

BUY (From: SELL)**TP: Bt 62.00** (From: Bt 50.00)

Change in Recommendation

Upside :13.2%

Airports of Thailand Pcl. (AOT TB)

Resilient passenger growth

AOT's passenger growth looks more resilient than we had expected earlier, and we upgrade our call to BUY with a higher TP of Bt62/share. We estimate a 22% EPS CAGR over FY26-28F and see a near-term catalyst of a 53% international PSC hike from 20 June 2026.

**SAKSID PHADTHANANARAK**662-779-9119
saksid.pha@ttbwealth.co.th

Upgrading to BUY

We upgrade our call on AOT to BUY (from Sell). *First*, despite the Mideast war, its passenger growth looks resilient, supported by a strong Chinese tourist recovery and Thai passenger growth. We therefore raise our earnings estimates by 4-6% for FY27-28F. Together with the rollover of the base year in our model to FY27F (fiscal year ending September), our DCF-based 12-month TP rises to Bt62/share (from Bt50). *Second*, we project EPS growth of 2%/61%/12% y-y in FY26-28F, mainly driven by a 53% increase in the international passenger service charge (PSC), effective 20 June 2026. *Third*, the 6% share price correction from its peak this year makes its valuation more attractive with PEs of 25x/23x in FY27-28F.

Resilient passenger growth

The high passenger base (before the sharp decline in Chinese tourists since February 2025 due to safety concerns) kept AOT's international passenger growth flat in 4M FY26 (October 2025-January 2026). Growth then recovered to 6%/9% y-y in February-March 2026, supported by a strong rebound in Chinese passengers and continued growth in Thai travelers. Despite the Middle East war, passenger numbers still grew 2% y-y from 1-18 April 2026 as Chinese and Thai passenger growth was more than offset by lower tourist numbers from the Middle East and Europe. However, we expect the impacts of the conflict, particularly the 10-20% rise in airfares and airlines' flight cuts, to continue to weigh on travel demand in 3Q FY26F. We therefore estimate international passenger growth of 2.5% y-y in FY26F, before improving to 6%/5% y-y in FY27-28F as conditions normalize.

New earnings base

AOT is set to enjoy a 53% international PSC hike to Bt1,120 per passenger, up from Bt730, from 20 June 2026. This will help offset the cut in the minimum guarantee in its revised duty-free contract starting in October 2025. We estimate the duty-fee minimum guarantee cut to result in a 17% y-y fall in AOT's concession revenue this year. Once the base is reset next year, we expect concession revenue to rise 8%/7% y-y in FY27-28F. Overall, we project AOT's EPS growth at 2%/61%/12% y-y in FY26-28F.

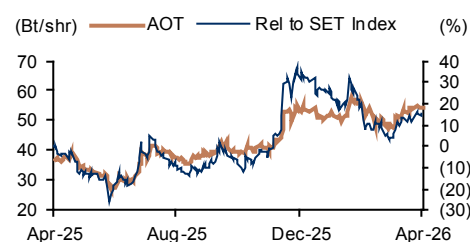
Record-high ROE next year

We estimate AOT's ROE to increase to 21% in FY27F vs. the pre-COVID peak of 17% in 2019 and 15% in FY25. This is despite Thailand's tourist arrivals remaining far below the 2019 peak of 40m. This is because the PSC hike has a far more positive impact than the cut in the duty-free minimum guarantee. AOT is a cash cow company generating EBITDA of Bt52-56bn p.a. in FY27-28F (vs. Bt36bn in FY19) with an over-60% EBITDA margin. We expect it to remain a net cash company, with EBITDA sufficient to cover its Bt221bn capex plan over the next 10 years.

COMPANY VALUATION

Y/E Sep (Bt m)	2025A	2026F	2027F	2028F
Sales	67,136	68,548	84,336	89,253
Net profit	18,125	19,130	30,729	34,312
Consensus NP	—	20,120	29,571	32,103
Diff frm cons (%)	—	(4.9)	3.9	6.9
Norm profit	18,705	19,130	30,729	34,312
Prev. Norm profit	—	19,135	29,573	32,410
Chg frm prev (%)	—	(0.0)	3.9	5.9
Norm EPS (Bt)	1.3	1.3	2.2	2.4
Norm EPS grw (%)	(4.2)	2.3	60.6	11.7
Norm PE (x)	41.8	40.9	25.5	22.8
EV/EBITDA (x)	20.6	19.9	13.9	12.7
P/BV (x)	6.0	5.6	5.1	4.6
Div yield (%)	1.5	1.5	2.4	2.6
ROE (%)	14.7	14.2	21.0	21.2
Net D/E (%)	(13.9)	(25.1)	(38.0)	(44.0)

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 21-Apr-26 (Bt)	54.75
Market Cap (US\$ m)	24,372.6
Listed Shares (m shares)	14,285.7
Free Float (%)	30.0
Avg. Daily Turnover (US\$ m)	55.0
12M Price H/L (Bt)	58.25/27.25
Sector	Transportation
Major Shareholder	Ministry of Finance 70%

Sources: Bloomberg, Company data, ttb wealth estimates

ESG Summary Report P8

Upgrading to BUY

We raise FY27-28F earnings and roll over the base year in our model to FY27F

We raise our earnings estimates for Airports of Thailand Pcl (AOT TB) by 4-6% in FY27-28F (fiscal year ending September) and 6-10% over the longer term to reflect its strong passenger growth outlook.

First, despite the Middle East war starting in late February 2026, AOT's international passenger traffic has still shown some growth (see more details in the next section). Even though we cut our international passenger assumption by 0.5% in FY26F to reflect the impact of the conflict in 3Q FY26F, we raise them by 1-2% in FY27-28F, as we expect growth to resume once the conflict subsides. We now project AOT's international passenger growth at 2.5%/6%/5% y-y in FY26-28F.

Second, given the 53% increase in the international passenger service charge (PSC) effective 20 June 2026, along with AOT's inherently high operating leverage and efficient cost controls, we view our FY27-28F gross margin assumptions as conservative and raise them by 1-2ppt to 61-63%.

Third, our interest income estimate also appears too conservative relative to Bt344m in 1Q FY26, prompting us to raise it by 20% in FY26F.

Our TP is raised to Bt62, and we upgrade our call to BUY

With the rollover of the base year in our model to FY27F, our DCF-based 12-month TP is increased to Bt62/share (from Bt50). Given the 13% potential upside from the current share price, we upgrade our recommendation on AOT to BUY from Sell.

Ex 1: Key Assumption Changes

	FY23	FY24	FY25	FY26F	FY27F	FY28F
International passengers (m pax.)						
- New	53.9	72.7	76.6	78.6	83.3	87.4
- Old				78.9	82.1	85.4
- Change (%)				(0.5)	1.4	2.4
Gross margin (%)						
- New	52.1	58.0	55.5	54.6	61.4	62.7
- Old				54.7	60.3	61.0
- Change (ppt)				(0.1)	1.1	1.7
Interest income (Bt m)						
- New	24	100	812	1,261	1,705	2,408
- Old				1,048	1,768	2,398
- Change (%)				20.3	(3.6)	0.4
Normalized profit (Bt m)						
- New	9,247	19,515	18,705	19,130	30,729	34,312
- Old				19,135	29,573	32,410
- Change (%)				(0.0)	3.9	5.9

Sources: Company data, ttb wealth estimates

Resilient passenger growth

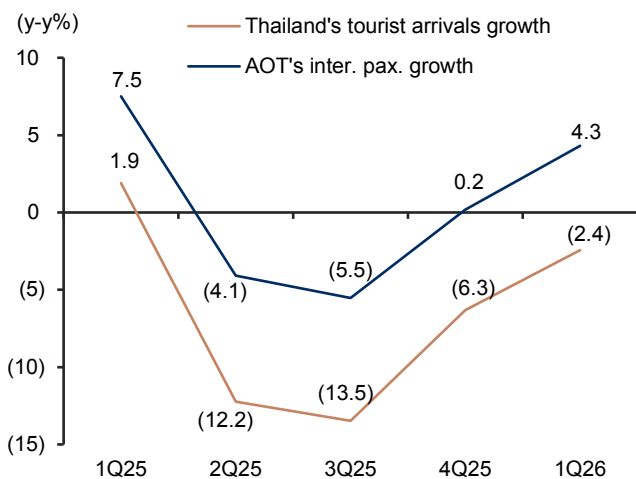
Despite the Iran war, a rebound in Chinese visitors drove tourist arrival growth in February-March 2026

Thailand's tourist arrivals fell 7% y-y in 2025, mainly due to a sharp decline in Chinese tourists from February 2025, driven by safety concerns related to abduction scandals, the earthquake, China's policy to promote domestic tourism, the baht's appreciation, and intensifying competition from other Asian destinations. The high base led arrivals to decline further by 12% y-y in January 2026, before a strong recovery in Chinese tourist arrivals supported a rebound, with arrivals growing 5% y-y in February 2026. However, the Middle East war that began in late-February 2026 slowed growth to 2% y-y in March 2026. All in all, tourist arrivals fell by 2.4% y-y in 1Q26. Assuming the conflict is short-lived, and the impact begins to normalize in 2H26, our house view is that Thailand's tourist arrivals will be flat in 2026F before recovering by 3% y-y in 2027F.

We expect AOT's inter. pax. growth at 2.5%/6%/5% y-y in FY26-28F

AOT's international passenger growth has outpaced Thailand's overall tourist arrivals (see Exhibit 2 on a comparable basis). This has mainly arisen from strong growth in inbound and outbound Thai travelers (tourist arrival figures capture only foreign tourists). In 1HFY26 (October 2025–March 2026), AOT reported international passenger growth of 2.4% y-y (vs. 4.4% y-y decline in tourist arrivals). Despite the impact of the Iran conflict, AOT still reported passenger growth of 2% y-y between 1-18 April 2026, driven by a strong rebound in Chinese passengers and sustained growth in Thai travelers, which more than offset weaker arrivals from the Middle East and Europe. However, we expect the impact of the conflict, particularly the 10-20% rise in airfares and airlines' flight cuts, to continue to weigh on travel demand in 3QFY26F, and we therefore estimate international passenger growth of 2.5% y-y in FY26F, before improving to 6%/5% y-y in FY27-28F after the conflict subsides.

Ex 2: Tourist Arrivals Growth Vs. AOT Inter. Pax. Growth



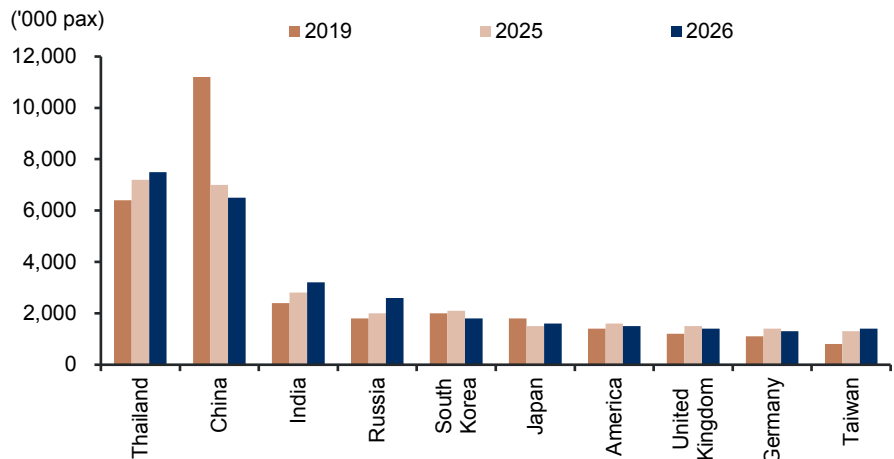
Sources: Company data, Tourism Authority of Thailand

Ex 3: Thailand's Top 10 Tourist Arrivals In Feb-March 2026

	Feb-Mar 2025		Feb-Mar 2026		Changes y-y%
	2025	% of total	2026	% of total	
China	668,655	11%	1,088,392	18%	63%
Malaysia	710,481	12%	655,694	11%	-8%
Russia	466,282	8%	452,999	8%	-3%
India	357,961	6%	394,414	7%	10%
Korea	288,865	5%	243,929	4%	-16%
Germany	228,414	4%	230,316	4%	1%
UK	213,584	4%	224,952	4%	5%
Japan	229,303	4%	222,796	4%	-3%
USA	202,593	3%	199,787	3%	-1%
Taiwan	180,250	3%	196,396	3%	9%

Source: Tourism Authority of Thailand

Ex 4: AOT's Top 10 International Passenger Markets In 1H FY26



Source: Company data

New earnings base with record-high ROE

We upgrade our call to BUY given...

...a more attractive valuation...

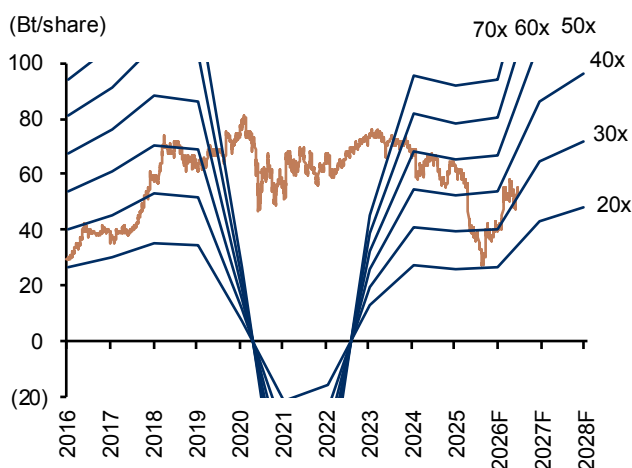
...a 22% earnings CAGR over FY26-28F...

We upgrade our recommendation on AOT to BUY from SELL for the following reasons:

First, the 6% correction in AOT's share price from its peak this year has made its valuation more attractive, with the stock now trading at 25x/23x PE for FY27–28F.

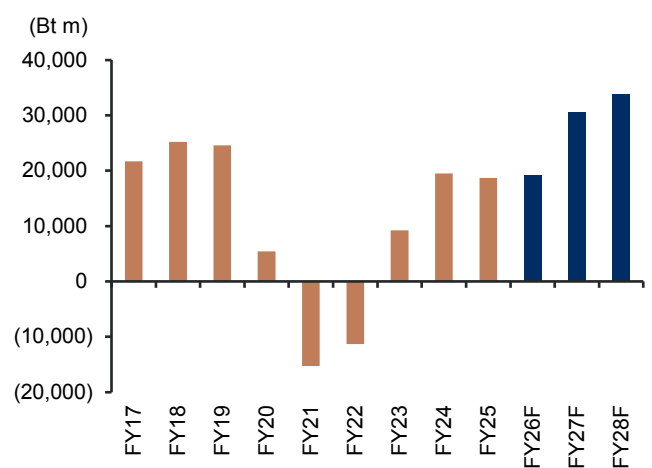
Second, we estimate earnings growth of 2%/61%/12% y-y in FY26–28F, driven by 2.5-6% y-y international passenger growth, the 53% increase in the international PSC to Bt1,120 per passenger (from Bt730) effective 20 June 2026, and the company's inherently high operating leverage.

Ex 5: AOT's PE Band



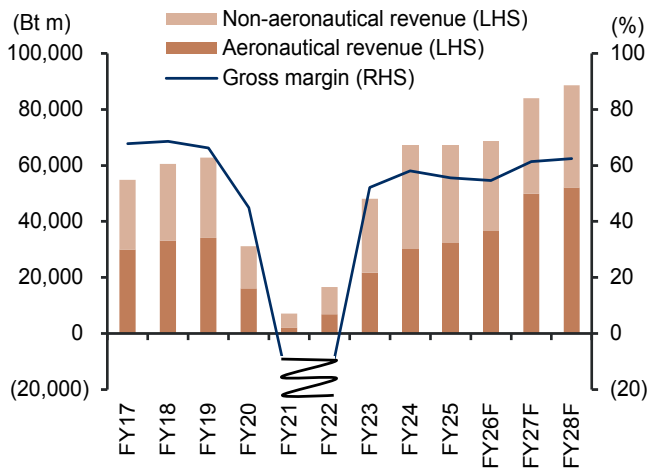
Sources: Bloomberg, ttb wealth estimates

Ex 6: AOT's Earnings



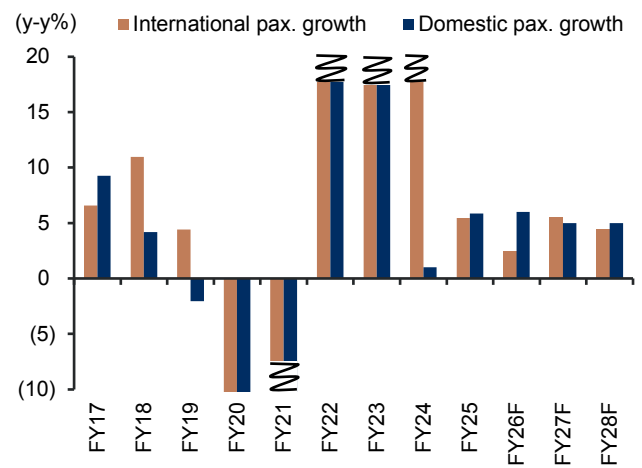
Sources: Company data, ttb wealth estimates

Ex 7: AOT's Revenue And Gross Margin



Sources: Company data, ttb wealth estimates

Ex 8: AOT's International And Domestic Pax. Growth



Sources: Company data, ttb wealth estimates

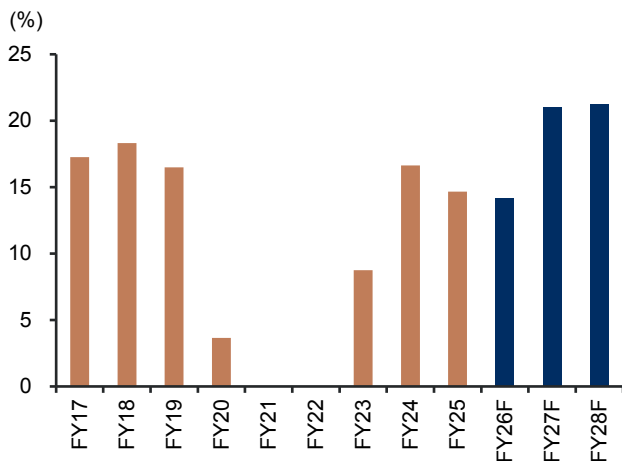
...record-high profitability from FY27F onward...

Third, we expect profitability to reach a record high in FY27F, with ROE improving from 14% in FY26F to 21% in FY27–28F, and EBITDA margin expanding from 55% to 62% over the same period.

...strong cash flow generation, and...

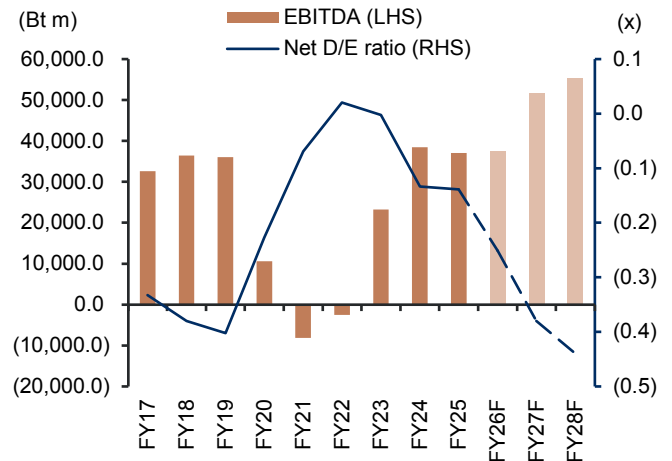
Fourth, AOT is a strong cash-generating company, with a net cash position and EBITDA projected at Bt38bn in FY26F, rising to Bt52-56bn in FY27-28F. We therefore are not worried about its Bt221bn capex plan for expansion over the next 10 years.

Ex 9: AOT's ROE



Sources: Company data, ttb wealth estimates

Ex 10: AOT's EBITDA Margin And Net D/E Ratio



Sources: Company data, ttb wealth estimates

...potential upside

Finally, we see potential upside from AOT's plans to increase landing and parking charges and to introduce transit/transfer passenger service charges, even though we believe these initiatives will take time to be implemented as they require multiple government approvals, including legal amendments.

Ex 11: 12-month DCF-based TP Calculation Using A Base Year Of FY26F

(Bt m)	FY26F	FY27F	FY28F	FY29F	FY30F	FY31F	FY32F	FY33F	FY34F	FY35F	FY36F	Terminal value
EBITDA excl. depreciation from right of use	37,581	51,863	55,809	59,762	63,733	67,974	72,383	77,080	82,081	88,307	93,582	—
Free cash flow	30,168	39,066	35,079	25,633	17,062	26,515	29,041	30,409	54,094	61,748	62,291	63,424
PV of free cash flow	—	38,959	29,936	20,207	12,426	17,838	18,045	17,455	28,683	30,246	28,181	26,507
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	0.8											
WACC (%)	8.3											
Terminal growth (%)	2.0											
Enterprise value - add investments	844,342											
Net debt (FY26F)	(35,407)											
Minority interest	2,380											
Equity value	877,368											
# of shares (m)	14,286											
Equity value/share (Bt)	62											

Sources: ttb wealth estimates

Valuation Comparison**Ex 12: Valuation Comparison With Regional Peers**

Name	BBG code	Country	EPS growth		PE		P/BV		EV/EBITDA		Div yield	
			26F (%)	27F (%)	26F (x)	27F (x)	26F (x)	27F (x)	26F (x)	27F (x)	26F (%)	27F (%)
Beijing Capital Int'l	694 HK	China	na	257.9	85.2	23.8	0.6	0.6	9.0	7.8	0.0	0.0
Shanghai Int'l Airport	600009 CH	China	13.1	15.1	23.9	20.8	1.5	1.5	11.1	10.3	1.9	2.3
Fraport Frankfurt Airport	FRA GR	Germany	(20.6)	6.0	20.3	19.1	1.3	1.1	10.5	9.7	1.4	2.6
Japan Airport Terminal	9706 JP	Japan	(6.6)	(4.5)	18.6	19.5	2.4	2.2	8.4	8.4	1.7	1.9
SATS Ltd	SATS SP	Singapore	14.2	10.8	18.9	17.1	1.8	1.7	8.2	7.8	1.7	2.0
Airports Corp of Vietnam	ACV VN	Vietnam	(27.9)	(27.9)	18.7	25.9	2.1	2.0	8.6	7.5	na	na
Airports of Thailand*	AOT TB	Thailand	2.3	60.6	40.9	25.5	5.6	5.1	19.9	13.9	1.5	2.4
Average			(4.3)	45.4	32.4	21.7	2.2	2.0	10.8	9.3	1.4	1.9

Source: Bloomberg

Note: * ttb wealth estimates using normalized EPS

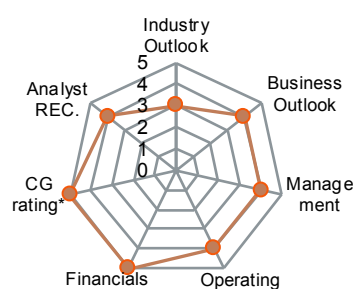
Based on 21 April 2026 closing prices

COMPANY DESCRIPTION

The Airports of Thailand Pcl (AOT) was corporatized from a state enterprise, and it is Thailand's leading airport business operator. AOT is responsible for six international airports: Don Mueang, Phuket, Chiang Mai, Hat Yai, Chiang Rai, and Suvarnabhumi, all of which accommodate domestic and international flights. Passenger service charges and landing & parking charges account for around 50% of its total revenue, while the rest comes from non-aeronautical business, such as concession and service revenues.

Source: ttb wealth

COMPANY RATING



Rating Scale

Excellent	5
Good	4
Fair	3
Weak	2
Very Weak	1
None	0

Source: ttb wealth; *CG Rating

TTB WEALTH'S SWOT ANALYSIS

S — Strength

- AOT is an airport monopoly.
- As a state enterprise, the company's operations and finances receive support from the government.

O — Opportunity

- Thailand is a very popular destination for tourists.
- Economic growth in the Asia-Pacific would boost the tourism industry in the region, and the Thai healthcare industry is also spurring medical tourism to Thailand.

W — Weakness

- AOT has little revenue diversity and only few operators contribute significant earnings. Thus, its concentration risk is high.
- Unclear direction due to changes in government policies have caused AOT to miss out on the chance of benefiting fully from Thailand's strong tourism industry.

T — Threat

- Airport competition is fierce while the governments in many countries have policies to stimulate the domestic travel.
- Natural disasters, political tensions, and war present threats to the tourism industry.

CONSENSUS COMPARISON

	Consensus	ttb wealth	Diff
Target price (Bt)	59.47	62.00	4%
Net profit 26F (Bt m)	20,120	19,130	-5%
Net profit 27F (Bt m)	29,571	30,729	4%
Consensus REC	BUY: 16	HOLD: 10	SELL: 2

HOW ARE WE DIFFERENT FROM THE STREET?

- Our FY27F earnings are 4% higher than the Bloomberg consensus estimates, which we attribute to us having more aggressive passenger growth assumptions.
- Our DCF-based TP is also 4% higher than the Street number, following our higher earnings forecast.

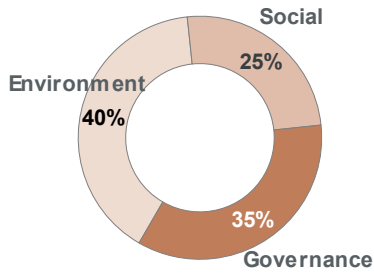
Sources: Bloomberg consensus, ttb wealth estimates

RISKS TO OUR INVESTMENT CASE

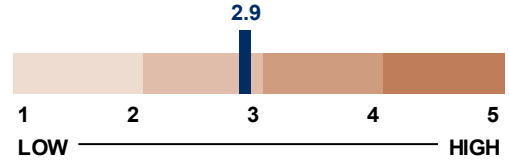
- Weaker-than-expected Thailand tourist arrivals, as well as inbound and outbound Thai traveler growth, could represent a downside risk to our earnings forecasts.
- A longer-than-expected Middle East conflict could also negatively impact global travel demand, which would in turn weigh on AOT's earnings stream.
- Lower-than-expected tourist spending would put AOT's concessionaires, including King Power, under pressure, and AOT may have to offer them some relief measures, which could also represent a downside risk to our earnings projections.

Source: ttb wealth

ESG Weighting



ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	ttb wealth ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
AOT	YES	AA	YES	2.93	A	52.04	5.0

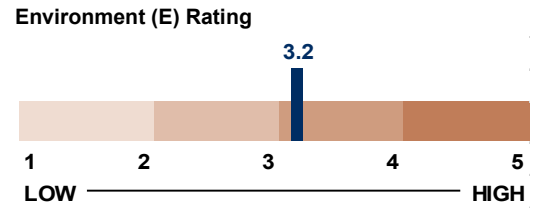
Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI) MSCI ESG Research LLC, ESG Book, Thai IOD (CG rating)
 Note: Please see third party on "terms of use" toward the back of this report.



ESG Summary

- AOT is a state-owned enterprise responsible for managing and operating the country's six major airports. We assign AOT a moderate ESG score of 2.9, with Social (S) receiving the highest score, followed by Environmental (E) and Governance (G). AOT isn't a play on ESG in our view.
- Its E score is decent at 3.2 due to its strict compliance with various international standards and its strong commitment to environmental issues. Although airports consume a lot of electricity, AOT doesn't emit large amounts of greenhouse gases (GHGs).
- AOT's S score is also decent at 3.3, as it conducts business according to the Aerodrome Safety Policy and uses the ICAO's Safety Management System. It implements occupational health and safety procedures in accordance with ISO 45001:2018 and information technology and communications security procedures in accordance with ISO/IEC 27001:2013.
- We assign a low G score of 2.4 to AOT. While its business model is solid, serving as Thailand's primary gateway with a dominant market share of over 80% of the country's air traffic, it faces concentration and regulatory risks, as well as a weak board structure. Frequent revisions to King Power's duty-free concession contracts, including approvals to delay payments, have introduced operational and financial uncertainties for the company, in our view.

We assign AOT a decent E score of 3.2, reflecting its strict compliance with various international standards. AOT also has strict environmental policies and practices for GHG emission management, air quality, water, and waste management.

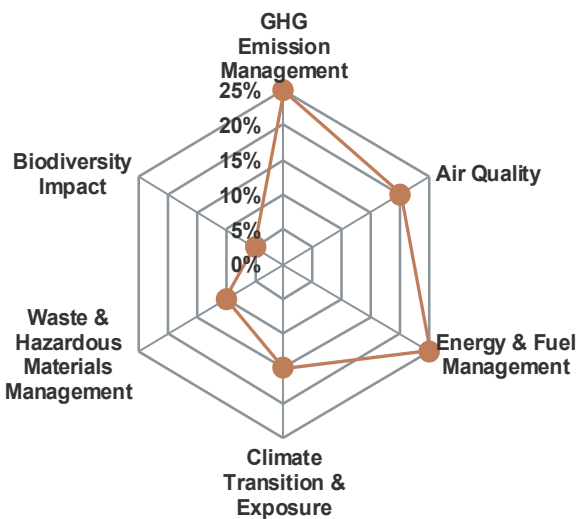


ENVIRONMENT **Our Comments**

- **GHG Emission Management**
- **Air Quality**
- **Energy & Fuel Management**
- **Climate Transition & Exposure**
- **Waste & Hazardous Materials Management**
- **Biodiversity Impact**

- We rate the Environmental (E) score for Airports of Thailand (AOT) at a decent level of 3.2, reflecting its strong commitment to environmental stewardship and strict compliance with international standards, as well as relevant laws and regulatory requirements.
- Its policies and guidelines for environmental management are in line with the international standards, including the United Nations’ Sustainable Development Goals (SDGs), the Corporate Sustainability Assessment (CSA) in Dow Jones Sustainability Index (DJSI), and the SET ESG Rating assessment. AOT aims to achieve net-zero GHG emissions by 2044, which is faster than the country’s target for carbon neutrality by 2050 and net-zero GHG emissions by 2065.
- Its GHG management plans are accredited by the Airport Carbon Accreditation (ACA) of the Airports Council International (ACI). Out of its six airports, five were certified ACA level 3 Optimization, and one was at level 2 Reduction. Its operations don’t emit large amounts of GHGs. In FY24, despite business growth, its total GHG emissions for Scope 1 and 2 were 290,954 tCo2e, up only 1% y-y (FY25 data is not available yet). The Air Quality Monitoring System (AQM) also tracks, inspects, and surveils air quality covering internal and external areas.
- AOT targets to procure at least 50% of electricity from renewable energy sources in the next 10 years and 100% in the next 20 years. In 2025, despite business growth, its total electricity consumption increased by 1% y-y to 604m kWh. It installed 4.4MW of solar rooftop panels at Suvarnabhumi Airport and plans to install an additional 33MW. For the other five airports, the feasibility and suitability of installation are being studied. Other projects include replacing traditional lighting with energy-efficient LED systems, enhancing the efficiency of chiller systems, transitioning airport vehicles to electric vehicles, etc.
- AOT has conducted water management and wastewater treatment at Suvarnabhumi Airport with ISO14001:2015-certified contractors. In 2025, total water withdrawal was down by 5% y-y to 9.2m cubic meters while 324,631 cubic meters of water were reused.
- While solid waste is recycled by private entities, hazardous and infectious waste is collected and disposed of in compliance with legal and sanitation standards. In FY25, despite business growth, its total waste decreased by 8% y-y to 52,890 tonnes.

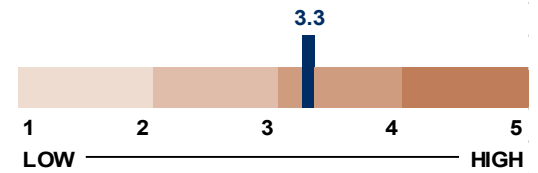
SCALE WEIGHTING



Sources: ttb wealth, Company data

We assign AOT a decent S score of 3.3, reflecting its strong compliance with international safety and security standards, service quality improvement initiatives, effective human capital management, and stakeholder engagement framework.

Social (S) Rating



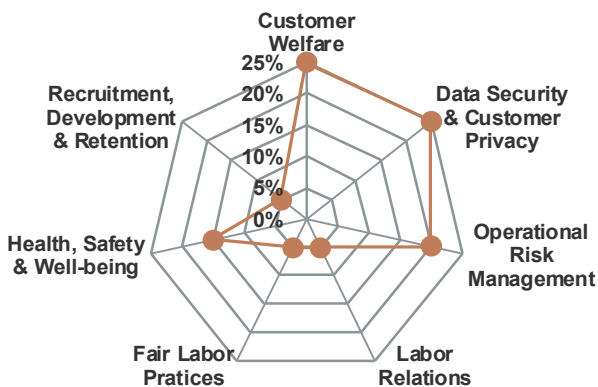
SOCIAL

Our Comments

- Customer Welfare
- Data Security & Customer Privacy
- Operational Risk Management
- Labor Relations
- Fair Labor Practices
- Health, Safety & Well-being
- Recruitment, Development & Retention

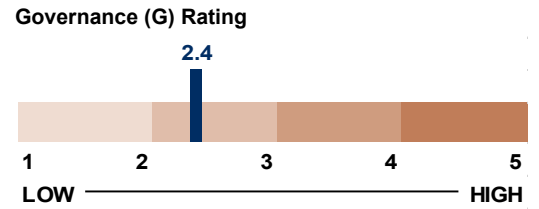
- We also assign a decent social (S) score of 3.3 to AOT, supported by strict safety and security standards, continuous service improvement, and stakeholder engagement.
- In FY24, 100% of its operational areas, business partners and direct contractors, subsidiaries and joint ventures underwent a Human Rights Due Diligence (HRDD) workshop in alignment with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and it applied the results as a guiding framework for the implementation of its HRDD processes in FY25.
- In FY25, overall customer satisfaction with AOT’s various services among all three customer groups (airlines, tenants, and airport users) was at a “satisfied” level (scores of 3 and above out of 5). In line with the goal of achieving zero accidents for passengers and all stakeholders, AOT also had no large-scale, continuous major incidents in FY25 that shut down all operations. It has dealt with individual issues, such as a temporary global check-in system failure and the aftermath of an earthquake, and resumed normal operations quickly.
- AOT has developed a risk management plan for the security and safety of data and information technology systems in accordance with the Personal Data Protection Act (PDPA) B.E. 2562 (2019). It has also implemented the Cybersecurity Incident Response Plan, along with the Cyber Threat Detection and Monitoring Measure (Detect) and the Cyber Incident Response Measure (Response).
- Besides strict requirements of the Civil Aviation Authority of Thailand (CAAT), AOT has developed its risk management systems in line with international standards, including the International Civil Aviation Organization’s (ICAO) Safety Management System, the guidelines of the Committee of Sponsoring Organization of the Treadway Commission – Enterprise Risk Management Integrating with Strategy and Performance: COSO – ERM 2017, and business continuity management framework according to the International Organization for Standardization: ISO 22301: 2019.
- AOT carries out occupational health and safety procedures in accordance with ISO 45001:2018 standards and uses information technology and communications safety procedures in accordance with ISO/IEC 27001:2013. In 2025, AOT recorded a total of eight lost-time injury cases among employees and a lost-time injury frequency rate (LTIFR) of 0.28 persons per 1m man-hours worked.

SCALE WEIGHTING



Sources: ttb wealth, Company data

We assign AOT a low G score of 2.4. Despite a strong business model and its strategic role as Thailand’s primary gateway, AOT faces concentration and regulatory risks, as well as a weak board structure.

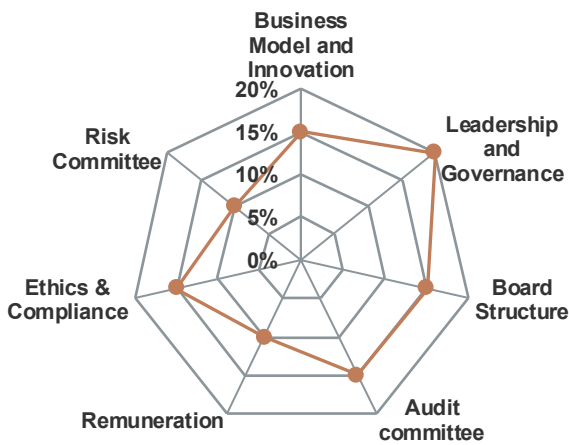


GOVERNANCE & SUSTAINABILITY **Our Comments**

- **Business Model and Innovation**
- **Leadership and Governance**
- **Board Structure**
- **Audit committee**
- **Remuneration**
- **Ethics & Compliance**
- **Risk Committee**

- We assign AOT a low G score of 2.4. Despite its strong business model as Thailand’s primary gateway, its regulatory and concentration risks are high.
- AOT demonstrates strong business sustainability, mainly due to its strategic role as the primary gateway to Thailand’s tourism industry. Its market position is dominant, with its airports accounting for over 80% of the country’s air traffic.
- However, it faces a high concentration risk due to limited revenue diversity. A significant portion of its earnings comes from a few major operators, making the company vulnerable to operational disruptions or financial difficulties affecting these key contributors.
- AOT is also exposed to regulatory and political risks. For example, recent government policy changes aimed at boosting domestic consumption led to AOT reclaiming arrivals duty-free shopping areas and suspending duty-free shop operations. This intervention has affected the management and utilization of its commercial spaces, as well as concession revenue and overall earnings.
- Another recent case involves frequent revisions to King Power’s duty-free concession contracts and permissions for it to delay payments. These in our view have introduced operational and financial uncertainties for AOT.
- The board chair is not independent while, out of the 15 members on the board of directors, only seven are independent, which falls short of the ideal two-thirds ratio recommended for effective governance in protecting minority shareholder interests. Gender diversity is also limited, with only three female directors.
- However, on the positive side, AOT has audit, nomination, remuneration, corporate governance, and risk management committees with independent chairs.

SCALE WEIGHTING



Sources: ttb wealth, Company data

INCOME STATEMENT

FY ending Sep (Bt m)	2024A	2025A	2026F	2027F	2028F
Sales	67,121	67,136	68,548	84,336	89,253
Cost of sales	28,178	29,850	31,107	32,524	33,273
Gross profit	38,943	37,287	37,441	51,813	55,980
% gross margin	58.0%	55.5%	54.6%	61.4%	62.7%
Selling & administration expenses	11,920	12,280	12,339	12,650	13,120
Operating profit	27,023	25,007	25,102	39,162	42,860
% operating margin	40.3%	37.2%	36.6%	46.4%	48.0%
Depreciation & amortization	11,404	12,042	12,479	12,701	12,948
EBITDA	38,427	37,050	37,581	51,863	55,809
% EBITDA margin	57.3%	55.2%	54.8%	61.5%	62.5%
Non-operating income	613	1,431	1,761	2,205	2,908
Non-operating expenses	0	0	0	0	0
Interest expense	(2,757)	(2,515)	(2,404)	(2,282)	(2,165)
Pre-tax profit	24,879	23,923	24,459	39,085	43,603
Income tax	4,903	4,787	4,892	7,817	8,721
After-tax profit	19,976	19,136	19,567	31,268	34,882
% net margin	29.8%	28.5%	28.5%	37.1%	39.1%
Shares in affiliates' Earnings	(1)	(3)	0	0	0
Minority interests	(460)	(429)	(438)	(539)	(570)
Extraordinary items	(333)	(579)	0	0	0
NET PROFIT	19,182	18,125	19,130	30,729	34,312
Normalized profit	19,515	18,705	19,130	30,729	34,312
EPS (Bt)	1.3	1.3	1.3	2.2	2.4
Normalized EPS (Bt)	1.4	1.3	1.3	2.2	2.4

We expect an earnings CAGR of 22% over FY26-28F, driven by...

... its passenger growth, an international PSC hike, and operating leverage benefits

BALANCE SHEET

FY ending Sep (Bt m)	2024A	2025A	2026F	2027F	2028F
ASSETS:					
Current assets:	30,224	37,330	47,261	66,692	82,961
Cash & cash equivalent	18,541	19,466	36,600	60,800	76,800
Account receivables	10,767	16,594	9,390	4,621	4,891
Inventories	0	0	0	0	0
Others	916	1,271	1,271	1,271	1,271
Investments & loans	52	85	85	85	85
Net fixed assets	126,123	124,281	121,802	118,951	117,953
Other assets	49,750	48,236	46,722	44,869	43,390
Total assets	206,150	209,932	215,869	230,597	244,389
LIABILITIES:					
Current liabilities:	23,363	24,586	24,508	24,641	24,447
Account payables	1,767	2,154	2,557	2,673	2,735
Bank overdraft & ST loans	198	224	537	458	403
Current LT debt	617	399	262	168	74
Others current liabilities	20,781	21,809	21,152	21,342	21,235
Total LT debt	835	399	394	392	419
Others LT liabilities	55,553	52,107	50,084	48,371	46,959
Total liabilities	79,751	77,091	74,986	73,403	71,825
Minority interest	2,166	1,943	2,380	2,919	3,489
Preferreds shares	0	0	0	0	0
Paid-up capital	14,286	14,286	14,286	14,286	14,286
Share premium	12,568	12,568	12,568	12,568	12,568
Warrants	0	0	0	0	0
Surplus	498	323	323	323	323
Retained earnings	96,881	103,722	111,327	127,099	141,899
Shareholders' equity	124,233	130,898	138,503	154,275	169,075
Liabilities & equity	206,150	209,932	215,869	230,597	244,389

Sources: Company data, ttb wealth estimates

CASH FLOW STATEMENT

FY ending Sep (Bt m)	2024A	2025A	2026F	2027F	2028F
Earnings before tax	24,879	23,923	24,459	39,085	43,603
Tax paid	(3,638)	(4,488)	(5,011)	(7,391)	(8,661)
Depreciation & amortization	11,404	12,042	12,479	12,701	12,948
Chg In working capital	1,098	(5,441)	7,607	4,885	(208)
Chg In other CA & CL / minorities	2,244	(308)	(538)	(236)	(166)
Cash flow from operations	35,988	25,728	38,996	49,044	47,517
Capex	(14,651)	(10,200)	(10,000)	(9,850)	(11,950)
Right of use	3,160	3,339	2,838	2,412	2,051
ST loans & investments	0	0	0	0	0
LT loans & investments	(39)	(32)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(2,270)	(5,579)	(3,345)	(2,273)	(1,984)
Cash flow from investments	(13,800)	(12,473)	(10,507)	(9,711)	(11,883)
Debt financing	(4,327)	(871)	170	(176)	(121)
Capital increase	0	0	0	0	0
Dividends paid	(5,151)	(11,959)	(11,525)	(14,958)	(19,513)
Warrants & other surplus	(263)	499	0	0	0
Cash flow from financing	(9,742)	(12,331)	(11,354)	(15,133)	(19,633)
Free cash flow	22,187	13,255	28,489	39,333	35,633

We assume capex of Bt221bn over the next 10 years for capacity expansion

VALUATION

FY ending Sep	2024A	2025A	2026F	2027F	2028F
Normalized PE (x)	40.1	41.8	40.9	25.5	22.8
Normalized PE - at target price (x)	45.4	47.4	46.3	28.8	25.8
PE (x)	40.8	43.2	40.9	25.5	22.8
PE - at target price (x)	46.2	48.9	46.3	28.8	25.8
EV/EBITDA (x)	19.9	20.6	19.9	13.9	12.7
EV/EBITDA - at target price (x)	22.6	23.4	22.6	15.9	14.5
P/BV (x)	6.3	6.0	5.6	5.1	4.6
P/BV - at target price (x)	7.1	6.8	6.4	5.7	5.2
P/CFO (x)	21.7	30.4	20.1	15.9	16.5
Price/sales (x)	11.7	11.7	11.4	9.3	8.8
Dividend yield (%)	1.4	1.5	1.5	2.4	2.6
FCF Yield (%)	2.8	1.7	3.6	5.0	4.6
(Bt)					
Normalized EPS	1.4	1.3	1.3	2.2	2.4
EPS	1.3	1.3	1.3	2.2	2.4
DPS	0.8	0.8	0.8	1.3	1.4
BV/share	8.7	9.2	9.7	10.8	11.8
CFO/share	2.5	1.8	2.7	3.4	3.3
FCF/share	1.6	0.9	2.0	2.8	2.5

Sources: Company data, ttb wealth estimates

FINANCIAL RATIOS

FY ending Sep	2024A	2025A	2026F	2027F	2028F
Growth Rate					
Sales (%)	39.4	0.0	2.1	23.0	5.8
Net profit (%)	118.2	(5.5)	5.5	60.6	11.7
EPS (%)	118.2	(5.5)	5.5	60.6	11.7
Normalized profit (%)	111.0	(4.2)	2.3	60.6	11.7
Normalized EPS (%)	111.0	(4.2)	2.3	60.6	11.7
Dividend payout ratio (%)	58.8	63.8	60.0	60.0	60.0
Operating performance					
Gross margin (%)	58.0	55.5	54.6	61.4	62.7
Operating margin (%)	40.3	37.2	36.6	46.4	48.0
EBITDA margin (%)	57.3	55.2	54.8	61.5	62.5
Net margin (%)	29.8	28.5	28.5	37.1	39.1
D/E (incl. minor) (x)	0.0	0.0	0.0	0.0	0.0
Net D/E (incl. minor) (x)	(0.1)	(0.1)	(0.3)	(0.4)	(0.4)
Interest coverage - EBIT (x)	9.8	9.9	10.4	17.2	19.8
Interest coverage - EBITDA (x)	13.9	14.7	15.6	22.7	25.8
ROA - using norm profit (%)	9.7	9.0	9.0	13.8	14.4
ROE - using norm profit (%)	16.6	14.7	14.2	21.0	21.2
DuPont					
ROE - using after tax profit (%)	17.0	15.0	14.5	21.4	21.6
- asset turnover (x)	0.3	0.3	0.3	0.4	0.4
- operating margin (%)	41.2	39.4	39.2	49.0	51.3
- leverage (x)	1.7	1.6	1.6	1.5	1.5
- interest burden (%)	90.0	90.5	91.0	94.5	95.3
- tax burden (%)	80.3	80.0	80.0	80.0	80.0
WACC (%)	8.3	8.3	8.3	8.3	8.3
ROIC (%)	19.7	18.6	17.9	30.4	36.3
NOPAT (Bt m)	21,697	20,003	20,082	31,330	34,288
invested capital (Bt m)	107,342	112,455	103,096	94,492	93,171

Sources: Company data, ttb wealth estimates

AOT's balance sheet is solid with a net cash position...

...while its profitability is high with an ROE of 21% in FY27-28F

ESG Information - Third Party Terms

www.Settrade.com

SETTRADE: You acknowledge that the use of data, information or service displayed and/or contained in this website may require third party's data, content or software which is subject to the terms of third party provider. By accessing and/or using of such certain data, you acknowledge and agree to comply with and be bound by the applicable third party terms specified below.

ESG Scores by Third Party data from www.SETTRADE.com

1. MSCI (CCC- AAA)
2. ESG Book (0-100)
3. SET ESG Rating (BBB-AAA)

SETESG Index (SETESG)

The SETESG Index reflects the price movement of stock of companies that have sustainable business practices which consider environmental, social and governance (ESG) aspect.

SET Index, SET50 Index, SET100 Index and all indices calculated by the Stock Exchange of Thailand ("SET") (collectively called "SET Index Series") are the registered trademarks/service marks solely owned by, and proprietary to SET. Any unauthorized use of SET Index Series is strictly prohibited. All information provided is for information purposes only and no warranty is made as to its fitness for purpose, satisfactory quality or otherwise. Every effort has been made to ensure that all information given is accurate, but no responsibility or liability (including in negligence) can be accepted by SET for errors or omissions or for any losses arising from the use of this information.

SET ESG Index (SET ESG)

Currently, long-term investment guidelines abroad are beginning to focus on investing in companies that have sustainable business practices. which considers environmental, social and governance factors (Environmental, Social and Governance or ESG) of the company in making investment decisions along with analyzing the company's financial data.

Stock Exchange Has prepared the results of evaluating sustainable stocks which are stocks of listed companies (SETESG Rating) as an alternative for investors who want to invest in stocks of listed companies that are outstanding in ESG, including to support listed companies with operations. sustainable business Taking into account all stakeholders in both social and environmental aspects. There is a management process to create sustainability for the organization, such as risk management. Supply chain management and innovation development. Therefore, the SETESG index was created to be an index that reflects the price movement of a group of securities. of companies with sustainable business operations that meet the required size and liquidity criteria

ESG Book's Disclaimer

Arabesque S-Ray GmbH, also trading as "ESG Book", is a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated in Frankfurt am Main and organised under the laws of Germany with registered number HRB 113087 in the commercial register of the local court with its seat and business address at Zeppelinallee 15, 60325 Frankfurt am Main, Germany (hereinafter "ESG Book"). ESG Book, with its UK branch and local subsidiaries, is a provider of sustainability data and advisory services and operates the sustainability data platform ESG Book. ESG Book does not offer any regulated financial services nor products. This document is provided on a confidential basis by ESG Book and is for information purposes only; accordingly, it is not a solicitation or an offer to buy any security or instrument or to participate in any trading activities nor should it be construed as a recommendation or advice on the merits of investing in any financial product. THIRD PARTY INFORMATION. Certain information contained in this document has been obtained from sources outside ESG Book. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof and neither ESG Book nor its affiliates take any responsibility for such information. To the extent this document contains any links to third party websites, such links are provided as a convenience and for informational purposes only; they do not constitute an endorsement or an approval by ESG Book of any of the products, services or opinions of the corporations or organization or individual operating such third party websites. ESG Book bears no responsibility for the accuracy, legality or content of the external site or for that of subsequent links. RELIANCE – ESG Book makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and accepts no liability for any loss, of whatever kind, howsoever arising, in relation thereto, and nothing contained herein should be relied upon. CONFIDENTIALITY. This document contains highly confidential information regarding ESG Book's strategy and organization. Your acceptance of this document constitutes your agreement to keep confidential all the information contained in this document, as well as any information derived by you from the information contained in this document and not disclose any such information to any other person. This document may not be copied, reproduced, in any way used or disclosed or transmitted, in whole or in part, to any other person.

MSCI ESG Research LLC

"Certain information @2021 MSCI ESG Research LLC. Reproduced by permission"







"Although information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages."

Score range	Description
CCC - B	LAGGARD: A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	AVERAGE : A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
AA - AAA	LEADER: A company leading its industry in managing the most significant ESG risks and opportunities

The Dow Jones Sustainability Indices (DJSI)

The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. The family was launched in 1999 as the first global sustainability benchmark and tracks the stock performance of the world's leading companies in terms of economic, environmental and social criteria. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The indices serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for investors who wish to encourage companies to improve their corporate sustainability practices.

CG Report : by Thai Institute of Directors Association (Thai IOD), Established in December 1999, the Thai IOD is a membership organization that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

90-100		Excellent
80-89		Very Good
70-79		Good
60-69		Satisfactory
50-59		Pass
Below		N/A

General Disclaimers And Disclosures:

This report is prepared and issued by ttb wealth securities public company limited (ttbwealth) which is owned 99.97% by TMBThanachart Bank Public Company Limited (TTB) as a resource only for clients of ttbwealth, TMBThanachart Bank Public Company Limited (TTB) and its group companies. Copyright © ttb wealth securities public company limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

This report is prepared by analysts who are employed by the research department of ttbwealth. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which ttbwealth or TTB or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither ttbwealth, TTB nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, ttbwealth, TTB and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

ttbwealth, TTB and its group companies perform and seek to perform business with companies covered in this report. ttbwealth, TTB, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. ttbwealth, TTB or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Disclosure of Interest of ttb wealth securities public company limited**Investment Banking Relationship**

Within the preceding 12 months, ttbwealth has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: -

Recommendation Structure:

Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on the market price and the formal recommendation.

For sectors, an "Overweight" sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. "Underweight" is used when we have SELLs on majority of the stocks we cover by market cap. "Neutral" is used when there are relatively equal weightings of BUYs and SELLs.

ttb wealth securities public company limited.

Research Team

18 Floor, MBK Tower

444 Phayathai Road, Pathumwan Road, Bangkok 10330

Tel: 662 - 779-9119

Email: research@ttbwealth.co.th

Pimpaka Nichgaroon, CFA

Head of Research, Strategy
pimpaka.nic@ttbwealth.co.th

Nuttapop Prasitsuksant

Telecom, Utilities
nuttapop.pra@ttbwealth.co.th

Rawisara Suwanumphai

Bank, Finance
rawisara.suw@ttbwealth.co.th

Yupapan Polpornprasert

Energy, Petrochemical
yupapan.pol@ttbwealth.co.th

Sittichet Rungrassameephat

Analyst, Retail Market Strategy
sittichet.run@ttbwealth.co.th

Adisak Phupiphathirungul, CFA

Retail Market Strategy
adisak.phu@ttbwealth.co.th

Pattadol Bunnak

Electronics, Food & Beverage, Retail
pattadol.bun@ttbwealth.co.th

Saksid Phadthananarak

Construction, Transportation
saksid.pha@ttbwealth.co.th

Chod Reankittiwat, CFA

Assistant Analyst
chod.rea@ttbwealth.co.th

Thaloengsak Kucharoenpaisan

Analyst, Retail Market Strategy
thaloengsak.kuc@ttbwealth.co.th

Pattarawan Wangmingmat

Senior Technical Analyst
pattarawan.wan@ttbwealth.co.th

Rata Limsuthiwanpoom

Auto, Industrial Estate, Media, Prop. Fund
rata.lim@ttbwealth.co.th

Siriporn Arunothai

Small Cap, Healthcare, Hotel
siriporn.aru@ttbwealth.co.th

Nariporn Klangprechitt, CISA

Analyst, Retail Market Strategy
nariporn.kla@ttbwealth.co.th

Witchanan Tambamroong

Technical Analyst
witchanan.tam@ttbwealth.co.th