

Airports of Thailand

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Public Company Limited

AOT

Bloomberg AOT.TB
Reuters AOT.BK



Overhang lifted

Lifting an overhang, on July 30, AOT informed the SET that its board approved closing duty-free shops for arriving passengers in response to the government's efforts to boost shopping within the country, effective from August 1. While this leads to an earnings cut, the bright side is the removal of the overhang. The 12% fall in AOT's share price over the past three months suggests the negatives are priced in. We continue to expect AOT's earnings to grow in tandem with Thai tourism. We rate it as Outperform, lowering TP to Bt70/share (from Bt78/share).

Closing duty-free shops for arriving passengers. On July 30, AOT informed the SET that its board approved the closure of duty-free shops for arriving passengers at its five airports: Suvarnabhumi, Don Mueang, Phuket, Chiang Mai and Hat Yai from August 1, to further the government's efforts to boost shopping within the country. Total area reclaimed from duty-free shops for arrivals from concessionaire King Power Duty Free comes to ~2,250.6 sq.m.; AOT will reduce the minimum guarantee for duty-free concessions by 13% at Suvarnabhumi Airport and 10% at other airports, which will also cut concession revenue. It plans to develop the reclaimed area to improve passenger services and alleviate congestion. AOT expects the impact to be diluted in the mid to longer term as it will be getting additional revenue from other commercial activities such as the Airport City project (expected in FY2025).

Earnings cut. We revise down AOT's core earnings by 14% in FY2024 and 16% in FY2025 to factor in: 1) the closure of duty-free shops for arrivals, 2) actual figures in 9MFY24 that lead us to revise down our international passenger forecast to 74mn in FY2024 and 84mn in FY2025 or 88% and 100% of pre-COVID-19 level (down from 76mn in FY2024 and 88mn in FY2025 or 90% and 105% of pre-COVID-19 level) and 3) a cut in operating margin to 45.6% in FY2024 and 48.0% in FY2025 (from 47.6% in FY2024 and 50.3% in FY2025). After the earnings revision, we estimate a core profit of Bt20bn in FY2024 (+116% YoY) and Bt24bn in FY2025 (+20% YoY). This lowers our end-2024 DCF TP to Bt70/share (from Bt78/share) based on WACC at 7.6% and LT growth at 2%. We maintain our Outperform rating on AOT.

3QFY24 preview. We estimate AOT's core earnings in 3QFY24 (April-June 2024) at Bt4.8bn, up 48% YoY but down 18% QoQ, aligning with international passengers of 17.8mn, up 27% YoY but down 11% QoQ, 90% of pre-COVID-19 level. It will release results on August 14.

Risks. Global economic slowdowns that will cut travel demand. We see ESG risks as environmental issues (E) and social issues such as safety (S).

Forecasts and valuation

Year to 30 Sep	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	16,560	48,141	66,700	75,059	81,364
EBITDA	(Btmn)	(1,092)	23,524	39,865	46,946	52,105
Core profit	(Btmn)	(10,178)	9,248	19,950	23,871	27,934
Reported profit	(Btmn)	(11,088)	8,791	19,950	23,871	27,934
Core EPS	(Bt)	(0.71)	0.65	1.40	1.67	1.96
DPS	(Bt)	0.00	0.36	0.70	0.84	0.98
P/E, core	(x)	N.M.	88.1	40.8	34.1	29.2
EPS growth, core	(%)	N.M.	N.M.	115.7	19.7	17.0
P/BV, core	(x)	8.0	7.4	6.5	5.9	5.3
ROE	(%)	(9.4)	8.6	16.7	17.9	18.9
Dividend yield	(%)	0.0	0.6	1.2	1.5	1.7
EBITDA growth	(%)	N.M.	N.M.	69.5	17.8	11.0

Source: InnovestX Research

Tactical: OUTPERFORM

(3-month)

Stock data	
Last close (Jul 30) (Bt)	57.00
Target price (Bt)	70.00
Mkt cap (Btmn)	814.28
Mkt cap (US\$mn)	22,709
Risk rating	L
Mkt cap (%) SET	5.03
Sector % SET	7.78
Shares issued (mn)	14,286
Par value (Bt)	1.00
12-m high / low (Bt)	73.5 / 55.8
Avg. daily 6m (US\$mn)	36.05
Foreign limit / actual (%)	30 / 7
Free float (%)	30.0
Dividend policy (%)	≥ 25

Share performance			
(%)	1M	3M	12M
Absolute	0.4	(12.6)	(20.3)
Relative to SET	(0.2)	(8.6)	(5.2)

Source: SET, InnovestX Research

2023 Sustainability/ 2022 ESG Score

SET ESG Ratings A

ESG Bloomberg Rank in the sector

ESG Score Rank	3/27
Environmental Score Rank	2/27
Social Score Rank	5/27
Governance Score Rank	5/27

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 essentially closed the doors to tourism when 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 that extended through March 31, 2023. Thai tourism is now coming back strongly after the complete lifting of restrictions globally and this pulled AOT's earnings back up into the black in FY2023. We estimate AOT's core profit at Bt20bn in FY2024 (+116% YoY) and Bt24bn in FY2025 (+20% YoY) based on international passengers of 74mn in FY2024 and 84mn in FY2025 or 88% and 100% of pre-COVID-19 level.

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 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	3QFY24 earnings (April-June 2024)	+YoY -QoQ	We estimate AOT's core earnings in 3QFY24 (April-June 2024) at Bt4.8bn, up 48% YoY but down 18% QoQ, aligning with international passengers at 17.8mn, up 27% YoY but down 11% QoQ, 90% of pre-COVID-19 level.
Factors to be aware of in 2024-25	Working to increase PSC	Positive	AOT said it is working to raise the passenger service charge (PSC) to include transit passengers to offset the higher operating cost brought by expansion. 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 2024	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 adding 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 84mn in FY2025.	This will affect FY2025 core earnings by 1.5% either direction.
Bt100 increase in PSC from each international departing passenger	This will add 12% to FY2025 core earnings.
Bt100 collected from each transit passenger.	This will add 0.4% to FY2025 core earnings.

Our view on ESG

AOT is clearly moving on its focus on sustainability development under its Sustainable Development Master Plan. We see ESG materiality for AOT is an environment issue (E) and social issue such as safety (S). AOT has implemented policies for energy management and targets to achieve carbon neutrality goal by 2030 and net zero carbon emission by 2032. AOT has made a strong commitment on safety and security of its airports in compliance with the national and international standards.

ESG Disclosure Score

Bloomberg ESG Score	55.78 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	3/27	AOT	5	Yes	Yes	A

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- AOT targets to achieve carbon neutrality goal by 2030 and net zero carbon emission by 2032.
- AOT conducted the Airport Carbon Accreditation (ACA) to monitor GHG emissions at all 6 airports. There were 5 airports that were certified ACA level 3 Optimization and 1 airport at level 1 Mapping. These indicated the data collection and mitigation of GHG emission throughout the supply chain. All 6 airports of AOT have implemented according to the Carbon Management Plan.
- Electricity generation project from solar energy: installing 10 MW solar rooftop panels on passenger terminals for circulating use in the airport, reducing heat within the terminals and reducing carbon emissions. The power output was planned to increase to 50 MW in 2024 in order to drive Suvarnabhumi Airport and other AOT's airports to be Net Zero Airports.

Social Issue (S)

- AOT has made a strong commitment on safety and security of its airports in compliance with the national and international standards. AOT has formulated concise safety measures with the strict enforcement and audit process according to the International Civil Aviation Organization (ICAO) under the Universal Security Audit Programme - Continuous Monitoring Approach (USAP-CMA).

Governance Issue (G)

- AOT was selected to be a member of Dow Jones Sustainability Indices (DJSI) in the DJSI World Index for 5 consecutive years and Emerging Markets for 9 consecutive years in the Transportation and Transportation Infrastructure (TRA) sector with the score ranked the second of the group (top score in airport group).
- As of 30 September 2023, the AOT Board of Directors consisted of 13 directors; 3 of whom were female directors (23% of total members). There were 9 independent directors (69% of total members), which exceeded one-third of the total number of directors.
- The chairman is not an independent director.

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	66,700	75,059	81,364
Cost of goods sold	(Btmn)	(28,882)	(23,440)	(22,718)	(24,688)	(30,911)	(36,299)	(39,066)	(40,559)
Gross profit	(Btmn)	33,901	7,739	(15,632)	(8,128)	17,230	30,401	35,993	40,805
SG&A	(Btmn)	0	0	0	0	0	0	0	0
Other income	(Btmn)	1,601	1,427	630	313	294	700	788	854
Interest expense	(Btmn)	(815)	(646)	(2,973)	(2,930)	(2,890)	(3,153)	(3,377)	(2,877)
Pre-tax profit	(Btmn)	31,927	6,216	(19,542)	(12,954)	11,763	25,280	30,402	35,528
Corporate tax	(Btmn)	(6,389)	(1,038)	4,173	2,888	(2,235)	(4,930)	(6,080)	(7,106)
Equity a/c profits	(Btmn)	0	(0)	(0)	(0)	0	0	0	0
Minority interests	(Btmn)	(69)	22	50	(112)	(281)	(400)	(450)	(488)
Core profit	(Btmn)	25,470	5,200	(15,319)	(10,178)	9,248	19,950	23,871	27,934
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	19,950	23,871	27,934
EBITDA	(Btmn)	38,593	12,303	(7,541)	(1,092)	23,524	39,865	46,946	52,105
Core EPS	(Bt)	1.78	0.36	(1.07)	(0.71)	0.65	1.40	1.67	1.96
Net EPS	(Bt)	1.75	0.30	(1.14)	(0.78)	0.62	1.40	1.67	1.96
DPS	(Bt)	1.05	0.19	0.00	0.00	0.36	0.70	0.84	0.98

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	28,571	43,658	47,604
Total fixed assets	(Btmn)	104,069	110,130	112,157	115,705	122,876	130,767	141,134	151,167
Total assets	(Btmn)	198,382	173,559	195,086	183,813	195,611	213,914	240,178	253,946
Total loans	(Btmn)	13,697	11,093	9,266	6,880	5,859	13,420	23,420	23,420
Total current liabilities	(Btmn)	26,182	15,333	13,610	14,495	23,293	19,595	24,789	24,635
Total long-term liabilities	(Btmn)	10,516	8,245	6,080	3,314	1,646	9,208	19,208	20,723
Total liabilities	(Btmn)	43,843	30,527	81,664	81,294	83,433	87,699	100,067	97,836
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	126,215	140,111	156,109
BVPS	(Bt)	10.77	9.96	7.86	7.09	7.73	8.72	9.69	10.81

Cash Flow Statement

FY September 30	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024F	FY2025F	FY2026F
Core Profit	(Btmn)	25,470	5,200	(15,319)	(3,449)	9,248	19,950	23,871	27,934
Depreciation and amortization	(Btmn)	5,851	5,441	9,027	4,455	8,870	11,432	13,167	13,700
Operating cash flow	(Btmn)	32,916	259	(2,291)	2,924	16,873	27,578	39,071	37,778
Investing cash flow	(Btmn)	(11,578)	14,705	7,173	(4,892)	(11,559)	(20,177)	(24,344)	(23,522)
Financing cash flow	(Btmn)	(20,008)	(19,068)	(1,067)	(835)	(3,020)	704	25	(11,936)
Net cash flow	(Btmn)	1,330	(4,104)	3,816	(2,803)	2,293	8,105	14,752	2,321

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	45.6	48.0	50.2
Operating margin	(%)	54.0	24.8	(220.6)	(49.1)	35.8	45.6	48.0	50.2
EBITDA margin	(%)	61.5	39.5	(106.4)	(6.6)	48.9	59.8	62.5	64.0
EBIT margin	(%)	52.2	22.0	(233.8)	(60.5)	30.4	42.6	45.0	47.2
Net profit margin	(%)	39.9	13.9	(230.4)	(67.0)	18.3	29.9	31.8	34.3
ROE	(%)	17.0	3.5	(11.9)	(9.4)	8.6	16.7	17.9	18.9
ROA	(%)	13.2	2.8	(8.3)	(5.4)	4.9	9.7	10.5	11.3
Net D/E	(x)	(0.4)	(0.2)	(0.1)	0.0	(0.0)	0.0	(0.0)	(0.0)
Interest coverage	(x)	(47.4)	(19.0)	2.5	0.4	(8.1)	(12.6)	(13.9)	(18.1)
Debt service coverage	(x)	7.0	2.4	(2.2)	(0.3)	4.3	7.6	9.3	20.7
Payout Ratio	(%)	59.9	62.8	0.0	0.0	58.5	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	120.2	133.5	142.9
- International	(mn)	84.0	37.5	1.0	13.9	53.9	74.0	84.0	89.9
- Domestic	(mn)	57.8	35.2	19.1	32.8	46.2	46.3	49.5	53.0
Total passenger growth	(%)	1.7	(48.8)	(72.5)	133.3	114.3	20.2	11.1	7.0
- International	(%)	4.4	(55.4)	(97.5)	1,360.3	287.9	37.2	13.6	7.0
- Domestic	(%)	(2.0)	(39.2)	(45.8)	72.0	40.8	0.2	7.0	7.0

Financial statement

Profit and Loss Statement

FY September 30	Unit	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Total revenue	(Btmn)	4,666	6,550	8,824	11,001	12,954	15,362	15,708	18,234
Cost of goods sold	(Btmn)	(6,283)	(6,787)	(6,940)	(7,235)	(7,448)	(9,288)	(8,547)	(9,264)
Gross profit	(Btmn)	(1,617)	(237)	1,884	3,765	5,507	6,074	7,161	8,970
SG&A	(Btmn)	0	0	0	0	0	0	0	0
Other income	(Btmn)	36	75	48	73	98	76	62	109
Interest expense	(Btmn)	(730)	(727)	(728)	(723)	(719)	(720)	(692)	(710)
Pre-tax profit	(Btmn)	(2,935)	(1,549)	611	2,423	4,226	4,504	5,913	7,567
Corporate tax	(Btmn)	549	499	(116)	(432)	(822)	(865)	(1,148)	(1,504)
Equity a/c profits	(Btmn)	(0)	(0)	(0)	(0)	(0)	0	(0)	(0)
Minority interests	(Btmn)	(6)	(7)	(59)	(71)	(151)	0	(119)	(188)
Core profit	(Btmn)	(2,392)	(1,057)	436	1,920	3,253	3,639	4,645	5,875
Extra-ordinary items	(Btmn)	185	(276)	(93)	(59)	(97)	(207)	(82)	(90)
Net Profit	(Btmn)	(2,207)	(1,333)	343	1,861	3,156	3,432	4,563	5,785
EBITDA	(Btmn)	(22)	1,450	3,562	5,312	7,115	7,534	9,424	11,087
Core EPS	(Bt)	(0.17)	(0.07)	0.03	0.13	0.23	0.25	0.33	0.41
Net EPS	(Bt)	(0.15)	(0.09)	0.02	0.13	0.22	0.24	0.32	0.40

Balance Sheet

FY September 30	Unit	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Total current assets	(Btmn)	9,233	8,476	8,846	11,452	14,947	19,014	19,359	22,407
Total fixed assets	(Btmn)	112,656	115,705	115,931	116,947	119,273	122,876	123,329	124,176
Total assets	(Btmn)	181,131	183,813	183,230	185,665	189,663	195,611	194,348	195,726
Total loans	(Btmn)	6,684	6,880	7,315	6,719	4,643	5,859	7,473	5,693
Total current liabilities	(Btmn)	10,571	14,495	15,779	19,170	19,884	23,293	20,424	21,176
Total long-term liabilities	(Btmn)	3,713	3,314	2,823	2,315	2,100	1,646	1,470	1,250
Total liabilities	(Btmn)	77,369	81,294	80,315	80,608	81,283	83,433	77,584	78,159
Paid-up capital	(Btmn)	14,286	14,286	14,286	14,286	14,286	14,286	14,286	14,286
Total equity	(Btmn)	103,762	102,519	102,914	105,057	108,380	112,178	116,763	117,568
BVPS	(Bt)	7.26	7.18	7.20	7.35	7.59	7.85	8.17	8.23

Cash Flow Statement

FY September 30	Unit	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Core Profit	(Btmn)	(2,392)	(1,057)	436	1,920	3,253	3,639	4,645	5,875
Depreciation and amortization	(Btmn)	2,184	2,271	2,223	2,166	2,170	2,311	2,819	2,810
Operating cash flow	(Btmn)	537	2,387	3,277	4,018	4,897	4,680	6,733	10,209
Investing cash flow	(Btmn)	(1,867)	(3,025)	(3,502)	(1,921)	(2,574)	(3,562)	(4,150)	(2,477)
Financing cash flow	(Btmn)	(722)	(114)	301	(1,706)	(2,608)	993	(4,114)	(7,164)
Net cash flow	(Btmn)	(2,052)	(751)	76	391	(285)	2,111	(1,531)	567

Key Financial Ratios

FY September 30	Unit	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Gross margin	(%)	(34.7)	(3.6)	21.4	34.2	42.5	39.5	45.6	49.2
Operating margin	(%)	(34.7)	(3.6)	21.4	34.2	42.5	39.5	45.6	49.2
EBITDA margin	(%)	(0.5)	22.1	40.4	48.3	54.9	49.0	60.0	60.8
EBIT margin	(%)	(47.3)	(12.5)	15.2	28.6	38.2	34.0	42.1	45.4
Net profit margin	(%)	(47.3)	(20.3)	3.9	16.9	24.4	22.3	29.0	31.7
ROE	(%)	(9.1)	(4.1)	1.7	7.4	12.2	13.2	16.2	20.1
ROA	(%)	(5.3)	(2.3)	0.9	4.2	6.9	7.6	9.5	12.0
Net D/E	(x)	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0
Interest coverage	(x)	0.0	(2.0)	(4.9)	(7.3)	(9.9)	(10.5)	(13.6)	(15.6)
Debt service coverage	(x)	(1.7)	8.8	9.0	14.1	(85.3)	22.6	11.7	27.7

Main Assumptions

FY September 30	Unit	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Total passengers	(mn)	13.5	17.4	23.0	26.4	24.9	25.7	28.9	32.3
- International	(mn)	4.1	7.4	11.0	14.0	13.9	15.0	16.9	19.9
- Domestic	(mn)	9.4	9.9	12.0	12.5	11.0	10.7	12.0	12.4
Total passenger growth	(%)	315.9	1,648.2	233.0	195.8	85.2	47.8	25.5	22.3
- International	(%)	1,583.1	2,314.5	1,168.3	816.8	243.0	101.6	53.9	42.5
- Domestic	(%)	213.8	1,348.2	99.0	68.1	16.9	7.5	(0.4)	(0.4)

Figure 1: Detail of reclamation of commercial areas and closure of duty-free shops for arriving passengers

	Reclamation of commercial areas (June 21, 2024)	Closure of duty-free shops for arriving passengers (July 30, 2024)
Areas	Commercial areas from the concessionaire, namely King Power Duty Free Company Limited (KPD), and certain office areas from government agencies, namely Immigration Bureau, Thai Customs Department and Revenue Department. <ul style="list-style-type: none"> Suvarnabhumi Airport: approximately 1,097.14 square meters inside Concourses and SAT-1. Phuket Airport: approximately 491.22 square meters inside International Passenger Terminal. 	Commercial areas of duty-free shops for arriving passengers from KPD. <ul style="list-style-type: none"> Suvarnabhumi Airport: approximately 1,870.69 square meters. Don Mueang International Airport: approximately 162.46 square meters. Phuket Airport, Chiang Mai Airport and Hat Yai Airport: approximately 217.45 square meters.
Estimated impact	The reclamation of commercial area will come with a reduction in the minimum guarantee per passenger for the duty-free concessions of 7.5% at Suvarnabhumi and 19% at regional airports (Phuket, Chiang Mai and Hat Yai airports). AOT estimates a reduction in revenue of Bt94mn/month in the contract year FY2024/25.	The closure of duty-free shops for arriving passengers will come with a reduction in minimum guarantee per passenger for the duty-free concessions of 13% at Suvarnabhumi Airport and 10% at regional airport (Phuket Airport, Chiang Mai Airport and Hat Yai Airport), and the reduction in minimum guarantee amount of 10% at Don Mueang Airport. AOT estimates a reduction in revenue of Bt143mn/month in the contract year FY2024/25.
Effective date	July 1, 2024	August 1, 2024.

Source: AOT and InnovestX Research

Figure 2: AOT's 3QFY24 earnings preview

(Btmn)	Apr-23	Jul-23	Oct-23	Jan-24	Apr-24	% YoY	% QoQ	Oct-22	Oct-23	% YoY
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24			Jun-23	Jun-24	
	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24F			9MFY23	9MFY24F	
Total revenue	12,954	15,362	15,708	18,234	16,669	28.7	(8.6)	32,779	50,611	54.4
Operating profit	5,507	6,074	7,161	8,970	7,561	37.3	(15.7)	11,156	23,692	112.4
EBITDA	7,115	7,534	9,424	11,087	9,701	36.3	(12.5)	15,990	30,211	88.9
Core profit	3,253	3,639	4,645	5,875	4,811	47.9	(18.1)	5,609	15,331	173.4
Net Profit	3,156	3,432	4,563	5,785	4,811	52.4	(16.8)	5,359	15,158	182.9
EPS (Bt/share)	0.22	0.24	0.32	0.40	0.34	52.4	(16.8)	0.38	1.06	182.9
Financial ratio										
Operating margin (%)	42.5	39.5	45.6	49.2	45.4			34.0	46.8	
EBITDA margin (%)	54.9	49.0	60.0	60.8	58.2			48.8	59.7	
Net profit margin (%)	24.4	22.3	29.0	31.7	28.9			16.3	30.0	
Key statistics										
No. of aircraft (movements)	160,799	165,010	178,215	188,818	181,482	12.9	(3.9)	474,882	548,515	15.5
No. of passenger (mn)	24.9	25.7	28.9	32.3	28.9	16.0	(10.6)	74.4	90.1	21.2
- International passengers	13.9	15.0	16.9	19.9	17.8	27.5	(10.8)	38.9	54.6	40.4
- Domestic passengers	11.0	10.7	12.0	12.4	11.1	1.3	(10.3)	35.5	35.5	0.1

Source: AOT and InnovestX Research

Figure 3: Valuation summary (price as of Jul 30, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
AAV	Neutral	2.20	2.8	27.3	n.m.	15.4	11.5	97	n.m.	34	3.2	2.8	2.2	(3)	20	21	0.0	0.0	0.0	9.6	7.2	6.5
AOT	Outperform	57.00	70.0	24.0	88.1	40.8	34.1	n.m.	115.7	19.7	7.4	6.5	5.9	8.6	16.7	17.9	0.6	1.2	1.5	34.6	20.5	17.3
Average					88.1	28.1	22.8	97.2	115.7	27.0	5.3	4.6	4.1	3.0	18.2	19.7	0.3	0.6	0.7	22.1	13.9	11.9

Source: InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

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, AUCTION, 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, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHF, 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, PAF, 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, PITTEP, PTGCG, 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, SMP, 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, TIDLOR, 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

Companies with Very Good CG Scoring

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, WIJK, 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, TITLE, TKC, 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 (ได้ผ่านการรับรอง)

2S, AAI, ADVANC, AE, 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, BLA, BPP, BRR, BSBM, BTC, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, 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, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHF, 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, PPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PITTEP, PTGCG, 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, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASC, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, 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, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนาแนบ)

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, PEER, 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, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EFTO, EVER, F&D, FANCY, FE, FLOYD, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFPT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINI, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PUJ, PLE, PLT, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTGC, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, 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, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.