase in international passenger volume, we project FY25 earnings to rise by 6%, and vice versa, all else being equal.
- For every 5% increase in domestic passenger volume, we project FY25 earnings to rise by 1%, and vice versa, all else being equal.

Source: FSSIA estimates

## Exhibit 1: Summary of concession contracts

| Concession contract | Holder | Revenue sharing (%) | MG (THB b) | Term | Note | MG under sharing per head (THB per passenger) | Passenger volume to receive MG as proposed (m) |
|---|---|---|---|---|---|---|---|
| **BKK** | | | | | | | |
| Duty-free | King Power | 20 | 14.3 | Sep 2020 - Mar 2033 | MG revised from THB15.4b from reclamation of commercial areas / Extended from 2032 to 2033 | 216 | 66[1)] |
| Commercial activities | King Power | 15 | 5.8 | Sep 2020 - Mar 2033 | Extended from 2032 to 2033 | 72 | 81[2)] |
| **Regional Airport (HKT, CNX, HDY)** | | | | | | | |
| Duty-free | King Power | 20 | 1.9 | Sep 2020 - Mar 2033 | MG revised from THB2.3b from reclamation of commercial areas at HKT / Extended from 2032 to 2033 | 103 | 18[1)] |
| **DMK** | | | | | | | |
| Duty-free | King Power | 20 | 1.5 | Oct 2022- Mar 2033 | | | |
| Commercial activities T1 | King Power | 15 | 0.2 | Oct 2018- Sep 2027 | | | |
| Commercial activities T2 | The Mall Group | 15 | 0.4 | Oct 2012 - Sep 2024 | Extended from 2022 to 2024 | | |
| **Pick-up counter** | | | | | | | |
| BKK | King Power | 3 | 0.3 | Sep 2020 - Dec 2030 | | | |
| DMK | King Power | 3 | 0.2 | Oct 2022 - Dec 2032 | | | |
| HKT | King Power | 3 | 0.1 | Sep 2021- Mar 2032 | | | |
| **Total** | | | **24.6** | | | | |

Note: 1) International passengers only; 2) total passengers
Sources: AOT; FSSIA's compilation

## Exhibit 2: Forecast revisions

| | ------------------ Previous ------------------ | | | ----------------- Current ------------------- | | | ---------------- *Change (%)* ----------------- | | |
|---|---|---|---|---|---|---|---|---|---|
| | FY24E | FY25E | FY26E | FY24E | FY25E | FY26E | *FY24E* | *FY25E* | *FY26E* |
| International pax (m) | 71.3 | 84.0 | 90.8 | 71.3 | 84.0 | 90.8 | *0.0* | 0.0 | 0.0 |
| Domestic pax (m) | 51.7 | 57.8 | 61.3 | 51.7 | 57.8 | 61.3 | *0.0* | 0.0 | 0.0 |
| Total pax (m) | 123.0 | 141.9 | 152.1 | 123.0 | 141.9 | 152.1 | *0.0* | 0.0 | 0.0 |
| Revenue (THB b) | 64.8 | 75.8 | 84.6 | 64.5 | 74.5 | 83.3 | *(0.4)* | (1.7) | (1.6) |
| Operating profit margin (%) | 40.9 | 48.4 | 52.9 | 40.6 | 47.5 | 52.2 | *(0.2)* | (0.9) | (0.8) |
| Core profit (THB b) | 19.5 | 27.9 | 34.2 | 19.3 | 26.8 | 33.1 | *(1.1)* | (3.7) | (3.2) |

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

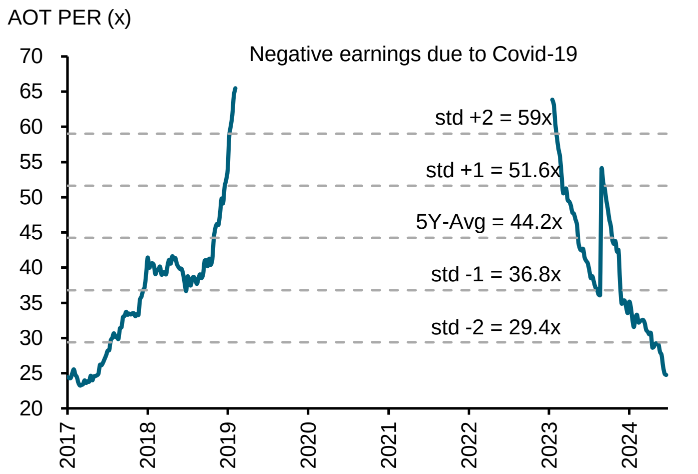
## Exhibit 3: DCF/SoTP valuation

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

| SOTP valuation | (THB b) | (THB/share) | Comments |
|---|---|---|---|
| Duty-free and commercial activity concession contracts | 418.1 | 29.3 | WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3% |
| Core business | 622.3 | 43.6 | WACC 8%, risk-free rate 3%, risk premium 8%, terminal growth 3% |
| Cash & liquid assets | 67.2 | 4.7 | At end-FY24E |
| Investments | 1.0 | 0.1 | At end-FY24E |
| Debt | (107.0) | (7.5) | At end-FY24E |
| Minorities | (2.0) | (0.1) | At end-FY24E |
| **Residual ordinary equity** | **999.5** | **70.0** | |

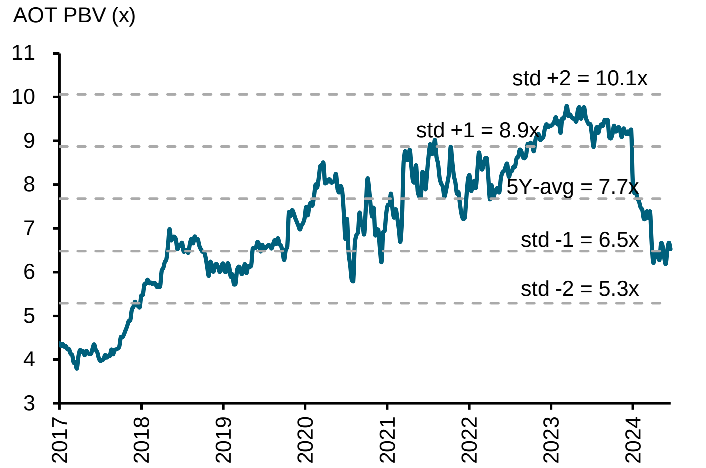
Source: FSSIA estimates

## Exhibit 4: Rolling one-year forward P/E band




Sources: Bloomberg; FSSIA estimates

## Exhibit 5: Rolling one-year forward P/BV band




Sources: Bloomberg; FSSIA estimates

## Exhibit 6: Peer comparisons as of 24 Jun 2024

| Company | BBG | Rec | --- Share price --- | | Market | 3Y EPS | ---------- PE ---------- | | | ---- ROE --- | | --- PBV ---- | | ---- EV/ EBITDA ---- | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Current | Target | cap | CAGR | 24E | 25E | 26E | 24E | 25E | 24E | 25E | 24E | 25E | 26E |
| | | | (THB) | (THB) | (USD m) | (%) | (x) | (x) | (x) | (%) | (%) | (x) | (x) | (x) | (x) | (x) |
| **Thailand** | | | | | | | | | | | | | | | | |
| Airports of Thailand*+ | AOT TB | BUY | 58.50 | 70.00 | 22,794 | 53 | 43.4 | 31.1 | 25.3 | 16.0 | 19.3 | 6.4 | 5.6 | 23.2 | 18.4 | 15.5 |
| **Malaysia** | | | | | | | | | | | | | | | | |
| Malaysia Airports | MAHB MK | n/a | 9.79 | NR | 3,449 | 24 | 40 | 21 | 17 | 5.8 | 10.0 | 2.2 | 2.1 | 9.8 | 7.5 | 7.5 |
| **China** | | | | | | | | | | | | | | | | |
| Beijing Capital Intl -A | 694 HK | n/a | 2.59 | NR | 1,543 | (139) | n/a | 98 | 19 | (7.9) | (2.8) | 0.7 | 0.8 | 52.5 | 12.8 | 12.8 |
| Hainan Meilan Intl | 357 HK | n/a | 8.04 | NR | 477 | (196) | n/a | 26 | 10 | 0.3 | 4.4 | 0.8 | 0.8 | 5.3 | 4.5 | 4.5 |
| Shanghai Intl Airport-A | 600009 CH | n/a | 32.33 | NR | 10,922 | 41 | 83 | 30 | 22 | 2.3 | 6.0 | 2.0 | 1.9 | 24 | 15.4 | 15.4 |
| Guangzhou Baiyun Intl | 600004 CH | n/a | 9.45 | NR | 3,054 | 39 | 45.9 | 19.6 | 16.0 | 2.5 | 6.1 | 1.3 | 1.2 | 8.9 | 7.2 | 7.2 |
| Shenzhen Airport -A | 000089 CH | n/a | 6.38 | NR | 1,810 | 220 | 39 | 29.5 | 19.7 | 3.7 | 4.2 | 1.2 | 1.1 | 14 | 12.6 | 12.6 |
| Xiamen Int Airport -A | 600897 CH | n/a | 12.56 | NR | 726 | 15 | 14 | 11.1 | 10 | 9.5 | 11.4 | 1.3 | 1.2 | 4.6 | 3.8 | 3.8 |
| **Australia** | | | | | | | | | | | | | | | | |
| Auckland Intl Airport** | AIA AU | n/a | 7.13 | NR | 7,033 | n/a | 81 | 41.3 | 37.8 | 1.7 | 3.2 | 1.4 | 1.3 | 34.2 | 22.2 | 22.2 |
| **Japan** | | | | | | | | | | | | | | | | |
| Japan Airport Termi*** | 9706 JP | n/a | 5,476 | NR | 3,223 | (8) | n/a | 10.4 | 30.0 | 3.3 | 10.4 | 3.3 | 3.2 | 33 | 11.4 | 11.4 |
| **Average** | | | | | **55,031** | **23** | **49.5** | **31.8** | **20.7** | **3.7** | **7.2** | **2.1** | **1.9** | **21.0** | **11.6** | **11.3** |

* Fiscal year-end is 30 September; ** Fiscal year-end is 30 June; *** Fiscal year-end is 31 March
Sources: Bloomberg consensus; +FSSIA estimates

# Financial Statements

Airports of Thailand

| Profit and Loss (THB m) Year Ending Sep | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|
| Revenue | 16,560 | 48,141 | 64,526 | 74,483 | 83,275 |
| Cost of goods sold | (26,891) | (33,782) | (38,309) | (39,124) | (39,840) |
| **Gross profit** | **(10,331)** | **14,359** | **26,216** | **35,358** | **43,435** |
| Other operating income | - | - | - | - | - |
| Operating costs | 0 | 0 | 0 | 0 | 0 |
| **Operating EBITDA** | **(1,400)** | **23,230** | **37,767** | **47,189** | **55,435** |
| Depreciation | (8,932) | (8,870) | (11,550) | (11,830) | (12,000) |
| Goodwill amortisation | - | - | - | - | - |
| **Operating EBIT** | **(10,331)** | **14,359** | **26,216** | **35,358** | **43,435** |
| Net financing costs | (2,882) | (2,867) | (2,780) | (2,253) | (2,089) |
| Associates | 0 | 0 | 0 | 0 | 0 |
| Recurring non-operating income | 265 | 271 | 433 | 454 | 468 |
| Non-recurring items | (915) | (457) | 0 | 0 | 0 |
| **Profit before tax** | **(13,864)** | **11,307** | **23,870** | **33,559** | **41,814** |
| Tax | 2,888 | (2,235) | (4,297) | (6,376) | (8,363) |
| **Profit after tax** | **(10,976)** | **9,072** | **19,573** | **27,183** | **33,451** |
| Minority interests | (112) | (281) | (314) | (346) | (380) |
| Preferred dividends | - | - | - | - | - |
| Other items | - | - | - | - | - |
| **Reported net profit** | **(11,088)** | **8,791** | **19,259** | **26,837** | **33,071** |
| **Non-recurring items & goodwill (net)** | **915** | **457** | **0** | **0** | **0** |
| **Recurring net profit** | **(10,173)** | **9,247** | **19,259** | **26,837** | **33,071** |
| **Per share (THB)** | | | | | |
| Recurring EPS * | (0.71) | 0.65 | 1.35 | 1.88 | 2.31 |
| Reported EPS | (0.78) | 0.62 | 1.35 | 1.88 | 2.31 |
| DPS | 0.00 | 0.00 | 0.60 | 0.90 | 1.10 |
| Diluted shares (used to calculate per share data) | 14,286 | 14,286 | 14,286 | 14,286 | 14,286 |
| **Growth** | | | | | |
| Revenue (%) | 133.7 | 190.7 | 34.0 | 15.4 | 11.8 |
| Operating EBITDA (%) | nm | nm | 62.6 | 24.9 | 17.5 |
| Operating EBIT (%) | nm | nm | 82.6 | 34.9 | 22.8 |
| Recurring EPS (%) | nm | nm | 108.3 | 39.4 | 23.2 |
| Reported EPS (%) | nm | nm | 119.1 | 39.4 | 23.2 |
| **Operating performance** | | | | | |
| Gross margin inc. depreciation (%) | (62.4) | 29.8 | 40.6 | 47.5 | 52.2 |
| Gross margin exc. depreciation (%) | (8.5) | 48.3 | 58.5 | 63.4 | 66.6 |
| Operating EBITDA margin (%) | (8.5) | 48.3 | 58.5 | 63.4 | 66.6 |
| Operating EBIT margin (%) | (62.4) | 29.8 | 40.6 | 47.5 | 52.2 |
| Net margin (%) | (61.4) | 19.2 | 29.8 | 36.0 | 39.7 |
| Effective tax rate (%) | 22.3 | 19.0 | 18.0 | 19.0 | 20.0 |
| Dividend payout on recurring profit (%) | - | - | 44.5 | 47.9 | 47.5 |
| Interest cover (X) | (3.5) | 5.1 | 9.6 | 15.9 | 21.0 |
| Inventory days | 6.5 | 4.6 | 4.0 | 4.1 | 4.1 |
| Debtor days | 81.8 | 60.5 | 92.6 | 109.9 | 106.5 |
| Creditor days | 20.2 | 23.0 | 29.5 | 30.3 | 30.3 |
| Operating ROIC (%) | (5.2) | 7.5 | 13.2 | 16.9 | 19.4 |
| ROIC (%) | (4.5) | 6.9 | 12.3 | 15.7 | 18.0 |
| ROE (%) | (9.5) | 8.7 | 16.0 | 19.3 | 20.9 |
| ROA (%) | (4.1) | 6.2 | 9.5 | 10.7 | 12.2 |

* Pre-exceptional, pre-goodwill and fully diluted

| Revenue by Division (THB m) | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|
| Landing & parking | 1,619 | 3,742 | 6,452 | 7,500 | 8,037 |
| Passenger service | 5,267 | 17,882 | 23,919 | 28,927 | 31,178 |
| Aircraft service | 403 | 642 | 836 | 972 | 1,042 |
| Property rents | 1,438 | 2,381 | 2,429 | 2,501 | 2,576 |

Sources: Airports of Thailand; FSSIA estimates

# Financial Statements

Airports of Thailand

| Cash Flow (THB m) Year Ending Sep | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|
| Recurring net profit | (10,173) | 9,247 | 19,259 | 26,837 | 33,071 |
| Depreciation | 8,932 | 8,870 | 11,550 | 11,830 | 12,000 |
| Associates & minorities | - | - | - | - | - |
| Other non-cash items | (1,943) | 2,906 | 314 | 346 | 380 |
| Change in working capital | 8,846 | (5,892) | (4,599) | (1,464) | 2,001 |
| **Cash flow from operations** | **5,662** | **15,132** | **26,524** | **37,550** | **47,452** |
| Capex - maintenance | (8,182) | (12,546) | (11,000) | (20,000) | (24,000) |
| Capex - new investment | - | - | - | - | - |
| Net acquisitions & disposals | (5) | (278) | 0 | 0 | 0 |
| Other investments (net) | - | - | - | - | - |
| **Cash flow from investing** | **(8,187)** | **(12,823)** | **(11,000)** | **(20,000)** | **(24,000)** |
| Dividends paid | (8) | (18) | 0 | (8,571) | (12,857) |
| Equity finance | 0 | 0 | 0 | 0 | 0 |
| Debt finance | (2,477) | (82) | 45,558 | (6,000) | (6,000) |
| Other financing cash flows | 329 | 85 | 0 | 0 | 0 |
| **Cash flow from financing** | **(2,156)** | **(15)** | **45,558** | **(14,571)** | **(18,857)** |
| Non-recurring cash flows | - | - | - | - | - |
| Other adjustments | 0 | 0 | 0 | 0 | 0 |
| **Net other adjustments** | **0** | **0** | **0** | **0** | **0** |
| **Movement in cash** | **(4,681)** | **2,293** | **61,083** | **2,978** | **4,595** |
| Free cash flow to firm (FCFF) | 404.45 | 5,198.87 | 18,341.89 | 20,221.00 | 25,977.80 |
| Free cash flow to equity (FCFE) | (4,673.07) | 2,311.55 | 61,082.54 | 11,549.56 | 17,452.36 |
| **Per share (THB)** | | | | | |
| FCFF per share | 0.03 | 0.36 | 1.28 | 1.42 | 1.82 |
| FCFE per share | (0.33) | 0.16 | 4.28 | 0.81 | 1.22 |
| Recurring cash flow per share | (0.22) | 1.47 | 2.18 | 2.73 | 3.18 |

| Balance Sheet (THB m) Year Ending Sep | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|
| Tangible fixed assets (gross) | 290,774 | 302,942 | 313,942 | 333,942 | 357,942 |
| Less: Accumulated depreciation | (133,776) | (142,269) | (153,819) | (165,649) | (177,649) |
| **Tangible fixed assets (net)** | **156,998** | **160,673** | **160,123** | **168,292** | **180,292** |
| **Intangible fixed assets (net)** | **0** | **0** | **0** | **0** | **0** |
| Long-term financial assets | - | - | - | - | - |
| Invest. in associates & subsidiaries | 694 | 972 | 972 | 972 | 972 |
| Cash & equivalents | 3,798 | 6,091 | 67,174 | 70,152 | 74,747 |
| A/C receivable | 3,785 | 12,184 | 20,572 | 24,296 | 24,296 |
| Inventories | 338 | 285 | 306 | 312 | 319 |
| Other current assets | 556 | 454 | 608 | 702 | 785 |
| **Current assets** | **8,476** | **19,014** | **88,660** | **95,463** | **100,147** |
| Other assets | 17,645 | 14,952 | 14,952 | 14,952 | 14,952 |
| **Total assets** | **183,813** | **195,611** | **264,707** | **279,679** | **296,364** |
| Common equity | 101,324 | 110,465 | 129,724 | 147,989 | 168,203 |
| Minorities etc. | 1,195 | 1,713 | 2,028 | 2,374 | 2,754 |
| **Total shareholders' equity** | **102,519** | **112,178** | **131,751** | **150,363** | **170,957** |
| Long term debt | 57,991 | 51,464 | 100,837 | 94,837 | 88,837 |
| Other long-term liabilities | 8,808 | 8,676 | 8,676 | 8,676 | 8,676 |
| **Long-term liabilities** | **66,799** | **60,140** | **109,513** | **103,513** | **97,513** |
| A/C payable | 1,056 | 2,086 | 2,241 | 2,286 | 2,332 |
| Short term debt | 3,566 | 10,011 | 6,197 | 6,197 | 6,197 |
| Other current liabilities | 9,873 | 11,195 | 15,005 | 17,321 | 19,365 |
| **Current liabilities** | **14,495** | **23,293** | **23,443** | **25,803** | **27,893** |
| **Total liabilities and shareholders' equity** | **183,813** | **195,611** | **264,707** | **279,679** | **296,364** |
| Net working capital | (6,251) | (358) | 4,241 | 5,704 | 3,703 |
| Invested capital | 169,086 | 176,239 | 180,287 | 189,921 | 199,920 |

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

| Per share (THB) | | | | | |
|---|---|---|---|---|---|
| Book value per share | 7.09 | 7.73 | 9.08 | 10.36 | 11.77 |
| Tangible book value per share | 7.09 | 7.73 | 9.08 | 10.36 | 11.77 |
| **Financial strength** | | | | | |
| Net debt/equity (%) | 56.3 | 49.4 | 30.3 | 20.5 | 11.9 |
| Net debt/total assets (%) | 31.4 | 28.3 | 15.1 | 11.0 | 6.8 |
| Current ratio (x) | 0.6 | 0.8 | 3.8 | 3.7 | 3.6 |
| CF interest cover (x) | (0.6) | 1.8 | 23.0 | 6.1 | 9.4 |

| Valuation | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|
| **Recurring P/E (x) *** | **(82.2)** | **90.4** | **43.4** | **31.1** | **25.3** |
| **Recurring P/E @ target price (x) *** | **(98.3)** | **108.1** | **51.9** | **37.3** | **30.2** |
| Reported P/E (x) | (75.4) | 95.1 | 43.4 | 31.1 | 25.3 |
| Dividend yield (%) | - | - | 1.0 | 1.5 | 1.9 |
| Price/book (x) | 8.2 | 7.6 | 6.4 | 5.6 | 5.0 |
| Price/tangible book (x) | 8.2 | 7.6 | 6.4 | 5.6 | 5.0 |
| EV/EBITDA (x) ** | (639.2) | 38.4 | 23.2 | 18.4 | 15.5 |
| EV/EBITDA @ target price (x) ** | (756.6) | 45.5 | 27.6 | 21.9 | 18.5 |
| EV/invested capital (x) | 5.3 | 5.1 | 4.9 | 4.6 | 4.3 |

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

Sources: Airports of Thailand; FSSIA estimates

# Airports of Thailand PCL (AOT TB)

FSSIA ESG rating

★★★★

77.96 /100

## Exhibit 7: FSSIA ESG score implication

| Rating | Score | Implication |
|---|---|---|
| ★★★★★ | >79-100 | Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability. |
| ★★★★ | >59-79 | **A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.** |
| ★★★ | >39-59 | Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually. |
| ★★ | >19-39 | Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable. |
| ★ | 1-19 | The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC. |

Sources: FSSIA estimates

## Exhibit 8: ESG – peer comparison

| | FSSIA | ------------------- Domestic ratings ----------------------- | | | | | | -------------------------------- Global ratings ------------------------- | | | | | | --- Bloomberg --- | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ESG score | DJSI | SET THSI | THSI | CG score | AGM level | Thai CAC | Morningstar ESG risk | ESG Book | MSCI | Moody's | Refinitiv | S&P Global | ESG score | Disclosure score |
| SET100 | 69.20 | 5.34 | 4.40 | 4.40 | 4.76 | 4.65 | 3.84 | Medium | 51.76 | BBB | 20.87 | 58.72 | 63.91 | 3.72 | 28.17 |
| Coverage | 67.12 | 5.11 | 4.15 | 4.17 | 4.83 | 4.71 | 3.53 | Medium | 52.04 | BB | 16.97 | 56.85 | 62.09 | 3.40 | 31.94 |
| AAV | 43.83 | -- | Y | Y | 5.00 | 4.00 | -- | High | 48.81 | -- | -- | 42.50 | -- | 3.11 | 48.18 |
| AOT | 77.96 | Y | Y | Y | 5.00 | 5.00 | -- | Low | 64.96 | A | 39.00 | 50.87 | 77.00 | 4.19 | 55.78 |
| BA | 18.75 | -- | -- | -- | 4.00 | 4.00 | -- | High | -- | -- | -- | -- | 16.00 | -- | -- |
| PSL | 55.45 | -- | Y | Y | 5.00 | 5.00 | Certified | Medium | 59.76 | BB | -- | -- | 51.00 | -- | -- |
| RCL | 27.51 | -- | -- | -- | 4.00 | 4.00 | -- | High | 41.46 | -- | -- | 20.37 | 13.00 | .94 | 30.36 |
| TTA | 65.35 | -- | Y | Y | 5.00 | 5.00 | Certified | Medium | 56.56 | AA | -- | 50.79 | 25.00 | 3.31 | 56.20 |

Sources: SETTRADE.com; FSSIA's compilation

## Exhibit 9: ESG score by Bloomberg

| FY ending Dec 31 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|---|---|---|---|---|---|---|---|---|
| **ESG financial materiality scores - ESG score** | **4.27** | **4.55** | **5.34** | **5.47** | **4.95** | **4.17** | **3.41** | **4.19** |
| BESG environmental pillar score | 4.94 | 4.68 | 4.74 | 5.02 | 5.00 | 4.10 | 2.46 | 3.87 |
| BESG social pillar score | 2.97 | 3.81 | 5.94 | 5.98 | 4.49 | 3.60 | 2.85 | 3.22 |
| BESG governance pillar score | 5.06 | 5.41 | 5.57 | 5.57 | 5.52 | 5.13 | 6.18 | 6.29 |
| **ESG disclosure score** | **51.22** | **57.00** | **58.73** | **62.06** | **61.32** | **60.33** | **60.75** | **55.78** |
| Environmental disclosure score | 34.61 | 44.82 | 44.82 | 53.01 | 54.97 | 53.55 | 53.88 | 45.70 |
| Social disclosure score | 35.34 | 42.47 | 47.67 | 49.49 | 45.31 | 43.74 | 42.17 | 35.43 |
| Governance disclosure score | 83.59 | 83.59 | 83.59 | 83.59 | 83.59 | 83.59 | 86.09 | 86.09 |
| **Environmental** | | | | | | | | |
| Emissions reduction initiatives | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Climate change policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Climate change opportunities discussed | No | No | No | No | No | No | No | No |
| Risks of climate change discussed | No | No | No | No | No | No | Yes | Yes |
| GHG scope 1 | 3 | 2 | 2 | 3 | 3 | 3 | 3 | 2 |
| GHG scope 2 location-based | 146 | 212 | 214 | 229 | 215 | 171 | 179 | — |
| GHG Scope 3 | — | — | — | — | — | — | — | — |
| Carbon per unit of production | — | 0 | 0 | 0 | 0 | — | — | — |
| Biodiversity policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Energy efficiency policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Total energy consumption | 474 | 651 | 667 | 661 | 688 | 545 | 457 | 785 |
| Renewable energy use | — | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Electricity used | 474 | 554 | 572 | 570 | 688 | 545 | 457 | 437 |
| Fuel used - natural gas | — | — | — | — | — | — | — | — |

Sources: Bloomberg; FSSIA's compilation

## Exhibit 10: ESG score by Bloomberg *(cont.)*

| FY ending Dec 31 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|---|---|---|---|---|---|---|---|---|
| Fuel used - crude oil/diesel | No | No | No | No | No | No | No | No |
| Waste reduction policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Hazardous waste | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total waste | 29 | 26 | 31 | 32 | 36 | 26 | 19 | 18 |
| Waste recycled | — | — | — | — | 3 | 2 | 1 | 0 |
| Waste sent to landfills | — | 23 | 25 | 23 | 28 | 8 | 2 | 3 |
| Environmental supply chain management | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Water policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Water consumption | — | 4,075 | 4,863 | 6,285 | 6,490 | 5,889 | 4,755 | 4,783 |
| **Social** | | | | | | | | |
| Human rights policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Policy against child labor | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Quality assurance and recall policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Consumer data protection policy | No | No | Yes | Yes | Yes | Yes | Yes | Yes |
| Equal opportunity policy | No | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Gender pay gap breakout | No | No | No | No | No | No | No | No |
| Pct women in workforce | 39 | 38 | 40 | 40 | 40 | 40 | 40 | 40 |
| Pct disabled in workforce | — | — | — | — | — | — | — | — |
| Business ethics policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Anti-bribery ethics policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Health and safety policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Lost time incident rate - employees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total recordable incident rate - employees | — | — | — | — | — | — | — | — |
| Training policy | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Fair remuneration policy | No | No | No | No | No | No | No | No |
| Number of employees – CSR | 6,043 | 6,726 | 7,230 | 7,718 | 8,117 | 8,769 | 8,176 | 7,919 |
| Employee turnover pct | 3 | 3 | 2 | 1 | 1 | 2 | 2 | 2 |
| Total hours spent by firm - employee training | 236,402 | 278,056 | 214,370 | 337,035 | 169,206 | 63,867 | 59,834 | 74,225 |
| Social supply chain management | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| **Governance** | | | | | | | | |
| **Board size** | **14** | **12** | **15** | **15** | **13** | **14** | **15** | **15** |
| **No. of independent directors (ID)** | **7** | **7** | **12** | **11** | **8** | **9** | **11** | **10** |
| No. of women on board | 2 | 2 | 2 | 2 | 2 | 3 | 5 | 5 |
| No. of non-executive directors on board | 14 | 11 | 14 | 14 | 12 | 13 | 14 | 14 |
| Company conducts board evaluations | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| No. of board meetings for the year | 15 | 15 | 14 | 14 | 15 | 14 | 15 | 13 |
| Board meeting attendance pct | 92 | 94 | 95 | 98 | 96 | 96 | 98 | 98 |
| Board duration (years) | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Director share ownership guidelines | No | No | No | No | No | No | No | No |
| Age of the youngest director | 44 | 44 | 45 | 47 | 48 | 49 | 44 | 45 |
| Age of the oldest director | 64 | 62 | 63 | 64 | 64 | 64 | 62 | 63 |
| **No. of executives / company managers** | **21** | **21** | **21** | **21** | **20** | **16** | **16** | **16** |
| No. of female executives | 7 | 7 | 7 | 7 | 6 | 2 | 2 | 2 |
| Executive share ownership guidelines | No | No | No | No | No | No | No | No |
| **Size of audit committee** | **3** | **3** | **3** | **3** | **3** | **3** | **3** | **3** |
| No. of ID on audit committee | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Audit committee meetings | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 15 |
| Audit meeting attendance % | 97 | 97 | 97 | 100 | 92 | 100 | 100 | 100 |
| **Size of compensation committee** | **3** | **3** | **3** | **3** | **3** | **3** | **3** | **3** |
| No. of ID on compensation committee | 2 | 2 | 3 | 3 | 2 | 2 | 2 | 2 |
| No. of compensation committee meetings | 1 | 2 | 3 | 2 | 3 | 3 | 2 | 2 |
| Compensation meeting attendance % | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **Size of nomination committee** | **3** | **3** | **3** | **3** | **3** | **3** | **3** | **3** |
| No. of nomination committee meetings | 3 | 3 | 2 | 2 | 3 | 4 | 4 | 2 |
| Nomination meeting attendance % | 100 | 88 | 100 | 100 | 100 | 94 | 100 | 100 |
| **Sustainability governance** | | | | | | | | |
| Verification type | No | No | No | No | No | No | No | No |

Sources: Bloomberg; FSSIA's compilation

## Disclaimer for ESG scoring

<table>
<tr><th>ESG score</th><th>Methodology</th><th>Rating</th></tr>
<tr><td>The Dow Jones Sustainability Indices (DJSI) By S&P Global</td><td>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.</td><td>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.</td></tr>
<tr><td>Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)</td><td>THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually.<br>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.</td><td>To be eligible for THSI inclusion, 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.<br>SETTHSI Index is extended from the THSI 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.</td></tr>
<tr><td>CG Score by Thai Institute of Directors Association (Thai IOD)</td><td>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.</td><td>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%).</td></tr>
<tr><td>AGM level By Thai Investors Association (TIA) with support from the SEC</td><td>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%). (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&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</td><td>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.</td></tr>
<tr><td>Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)</td><td>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.<br>(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.)</td><td>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.</td></tr>
<tr><td>Morningstar Sustainalytics</td><td>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. 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 & peer reviews.</td><td>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></td></tr>
<tr><td>ESG Book</td><td>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.</td><td>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.</td></tr>
<tr><td>MSCI</td><td colspan="2">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="2">Leader:</td><td rowspan="2">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><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>BBB</td><td>4.286-5.713</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td><td rowspan="2">Laggard:</td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td>CCC</td><td>0.000-1.428</td></tr></table></td></tr>
<tr><td>Moody's ESG solutions</td><td colspan="2">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.</td></tr>
<tr><td>Refinitiv ESG rating</td><td colspan="2">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. (Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</td></tr>
<tr><td>S&P Global</td><td colspan="2">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.</td></tr>
<tr><td>Bloomberg</td><td>ESG Score</td><td>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.</td></tr>
<tr><td>Bloomberg</td><td>ESG Disclosure Score</td><td>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.</td></tr>
</table>

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

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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 |
|---|---|---|---|---|---|---|---|---|
| 13-Aug-2021 | BUY | 80.00 | 02-Jun-2022 | BUY | 85.00 | 14-Feb-2024 | BUY | 75.00 |
| 26-Nov-2021 | BUY | 79.00 | 29-Nov-2023 | BUY | 76.00 | | | |

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

Source: FSSIA estimates

**Additional Disclosures**

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 24-Jun-2024 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.