

Asia Aviation

Asia Aviation
Public Company Limited

AAV

Bloomberg AAV.TB
Reuters AAV.BK



2Q24: Core profit misses estimates

Excluding FX loss, AAV's core profit was Bt310mn, down 18% YoY and 81% QoQ, missing market estimates due to weaker ancillary income and rising tax expense. We see near-term trading opportunity since AAV's 3Q24 earnings should enjoy benefit from a stronger baht and lower jet fuel price while its earnings growth is moving toward normalization in 2025. We maintain Neutral on AAV with end-2025 TP of Bt2.8/share.

2Q24: Beat on net profit but missed on core profit. AAV reported a net profit of Bt84mn in 2Q24, improving from net losses in 2Q23 and 1Q24 due to better operations and lower FX losses. Net profit exceeded market expectations slightly as FX loss was lower than expected. Excluding this, core profit was Bt310mn, down 18% YoY and 81% QoQ, and below market estimate of Bt360-397mn due to lower ancillary income and rising tax expense. AAV's operations have recovered in tandem with growing Thai tourism in terms of average fare (+9% YoY, -9% QoQ) and total passengers (+7% YoY, -9% QoQ).

3Q24 earnings to gain from stronger baht and lower jet fuel price. We expect core earnings to improve YoY and QoQ in 3Q24. While revenue will be relatively unchanged QoQ on low season for Thai tourism, near-term positive factors on the cost side are lower jet fuel price and a stronger baht as jet fuel accounts for ~40% of operating cost and US\$-linked costs (jet fuel, maintenance and aircraft rental) account for ~67% of operating cost. QTD average jet fuel price is US\$96.3/bbl (-2% QoQ) and the baht has strengthened to Bt35.8/US\$ on average (-2% QoQ).

Growth to normalize in 2025. 1H24's core profit was strong at Bt2.0bn, jumping from Bt172mn in 1H23. We revise up our core earnings forecasts by 66% in 2024 and 32% in 2025 on a change in assumption for average fare to an increase of 1% in 2024-25 and in operating profit margin to 10% in 2024 (from 8.4%) and 10.7% in 2025 (from 8.9%). After the revision, we expect operations and core earnings to turn around to a profit of Bt3.0bn in 2024 (from a core loss of Bt206mn in 2023) and then normalize to 7% growth in 2025 to Bt3.3bn. This is based on a view of normalizing fare from Bt2,033/pax (+14% YoY) in 2024 to Bt2,048/pax (+1% YoY) in 2025, aligning with rising ASK capacity which is expected to be at 102% of pre-COVID-19 level in 2025 (from 96% in 2024).

Neutral maintained. We maintain our end-2025 TP of Bt2.8/share as our earnings upgrade is offset by a lower PE multiplier of 11x which is -1SD of regional average since 2015 (down from the average of 17x). The de-rating reflects normalizing operations and earnings. We maintain our Neutral rating.

Risks 1) A global economic slowdown, 2) rising jet fuel price, 3) a weaker baht and 4) intense competition. We see ESG risks as environment issues (E) and social issues such as safety (S).

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2025F
Revenue	(Btmn)	17,553	41,241	51,546	55,039	57,481
EBITDA	(Btmn)	(1,347)	7,138	10,784	11,375	11,616
Core profit	(Btmn)	(7,044)	(206)	3,046	3,257	3,556
Reported profit	(Btmn)	(8,030)	466	771	3,257	3,556
Core EPS	(Bt)	(0.61)	(0.02)	0.24	0.25	0.28
DPS	(Bt)	0.00	0.00	0.00	0.00	0.00
P/E, core	(x)	N.M.	N.M.	9.2	8.6	7.9
EPS growth, core	(%)	N.M.	N.M.	N.M.	6.9	9.2
P/BV, core	(x)	3.2	3.2	3.1	2.3	1.8
ROE	(%)	(50.0)	(2.5)	34.6	30.1	25.0
Dividend yield	(%)	0.0	0.0	0.0	0.0	0.0
EBITDA growth	(x)	N.M.	N.M.	51.1	5.5	2.1

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Aug 21) (Bt)	2.18
Target price (Bt)	2.80
Mkt cap (Btbn)	28.01
Mkt cap (US\$mn)	820

Beta	H
Mkt cap (%) SET	0.17
Sector % SET	7.78
Shares issued (mn)	12,850
Par value (Bt)	0.10
12-m high / low (Bt)	3 / 1.8
Avg. daily 6m (US\$mn)	1.97
Foreign limit / actual (%)	0 / 0
Free float (%)	36.1
Dividend policy (%)	NA

Share performance

(%)	1M	3M	12M
Absolute	7.9	(0.9)	(20.4)
Relative to SET	5.0	1.3	(8.1)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	No
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ESG Bloomberg Rank in the sector

ESG Score Rank	5/27
Environmental Score Rank	5/27
Social Score Rank	3/27
Governance Score Rank	10/27

ESG comment

AAV has an above-sector-average ESG score.

Source: Bloomberg Finance L.P.

Analyst

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Our view on ESG

AAV is clear on its focus on sustainability with committed targets for environment, social, and governance criteria through material process and procedure, setting out a strategy and guidelines.

ESG Disclosure Score

Bloomberg ESG Score	48.18 (2022)
Rank in Sector	5/27

CG Rating	DJSI	SETESG	SET ESG Ratings
AAV	5	No	Yes
			No

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- Thai AirAsia has aligned itself with the International Civil Aviation Organization's Long Term Aspirational Goal to reach net zero by 2050.
- Thai AirAsia's decarbonisation strategy leverages on four main approaches; 1) fleet renewal, 2) operational efficiency programme, 3) adoption of sustainable aviation fuels (SAF) and 4) purchase of carbon offsets.
- In 2023, Thai AirAsia reduced Carbon Intensity Ratio by 5 gCO₂/RPK per year by using Green Operating Procedures and improved flight schedule management. This was above its target of 3 gCO₂/RPK per year.

Social Issue (S)

- Thai AirAsia is committed to operating in complete compliance with regulations prescribed by the Civil Aviation Authority of Thailand (CAAT) and the International Civil Aviation Organization (ICAO) and with the IATA Operational Safety Audit (IOSA) and ISO 9001:2015.
- Thai AirAsia aims to constantly improve employee engagement and retention, targeting a turnover rate of no more than 5% per year and the retention of employees in key positions to ensure its business continuity. The employee turnover rate in 2023 was 6.2%, not achieved the target.
- Thai AirAsia remains committed to maintaining relations with tourism communities under the Journey D program. In 2023, Thai AirAsia organised 2 Journey D activities in Doi Pha Mhee community of Chiang Rai and Koh Klang community of Krabi.

Governance Issue (G)

- Thai AirAsia suppliers are vetted by a procurement assessment process based on the company policies and that seek to ensure any suppliers or products related to the company are sustainable and ethically sourced. Thai AirAsia observes the Supplier Code of Conduct (SCOC) developed by Capital A Berhad (originally AirAsia Group Berhad), which can be found at Capital A's website.
- As of December 31, 2023, the Board of Directors comprises 12 directors, 4 of which are independent directors, equal 33% of all directors.
- The chairman is an independent director.
- Major shareholders control ~40.7% of total issued and paid-up shares

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	47.08	48.18
Environment	28.99	30.75
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	202.89	662.78
GHG Scope 2 Location-Based	0.93	0.67
Energy Efficiency Policy	Yes	Yes
Waste Reduction Policy	Yes	Yes
Total Waste	0.04	0.11
Social	36.03	37.61
Human Rights Policy	Yes	Yes
Consumer Data Protection Policy	Yes	Yes
Pct Women in Workforce	35.68	36.30
Lost Time Incident Rate - Employees	0.10	0.22
Number of Employees - CSR	5,003	4,677
Total Hours Spent by Firm - Employee Training	150,090	121,602
Governance	76.10	76.10
Size of the Board	12	12
Board Meeting Attendance Pct	98	94
Number of Independent Directors	4	4
% Independent directors to total board members	33	33
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 December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	40,181	13,634	3,828	17,553	41,241	51,546	55,039	57,481
Cost of goods sold	(Btmn)	38,359	20,484	11,223	23,533	36,812	43,304	45,873	47,835
Gross profit	(Btmn)	1,822	(6,850)	(7,395)	(5,980)	4,430	8,242	9,166	9,646
SG&A	(Btmn)	3,295	1,851	1,236	1,711	2,967	3,093	3,302	3,449
Other income	(Btmn)	1,022	750	730	344	1,069	773	826	862
Interest expense	(Btmn)	(766)	(1,800)	(1,899)	(2,219)	(2,291)	(2,572)	(2,527)	(2,416)
Pre-tax profit	(Btmn)	(1,216)	(9,788)	(10,001)	(9,680)	(146)	3,196	3,832	4,183
Corporate tax	(Btmn)	(1)	660	1,741	2,452	(61)	(150)	(575)	(628)
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	392	3,903	5,310	184	0	0	0	0
Core profit	(Btmn)	(667)	(5,018)	(4,614)	(7,044)	(206)	3,046	3,257	3,556
Extra-ordinary items	(Btmn)	193	254	(2,034)	(986)	672	0	0	0
Net Profit	(Btmn)	(474)	(4,764)	(6,647)	(8,030)	466	771	3,257	3,556
EBITDA	(Btmn)	1,266	(1,634)	(2,668)	(1,347)	7,138	10,784	11,375	11,616
Core EPS (Bt)	(Btmn)	(0.14)	(1.03)	(0.90)	(0.61)	(0.02)	0.24	0.25	0.28
Net EPS (Bt)	(Bt)	(0.10)	(0.98)	(1.30)	(0.69)	0.04	0.06	0.25	0.28
DPS (Bt)	(Bt)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	7,427	2,760	7,673	5,236	10,005	13,730	14,698	16,260
Total fixed assets	(Btmn)	24,877	6,230	5,277	4,185	4,083	4,217	4,350	4,484
Total assets	(Btmn)	62,903	67,978	71,208	64,685	67,794	69,931	71,165	72,997
Total loans	(Btmn)	21,980	38,659	45,060	43,012	43,062	44,964	42,464	40,264
Total current liabilities	(Btmn)	13,959	17,823	17,560	21,893	25,023	25,963	23,639	23,815
Total long-term liabilities	(Btmn)	17,542	29,346	35,637	34,104	33,538	33,964	34,264	32,364
Total liabilities	(Btmn)	35,214	50,617	54,380	56,731	59,382	60,748	58,725	57,001
Paid-up capital	(Btmn)	485	485	988	1,216	1,285	1,285	1,285	1,285
Total equity	(Btmn)	27,688	17,360	16,829	7,954	8,412	9,183	12,441	15,997
BVPS (Bt)	(Bt)	4.11	2.94	3.95	0.69	0.68	0.71	0.97	1.24

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	(667)	(5,018)	(4,614)	(7,044)	(206)	3,046	3,257	3,556
Depreciation and amortization	(Btmn)	1,717	6,355	5,434	6,114	4,992	5,017	5,017	5,017
Operating cash flow	(Btmn)	966	(898)	968	(4,736)	1,973	567	6,331	3,656
Investing cash flow	(Btmn)	(1,794)	12,064	(2,147)	186	(1,872)	(2,129)	(3,983)	(270)
Financing cash flow	(Btmn)	829	(14,031)	3,845	7,206	393	1,829	(2,200)	(2,400)
Net cash flow	(Btmn)	1	(2,865)	2,667	2,655	494	267	148	986

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	4.5	(50.2)	(193.2)	(34.1)	10.7	16.0	16.7	16.8
Operating margin	(%)	(3.7)	(63.8)	(225.4)	(43.8)	3.5	10.0	10.7	10.8
EBITDA margin	(%)	3.2	(12.0)	(69.7)	(7.7)	17.3	20.9	20.7	20.2
EBIT margin	(%)	(1.1)	(58.6)	(211.6)	(42.5)	5.2	11.2	11.6	11.5
Net profit margin	(%)	(1.2)	(34.9)	(173.6)	(45.7)	1.1	1.5	5.9	6.2
ROE	(%)	(3.3)	(29.3)	(26.8)	(50.0)	(2.5)	34.6	30.1	25.0
ROA	(%)	(1.1)	(7.7)	(6.6)	(10.4)	(0.3)	4.4	4.6	4.9
Net D/E	(x)	0.7	2.2	2.4	5.3	5.0	4.7	3.3	2.3
Interest coverage	(x)	1.7	(0.9)	(1.4)	(0.6)	3.1	4.2	4.5	4.8
Debt service coverage	(x)	0.2	(0.1)	(0.2)	(0.1)	0.6	0.8	1.1	1.1
Payout Ratio	(%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Main Assumption

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Load factor	(%)	84.2	76.0	68.0	84.0	90.0	90.0	90.0	90.0
No. of passengers	(mn)	22.1	9.5	2.9	10.0	18.9	21.0	22.3	23.0
Average fare	(Bt/pax)	1,478	1,199	1,090	1,431	1,780	2,033	2,048	2,068
No. of aircrafts (ending)	(units)	63.0	62.0	60.0	54.0	54.0	60.0	60.0	60.0
Jet fuel price	(US\$/bbl)	75	46	74	124	105	105	103	103
FX	(Bt/US\$)	31.1	31.3	32.0	35.1	35.0	36.0	36.0	36.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Total revenue	(Btmn)	4,811	8,264	9,086	10,036	9,662	12,457	13,794	11,485
Cost of goods sold	(Btmn)	6,618	7,592	7,901	9,038	9,635	10,236	11,242	9,985
Gross profit	(Btmn)	(1,807)	672	1,184	998	27	2,221	2,551	1,500
SG&A	(Btmn)	412	555	680	652	905	729	608	673
Other income	(Btmn)	81	72	170	372	244	283	234	206
Interest expense	(Btmn)	(625)	(484)	(494)	(549)	(596)	(652)	(630)	(631)
Pre-tax profit	(Btmn)	(2,751)	(317)	(66)	89	(1,310)	1,141	1,513	331
Corporate tax	(Btmn)	(2,751)	(317)	(66)	89	(1,310)	1,141	1,513	331
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	(0)	0	0	0	0	0	0
Core profit	(Btmn)	(1,173)	(1,007)	(206)	378	(881)	503	1,640	310
Extra-ordinary items	(Btmn)	(2,885)	4,129	566	(1,391)	(813)	2,311	(2,049)	(226)
Net Profit	(Btmn)	(4,058)	3,122	359	(1,013)	(1,695)	2,814	(409)	84
EBITDA	(Btmn)	(585)	1,562	1,735	1,890	414	3,099	3,107	1,929
Core EPS	(Btmn)	(0.10)	(0.09)	(0.02)	0.03	(0.07)	0.04	0.13	0.02
Net EPS	(Bt)	(0.35)	0.27	0.03	(0.08)	(0.14)	0.23	(0.03)	0.01

Balance Sheet

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Total current assets	(Btmn)	5,185	5,236	6,708	7,446	9,511	10,005	12,514	13,548
Total fixed assets	(Btmn)	4,235	4,185	4,178	4,120	4,083	4,083	4,076	4,052
Total assets	(Btmn)	66,671	64,685	66,001	66,074	67,740	67,794	70,536	72,527
Total loans	(Btmn)	49,295	43,755	42,976	43,869	44,901	43,062	44,210	45,325
Total current liabilities	(Btmn)	22,899	21,893	23,086	23,589	25,830	25,023	27,401	28,621
Total long-term liabilities	(Btmn)	38,171	34,104	33,843	34,395	35,483	33,538	34,283	34,936
Total liabilities	(Btmn)	61,956	56,731	57,687	58,773	62,134	59,382	62,532	64,440
Paid-up capital	(Btmn)	1,174	1,216	1,216	1,216	1,216	1,285	1,285	1,285
Total equity	(Btmn)	4,715	7,954	8,314	7,301	5,607	8,412	8,003	8,087
BVPS	(Bt)	0.40	0.68	0.68	0.60	0.46	0.68	0.62	0.63

Cash Flow Statement

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Core Profit	(Btmn)	(1,173)	(1,007)	(206)	378	(881)	503	1,640	310
Depreciation and amortization	(Btmn)	1,541	1,395	1,307	1,251	1,128	1,306	964	967
Operating cash flow	(Btmn)	1,185	1,883	2,883	1,059	438	1,859	2,415	1,665
Investing cash flow	(Btmn)	(14)	(349)	(253)	(276)	(162)	(235)	(100)	(254)
Financing cash flow	(Btmn)	(1,048)	(2,179)	(1,688)	(1,259)	(556)	(1,317)	(2,003)	(1,429)
Net cash flow	(Btmn)	124	(644)	941	(477)	(279)	307	311	(18)

Key Financial Ratios

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Gross margin	(%)	(37.6)	8.1	13.0	9.9	0.3	17.8	18.5	13.1
Operating margin	(%)	(46.1)	1.4	5.6	3.4	(9.1)	12.0	14.1	7.2
EBITDA margin	(%)	(12.2)	18.9	19.1	18.8	4.3	24.9	22.5	16.8
EBIT margin	(%)	(44.2)	2.0	4.7	6.4	(7.4)	0.0	15.5	8.4
Net profit margin	(%)	(84.3)	37.8	4.0	(10.1)	(17.5)	22.6	(3.0)	0.7
ROE	(%)	(69.6)	(63.6)	(10.1)	19.4	(54.6)	28.7	79.9	15.4
ROA	(%)	(7.1)	(6.1)	(1.3)	2.3	(5.3)	3.0	9.5	1.7
Net D/E	(x)	10.1	5.4	5.0	5.8	7.8	5.0	5.3	5.4
Interest coverage	(x)	(0.9)	3.2	3.5	3.4	0.7	4.8	4.9	3.1
Debt service coverage	(x)	(0.1)	0.1	0.2	0.2	0.0	0.3	0.3	0.2

Key statistics

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Load factor	(%)	87.0	90.0	92.0	89.0	90.0	90.0	93.0	91.0
No. of passengers	(mn)	2.8	4.1	4.6	4.6	4.6	5.1	5.5	5.0
Average fare	(Bt/pax)	1,404	1,652	1,590	1,755	1,720	2,029	2,109	1,920
No. of aircrafts (ending)	(units)	58.0	54.0	54.0	54.0	54.0	56.0	56.0	57.0
Jet fuel price	(US\$/bbl)	128	118	106	92	110	108	103	99
FX	(Bt/US\$)	36.4	36.3	33.9	34.5	35.2	35.6	35.7	36.7

Figure 1: AAV's earnings review

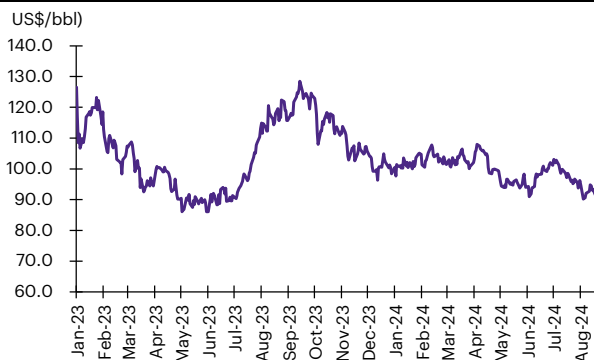
(Bt mn)	2Q23	3Q23	4Q23	1Q24	2Q24	%YoY	%QoQ	1H23	1H24	YoY%
Revenue	10,036	9,662	12,457	13,794	11,485	14.4	(16.7)	19,122	25,279	32.2
Gross profit	998	27	2,221	2,551	1,500	50.3	(41.2)	2,182	4,052	NM
EBITDA	1,890	414	3,099	3,107	1,929	2.1	(37.9)	3,625	5,036	NM
Core profit	378	(881)	503	1,640	310	(18.1)	(81.1)	172	1,950	NM
Net profit	(1,013)	(1,695)	2,814	(409)	84	NM	NM	(653)	(325)	NM
EPS (Bt/share)	(0.08)	(0.14)	0.23	(0.03)	0.01	(107.9)	NM	(0.05)	(0.03)	NM
Balance Sheet										
Total Assets	66,074	67,740	67,794	70,536	72,527	9.8	2.8	66,074	72,527	9.8
Total Liabilities	58,773	62,134	59,382	62,532	64,440	9.6	3.1	58,773	64,440	9.6
Total Equity	7,301	5,607	8,412	8,003	8,087	10.8	1.1	7,301	8,087	10.8
BVPS (Bt/share)	0.60	0.46	0.68	0.62	0.63	4.9	1.1	0.60	0.63	4.9
Financial Ratio										
Gross Margin (%)	9.9	0.3	17.8	18.5	13.1			11.4	16.0	
EBITDA margin (%)	18.8	4.3	24.9	22.5	16.8			19.0	19.9	
Net Profit Margin (%)	(10.1)	(17.5)	22.6	(3.0)	0.7			(3.4)	(1.3)	
ROA (%)	2.3	(5.3)	3.0	9.5	1.7			0.5	5.6	
ROE (%)	19.4	(54.6)	28.7	79.9	15.4			4.3	50.7	
D/E (X)	6.0	8.0	5.1	5.5	5.6			6.0	5.6	
Statistics						% Chg YoY	% Chg QoQ	1H23	1H24	% Chg YoY
Passengers carried (mn)	4.6	4.6	5.1	5.5	5.0	7.0	(9.0)	9.2	10.4	13.1
Load factor (%)	89.0	90.0	90.0	93.0	91.0	2.0	(2.0)	91.0	-	(91.0)
ASK (mn seat-km)	5,940	5,921	6,189	6,278	5,856	(1.4)	(6.7)	10,835	12,134	12.0
RPK (mn passenger-km)	5,148	5,219	5,477	5,787	5,247	1.9	(9.3)	9,565	11,034	15.4
Seat average fare (Bt)	1,755	1,720	2,029	2,109	1,920	9.4	(9.0)	1,673	2,019	20.7
No. of aircrafts	54	54	56	56	57	5.6	1.8	54	57	5.6
Revenues per ASK (RASK, Bt)	1.69	1.63	2.01	2.20	1.96	16.0	(10.9)	1.76	2.08	18.2
Cost per ASK (CASK, Bt)	1.70	1.85	1.84	1.96	1.89	11.2	(3.6)	1.76	1.92	9.1
Fuel cost per ASK (Bt)	0.56	0.68	0.76	0.80	0.67	19.6	(16.3)	0.57	0.73	28.1
Cost ex fuel per ASK (Bt)	1.14	1.17	1.08	1.16	1.22	7.0	5.2	1.19	1.19	0.0
RASK-CASK (Bt)	(0.01)	(0.22)	0.17	0.24	0.07	N.M.	N.M.	-	0.16	N.M.

Source: AAV and InnovestX Research

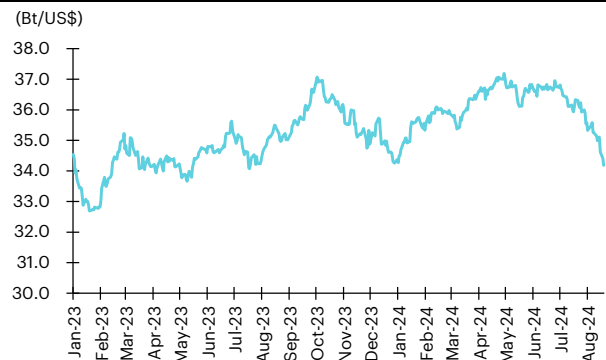
Figure 2: Earnings sensitivity analysis

Factor	2024 earnings impact
1% change in jet fuel price (from our assumption of US\$105/bbl)	3%
1% change in currency (from our assumption of Bt36/US\$)	7%

Source: InnovestX Research

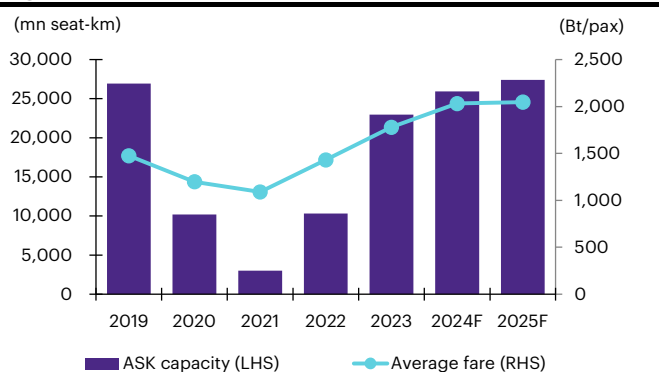
Figure 3: QTD lower jet fuel price trend

Source: SET and InnovestX Research

Figure 4: QTD strengthening baht

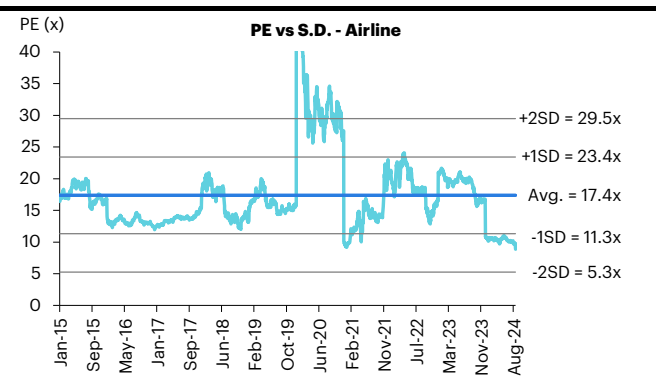
Source: SET and InnovestX Research

Figure 5: Normalizing fare trend in 2025



Source: SET and InnovestX Research

Figure 6: PE band of regional airline peers



Source: Bloomberg Finance L.P. and InnovestX Research

Figure 7: Valuation summary (price as of Aug 21, 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	2.18	2.8	28.4	n.m.	9.2	8.6	97	n.m.	7	3.2	3.1	2.3	(3)	35	30	0.0	0.0	0.0	9.6	6.6	6.0
AOT	Outperform	59.25	70.0	19.3	91.5	43.9	36.3	n.m.	108.6	20.9	7.7	6.8	6.2	8.6	16.2	17.6	0.6	1.1	1.4	36.0	21.7	18.3
Average					91.5	26.5	22.4	97.2	108.6	13.9	5.4	4.9	4.2	3.0	25.4	23.9	0.3	0.6	0.7	22.8	14.2	12.2

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, PTTPE, 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, 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

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2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BSRC, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, 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 (ได้รับรับรอง)

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, PTTPE, 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, 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 (ประกาศเจตนา)

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, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVI, 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, EURO, EVER, F&D, FANCY, FE, FLOYD, FM, 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, 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, PJW, PLE, PLT, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCG, 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, SIS, 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, UNIQU, 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.