

Time to accumulate, negatives priced in

Over the past week, AOT's share price has fallen by 12% to a 21-month low, dragged down by concerns over China's low tourism and its own reduction in its FY2024 passenger target. Our assessment suggests a price level of Bt57-60/share as downside support, and we believe now is a good chance to add position in AOT for longer-term investment as its passenger pass-through and earnings are moving towards a recovery. Our 3-month tactical call is Outperform with end-2024 DCF TP of Bt84/share.

Catalysts.

- Negatives largely priced in. Our assessment suggests a price level of Bt57-60/share as downside support.** Figure 1 shows AOT's share price reaction to four negative events in the past including COVID-19: December 2020, April 2021, June 2021 and November 2021 plus its assistance for airlines and concessionaires (November 2021). This uncovers a 13% price drop on average with a maximum fall of 18%. Applying this to the November 20 close suggests a share price of Bt57-60/share, which we see as downside support for longer-term investment.
- AOT cuts its target, but international passengers are still growing.** In FY2024, AOT targets international passengers at 70.3mn (84% of pre-COVID-19 level), down from the target announced in June 2022 of 84.9mn (101% of pre-COVID-19 level) amid economic uncertainty and fewer Chinese tourists that led to downgrades by the street and short-term price pressure. However, its revised target still reflects better operations with 30% growth in international passengers from 53.9mn in FY2023 (71% of pre-COVID-19 level).
- Earnings to jump in FY2024.** We maintain our assumption of FY2024 international passengers of 75.6mn (90% of pre-COVID-19 level), lining up with AOT's revised target. We forecast a core earnings jump to Bt26bn in FY2024 from Bt9.2bn in FY2023. We expect 1QFY24 core earnings (October–December 2023) to grow YoY and QoQ on a higher season for Thai tourism: in October, international passengers climbed to 75% of pre-COVID level and in November 1-25 reached 82% of pre-COVID-19 level.

Action & recommendation. In our view, the 12% fall in share price over the past week to trade at near our assessed price support of Bt57-60/share suggests negatives are largely in the price. We view the price cushion as offering a good opportunity to add position in AOT for longer-term investment as passenger pass-through and earnings are still moving towards the recovery. Our end-2024 DCF TP is Bt84/share, based on WACC at 7.2% and LT growth at 2%.

Risks. Global economic slowdowns which will cut travel demand.

Forecasts and valuation

Year to 30 Sep	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	16,560	48,141	73,540	85,839	94,427
EBITDA	(Btmn)	(1,092)	23,524	45,150	55,214	62,345
Core profit	(Btmn)	(10,178)	9,248	25,687	31,694	37,140
Reported profit	(Btmn)	(11,088)	8,791	25,687	31,694	37,140
Core EPS	(Bt)	(0.71)	0.65	1.80	2.22	2.60
DPS	(Bt)	0.00	0.31	0.90	1.11	1.30
P/E, core	(x)	N.M.	94.2	33.9	27.5	23.5
EPS growth, core	(%)	N.M.	N.M.	177.8	23.4	17.2
P/BV, core	(x)	8.6	7.9	6.7	5.8	5.1
ROE	(%)	(9.4)	8.6	21.0	22.3	22.9
Dividend yield	(%)	0.0	0.5	1.5	1.8	2.1
EBITDA growth	(%)	N.M.	N.M.	91.9	22.3	12.9

Source: InnovestX Research

Tactical: OUTPERFORM (3-month)

Stock data

Last close (Nov 27) (Bt)	61.00
Target price (Bt)	84.00
Mkt cap (Btmn)	871.43
Mkt cap (US\$mn)	24,884

Risk rating	L
Mkt cap (%) SET	5.09
Sector % SET	7.75
Shares issued (mn)	14,286
Par value (Bt)	1.00
12-m high / low (Bt)	76.5 / 60.5
Avg. daily 6m (US\$mn)	38.88
Foreign limit / actual (%)	30 / 8
Free float (%)	30.0
Dividend policy (%)	≥ 25

Share performance

(%)	1M	3M	12M
Absolute	(9.0)	(15.3)	(17.6)
Relative to SET	(9.3)	(5.0)	(4.3)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	A
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ESG Bloomberg Rank in the sector

ESG Score Rank	3/26
Environmental Score Rank	2/26
Social Score Rank	5/26
Governance Score Rank	3/26

ESG comment

AOT's ESG score rank is above sector average. AOT is clearly moving on its focus on sustainability development under its Sustainable Development Master Plan.

Source: Bloomberg Finance L.P.

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Value proposition

AOT is Thailand's largest airport operator with ~90% of all air passengers passing through its terminals. AOT operates two major airports in Bangkok (Suvarnabhumi and Don Mueang) and four regional airports in key destinations (Phuket, Chiang Mai, Hai Yai and Chiang Rai).

Business outlook

AOT's operations and earnings in FY2020-22 were severely damaged when Thailand's tourism vanished after the pandemic resulted in virtual elimination of international passenger traffic, amplified by the assistance it provided to concessionaires of its commercial areas and to airline operators extending through March 31, 2023. Thai tourism is now recovering strongly after the complete lifting of restrictions globally and this brought AOT's earnings back to the black in FY2023. We maintain our assumption of international passengers in FY2024 of 75.6mn (90% of pre-COVID-19 level) and forecast a jump in core earnings jump to Bt26bn in FY2024 from Bt9.2bn in FY2023. AOT is working to raise its non-aero revenue. In the future, it targets revenue breakdown between aero and non-aero at 50:50 from 56:44 pre-COVID-19.

Bullish views	Bearish views
1. Positioned as the first gainer as Thai tourism recovers, grounded in its strong financial health.	1. Speed of international passenger recovery to pre-COVID-19 level may be hampered by new virus variants and high competition from other countries also pursuing travelers.
2. Long-term strategy to increase non-aero business, such as the Airport City commercial project.	

Key catalysts

Factor	Event	Impact	Comment
Near-term earnings outlook	1QFY24 earnings (October–December 2023)	+YoY +QoQ	We expect 1QFY24 core earnings (October–December 2023) to grow YoY and QoQ on a higher season for Thai tourism: in October, international passengers climbed to 75% of pre-COVID level and over just November 1-25 reached 82% of pre-COVID-19 level.
Factors to be aware of in 2023-24	Working to increase PSC	Positive	AOT reveals that it is working to increase passenger service charge (PSC) to offset the higher operating cost brought by expansion to now include transit passengers. In our view, the timeline is uncertain since an increase in PSC requires approval from the Civil Aviation Authority of Thailand (CAAT) and the cabinet.
Factors to be aware of in 2023-24	Airport management	Positive/ Negative	In August 2022, the cabinet assigned AOT all responsibility for management of three regional airports under the Department of Airports (DOA)– Krabi, Udon Thani and Buriram – and the Ministry of Transport is studying to add six other airports - Pitsanulok, Mae Sod, Ubon Ratchathani, Khon Kaen, Trang and Ranong airports. More airports in its network will help improve AOT's air traffic management and provide room to grow via upgrading some to international airports. As yet unknown are details of AOT's compensation to DOA and its plan to improve these airports. In 2019, all nine regional airports had 13.2mn passengers and Bt410mn profit, accounting for 9% of total passengers and 1.6% of core earnings for AOT's FY2019.

Sensitivity Analysis

Factor	Earnings sensitivity
1% change in international passengers at 75.6mn in FY2024.	This will change 1% to FY2024's core earnings.
A Bt100 increase in PSC from each international departing passenger at Suvarnabhumi Airport.	This will add 7% to FY2024's core earnings.
Bt100 collected from each transit passenger.	This will add 0.2% to FY2024's core earnings.

Our view on ESG

AOT is clearly moving on its focus on sustainability development under its Sustainable Development Master Plan. We expect to see further development in environmental issues. AOT has implemented policies for energy management but has not set a committed target. We have a positive view on its Board of Directors structure with a high proportion of independent directors at 66.67% of total members.

ESG Disclosure Score

Bloomberg ESG Score	55.78 (2022)
Rank in Sector	3/26

	CG Rating	DJSI	SETESG	SET ESG Ratings
AOT	5	Yes	Yes	A

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- AOT has implemented a Carbon Management Plan, approved by the Airport Carbon Accreditation. Five AOT airports are accredited under the Airport Carbon Accreditation with Level 3: Optimization, while Phuket International Airport is accredited with Level 1: Mapping.
- AOT has collected and sorted out waste at Suvarnabhumi Airport by the certified contractors of ISO 14001:2015, with plans for other airports to follow suit in the future.
- AOT has conducted water management and wastewater treatment of Suvarnabhumi Airport by the certified contractors of ISO 14001:2015, with plans for other airports to follow suit in the future.

Social Issue (S)

- AOT has carried out the occupational health and safety procedures in accordance with ISO 45001:2018 standards in all operational areas. In FY2022, Lost Time Injury Frequency Rate (LTIFR) of employees was 0.22 case per 1 million working hours that was below its goal of zero.
- AOT's survey results in FY2022 revealed that the employees were satisfied at the highest level by 88.45% in work responsibility factors (pride in responsible jobs, delegation appropriate to employees' knowledge, abilities, and interests and systematic and standardized work processes). While 77.07% of least employee satisfaction was in work progress factors (an opportunity for growth). AOT will implement the project to achieve further concrete developments in this issue.
- AOT conducts regular auditory health and hearing performance check-up programs in the communities surrounding the airports to monitor and remedy the noise impact on community members. In FY2022, 2,877 members from 28 communities and 10 schools received auditory health and hearing performance check-ups.

Governance Issue (G)

- AOT has conducted business according to the AOT Safety Policy and AOT Safety Objectives which align with government regulations and national civil aviation safety policy and state safety objectives.
- AOT obtained an ITA score of 91.58 at A level from the Integrity and Transparency Assessment (ITA).
- AOT is listed in the Dow Jones Sustainability Indices (DJSI) World Index for the fourth consecutive year and in the DJSI Emerging Markets Index for the eighth consecutive year in the Transportation and Transportation Infrastructure Industry (TRA) and ranked first among fellow airport operators.
- As of 30 September 2022, the AOT Board of Directors consisted of 15 directors; 5 of whom were female directors (33.33% of total members). In this number, 14 were non-executive directors and 1 was executive director. There were 10 independent directors (66.67% of total members), which exceeded one-third of the total number of directors.
- The chairman is not an independent director.
- A major shareholder controls 70% of total issued and paid-up shares.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	60.75	55.78
Environment	53.88	45.70
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	3.20	2.50
GHG Scope 2 Location-Based	179.12	—
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	457.27	784.91
Waste Reduction Policy	Yes	Yes
Total Waste	19.34	18.36
Social	42.17	35.43
Human Rights Policy	Yes	Yes
Consumer Data Protection Policy	Yes	Yes
Pct Women in Workforce	39.94	39.76
Lost Time Incident Rate - Employees	0.02	0.04
Number of Employees - CSR	8,176	7,919
Total Hours Spent by Firm - Employee Training	59,834	74,225
Governance	86.09	86.09
Size of the Board	15	15
Board Meeting Attendance Pct	98	98
Number of Independent Directors	11	10
% Independent directors to total board members	73.33	66.67
Board Duration (Years)	3	3

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Total revenue	(Btmn)	62,783	31,179	7,086	16,560	48,141	73,540	85,839	94,427
Cost of goods sold	(Btmn)	(28,882)	(23,440)	(22,718)	(24,688)	(30,911)	(35,251)	(39,035)	(40,686)
Gross profit	(Btmn)	33,901	7,739	(15,632)	(8,128)	17,230	38,289	46,803	53,740
SG&A	(Btmn)	0	0	0	0	0	0	0	0
Other income	(Btmn)	1,601	1,427	630	313	294	404	901	991
Interest expense	(Btmn)	(815)	(646)	(2,973)	(2,930)	(2,890)	(3,153)	(3,152)	(2,877)
Pre-tax profit	(Btmn)	31,927	6,216	(19,542)	(12,954)	11,763	31,864	40,261	47,134
Corporate tax	(Btmn)	(6,389)	(1,038)	4,173	2,888	(2,235)	(5,735)	(8,052)	(9,427)
Equity a/c profits	(Btmn)	0	(0)	(0)	(0)	0	0	0	0
Minority interests	(Btmn)	(69)	22	50	(112)	(281)	(441)	(515)	(567)
Core profit	(Btmn)	25,470	5,200	(15,319)	(10,178)	9,248	25,687	31,694	37,140
Extra-ordinary items	(Btmn)	(443)	(879)	(1,003)	(909)	(457)	0	0	0
Net Profit	(Btmn)	25,026	4,321	(16,322)	(11,088)	8,791	25,687	31,694	37,140
EBITDA	(Btmn)	38,593	12,303	(7,541)	(1,092)	23,524	45,150	55,214	62,345
Core EPS	(Bt)	1.78	0.36	(1.07)	(0.71)	0.65	1.80	2.22	2.60
Net EPS	(Bt)	1.75	0.30	(1.14)	(0.78)	0.62	1.80	2.22	2.60
DPS	(Bt)	1.05	0.19	0.00	0.00	0.31	0.90	1.11	1.30

Balance Sheet

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Total current assets	(Btmn)	80,787	50,491	21,499	8,476	19,014	29,448	52,186	75,123
Total fixed assets	(Btmn)	104,069	110,130	112,157	115,705	122,876	131,277	128,020	124,430
Total assets	(Btmn)	198,382	173,559	195,086	183,813	195,611	218,026	239,882	259,919
Total loans	(Btmn)	13,697	11,093	9,266	6,880	5,859	13,420	15,920	15,920
Total current liabilities	(Btmn)	26,182	15,333	13,610	14,495	23,293	20,550	22,651	22,534
Total long-term liabilities	(Btmn)	10,516	8,245	6,080	3,314	1,646	9,208	11,708	13,223
Total liabilities	(Btmn)	43,843	30,527	81,664	81,294	83,433	85,327	88,332	87,077
Paid-up capital	(Btmn)	14,286	14,286	14,286	14,286	14,286	14,286	14,286	14,286
Total equity	(Btmn)	154,539	143,032	113,421	102,519	112,178	132,699	151,549	172,843
BVPS	(Bt)	10.77	9.96	7.86	7.09	7.73	9.17	10.49	11.98

Cash Flow Statement

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Core Profit	(Btmn)	25,470	5,200	(15,319)	(10,178)	9,248	25,687	31,694	37,140
Depreciation and amortization	(Btmn)	5,851	5,441	9,027	8,932	8,870	10,133	11,802	12,335
Operating cash flow	(Btmn)	32,916	259	(2,291)	(171)	16,873	27,717	42,837	46,009
Investing cash flow	(Btmn)	(11,578)	14,705	7,173	(936)	(11,559)	(22,113)	(10,920)	(9,435)
Financing cash flow	(Btmn)	(20,008)	(19,068)	(1,067)	(3,573)	(3,020)	1,451	(10,343)	(15,847)
Net cash flow	(Btmn)	1,330	(4,104)	3,816	(4,681)	2,293	7,055	21,574	20,727

Key Financial Ratios

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Gross margin	(%)	54.0	24.8	(220.6)	(49.1)	35.8	52.1	54.5	56.9
Operating margin	(%)	54.0	24.8	(220.6)	(49.1)	35.8	52.1	54.5	56.9
EBITDA margin	(%)	61.5	39.5	(106.4)	(6.6)	48.9	61.4	64.3	66.0
EBIT margin	(%)	52.2	22.0	(233.8)	(60.5)	30.4	47.6	50.6	53.0
Net profit margin	(%)	39.9	13.9	(230.4)	(67.0)	18.3	34.9	36.9	39.3
ROE	(%)	17.0	3.5	(11.9)	(9.4)	8.6	21.0	22.3	22.9
ROA	(%)	13.2	2.8	(8.3)	(5.4)	4.9	12.4	13.8	14.9
Net D/E	(x)	Net cash	Net cash	Net cash	0.0	Net cash	0.0	Net cash	Net cash
Interest coverage	(x)	47.4	19.0	(2.5)	(0.4)	8.1	14.3	17.5	21.7
Debt service coverage	(x)	9.7	3.5	(1.2)	(0.2)	3.3	6.1	7.5	11.2
Payout Ratio	(%)	59.9	50.0	0.0	0.0	50.0	50.0	50.0	50.0

Main Assumptions

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Total passengers	(mn)	141.9	72.6	20.0	46.7	100.1	133.5	149.0	160.8
- International	(mn)	84.0	37.5	1.0	13.9	53.9	75.6	88.2	97.1
- Domestic	(mn)	57.8	35.2	19.1	32.8	46.2	57.8	60.7	63.8
Total passenger growth	(%)	1.7	(48.8)	(72.5)	133.3	114.3	33.4	11.6	8.0
- International	(%)	4.4	(55.4)	(97.5)	1,360.3	287.9	40.3	16.7	10.0
- Domestic	(%)	(2.0)	(39.2)	(45.8)	72.0	40.8	25.3	5.0	5.0

Financial statement

Profit and Loss Statement

FY September 30	Unit	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
Total revenue	(Btmn)	2,327	3,017	4,666	6,550	8,824	11,001	12,954	15,362
Cost of goods sold	(Btmn)	(5,693)	(5,925)	(6,283)	(6,787)	(6,940)	(7,235)	(7,448)	(9,288)
Gross profit	(Btmn)	(3,366)	(2,908)	(1,617)	(237)	1,884	3,765	5,507	6,074
SG&A	(Btmn)	0	0	0	0	0	0	0	0
Other income	(Btmn)	73	129	36	75	48	73	98	76
Interest expense	(Btmn)	(739)	(734)	(730)	(727)	(728)	(723)	(719)	(720)
Pre-tax profit	(Btmn)	(4,498)	(3,972)	(2,935)	(1,549)	611	2,423	4,226	4,504
Corporate tax	(Btmn)	1,090	749	549	499	(116)	(432)	(822)	(865)
Equity a/c profits	(Btmn)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0
Minority interests	(Btmn)	32	(130)	(6)	(7)	(59)	(71)	(151)	0
Core profit	(Btmn)	(3,376)	(3,353)	(2,392)	(1,057)	436	1,920	3,253	3,639
Extra-ordinary items	(Btmn)	(895)	77	185	(276)	(93)	(59)	(97)	(207)
Net Profit	(Btmn)	(4,272)	(3,276)	(2,207)	(1,333)	343	1,861	3,156	3,432
EBITDA	(Btmn)	(1,467)	(1,054)	(22)	1,450	3,562	5,312	7,115	7,534
Core EPS	(Bt)	(0.24)	(0.23)	(0.17)	(0.07)	0.03	0.13	0.23	0.25
Net EPS	(Bt)	(0.30)	(0.23)	(0.15)	(0.09)	0.02	0.13	0.22	0.24

Balance Sheet

FY September 30	Unit	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
Total current assets	(Btmn)	13,532	11,258	9,233	8,476	8,846	11,452	14,947	19,014
Total fixed assets	(Btmn)	111,831	111,681	112,656	115,705	115,931	116,947	119,273	122,876
Total assets	(Btmn)	185,462	182,510	181,131	183,813	183,230	185,665	189,663	195,611
Total loans	(Btmn)	8,424	7,552	6,684	6,880	7,315	6,719	4,643	5,859
Total current liabilities	(Btmn)	9,807	9,984	10,571	14,495	15,779	19,170	19,884	23,293
Total long-term liabilities	(Btmn)	5,254	4,452	3,713	3,314	2,823	2,315	2,100	1,646
Total liabilities	(Btmn)	76,425	76,609	77,369	81,294	80,315	80,608	81,283	83,433
Paid-up capital	(Btmn)	14,286	14,286	14,286	14,286	14,286	14,286	14,286	14,286
Total equity	(Btmn)	109,036	105,902	103,762	102,519	102,914	105,057	108,380	112,178
BVPS	(Bt)	7.63	7.41	7.26	7.18	7.20	7.35	7.59	7.85

Cash Flow Statement

FY September 30	Unit	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
Core Profit	(Btmn)	(3,376)	(3,353)	(2,392)	(1,057)	436	1,920	3,253	3,639
Depreciation and amortization	(Btmn)	2,293	2,184	2,184	2,271	2,223	2,166	2,170	2,311
Operating cash flow	(Btmn)	(2,813)	(282)	537	2,387	3,277	4,018	4,897	4,680
Investing cash flow	(Btmn)	3,073	883	(1,867)	(3,025)	(3,502)	(1,921)	(2,574)	(3,562)
Financing cash flow	(Btmn)	(2,044)	(694)	(722)	(114)	301	(1,706)	(2,608)	993
Net cash flow	(Btmn)	(1,785)	(93)	(2,052)	(751)	76	391	(285)	2,111

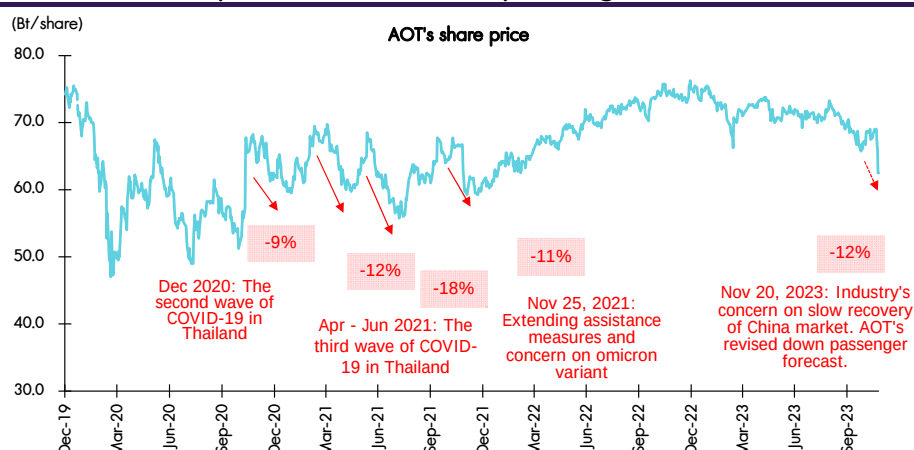
Key Financial Ratios

FY September 30	Unit	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
Gross margin	(%)	(144.6)	(96.4)	(34.7)	(3.6)	21.4	34.2	42.5	39.5
Operating margin	(%)	(144.6)	(96.4)	(34.7)	(3.6)	21.4	34.2	42.5	39.5
EBITDA margin	(%)	(63.0)	(34.9)	(0.5)	22.1	40.4	48.3	54.9	49.0
EBIT margin	(%)	(161.5)	(107.3)	(47.3)	(12.5)	15.2	28.6	38.2	34.0
Net profit margin	(%)	(183.5)	(108.6)	(47.3)	(20.3)	3.9	16.9	24.4	22.3
ROE	(%)	(12.1)	(12.5)	(9.1)	(4.1)	1.7	7.4	12.2	13.2
ROA	(%)	(7.1)	(7.3)	(5.3)	(2.3)	0.9	4.2	6.9	7.6
Net D/E	(x)	Net cash	0.0	0.0	0.0	0.0	0.0	0.0	Net cash
Interest coverage	(x)	(2.0)	(1.4)	(0.0)	2.0	4.9	7.3	9.9	10.5
Debt service coverage	(x)	(1.0)	(0.7)	(0.0)	0.9	1.9	2.9	5.3	4.2

Main Assumptions

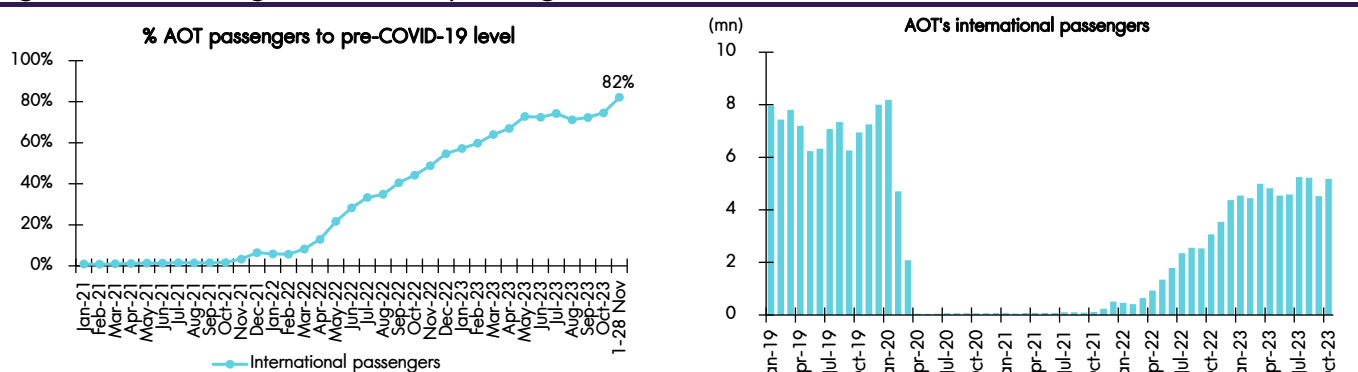
FY September 30	Unit	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23
Total passengers	(mn)	6.9	8.9	13.5	17.4	23.0	26.4	24.9	25.7
- International	(mn)	0.9	1.5	4.1	7.4	11.0	14.0	13.9	15.0
- Domestic	(mn)	6.0	7.4	9.4	9.9	12.0	12.5	11.0	10.7
Total passenger growth	(%)	(35.6)	76.9	315.9	1,648.2	233.0	195.8	85.2	47.8
- International	(%)	330.8	658.5	1,583.1	2,314.5	1,168.3	816.8	243.0	101.6
- Domestic	(%)	(42.6)	52.8	213.8	1,348.2	99.0	68.1	16.9	7.5

Figure 1: AOT's share price reactions to the past negative events



Source: InnovestX Research

Figure 2: AOT's rising international passengers.



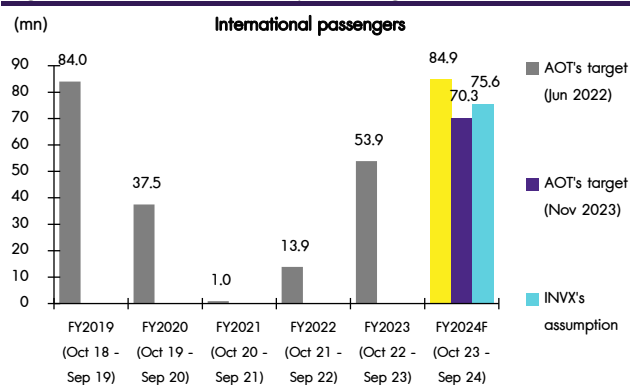
Source: AOT and InnovestX Research

Figure 3: AOT has revised down its passenger target in FY2024

	FY2019 (Oct 18 - Sep 19)	FY2020 (Oct 19 - Sep 20)	FY2021 (Oct 20 - Sep 21)	FY2022 (Oct 21 - Sep 22)	FY2023 (Oct 22 - Sep 23)	AOT target FY2024 (Oct 23 - Sep 24)	
						Previous (as of Jun 2022)	Revised (as of Nov 2023)
Int'l passengers	84.0	37.5	1.0	13.9	53.9	84.9	70.3
Domestic passengers	57.8	35.2	19.1	32.8	46.2	56.6	49.5
Total passengers	141.9	72.6	20.0	46.7	100.1	141.5	119.8

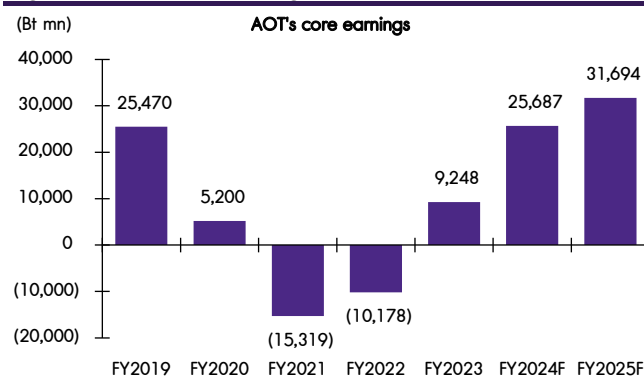
Source: AOT and InnovestX Research

Figure 4: International passenger forecast



Source: AOT and InnovestX Research

Figure 5: AOT's earnings forecast



Source: InnovestX Research

Figure 6: Valuation summary (price as of Nov 27, 2023)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F
AAV	Neutral	2.00	2.6	30.0	n.m.	n.m.	20.7	32.6	96.2	n.m.	2.9	3.8	3.2	(50.0)	(4.0)	16.7	0.0	0.0	0.0	n.m.	10.4	7.3
AOT	Outperform	61.00	84.0	38.2	n.m.	94.2	33.9	33.6	n.m.	177.8	8.6	7.9	6.7	(9.4)	8.6	21.0	0.0	0.5	1.5	n.m.	37.0	19.4
Average					n.m.	94.2	27.3	33.1	96.2	177.8	5.8	5.8	4.9	(29.7)	2.3	18.8	0.0	0.3	0.7	n.m.	23.7	13.4

Source: InnovestX Research

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7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCT, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITCL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTec, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLO, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

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2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIILK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITL, TCK, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator**Certified (ได้ยื่นบัญชี)**

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCOC, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLO, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPAC, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIILK, XO, YUASA, ZEN, ZIGA

Declared (ได้ประกาศ)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, OTO, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTCL, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MASTER, MATI, MAX, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, POMPUL, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNET, SCAP, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, SSS, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THG, THV, THMUI, TIGER, TITL, TK, TCK, TLI, TM, TMC, TMI, TMW, TNDT, TNH, UNBP, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWI, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

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