

Airfare's higher, faring better

- Limited impact on fuel cost hike with the airfare price pass-through
- 2H26E outlook remains sanguine on the Samui's route resiliency
- Maintain BUY and a TP of THB24.30

Expect a soft 2Q26 performance on the war-hit demand hiccup

While we project 2Q26 net profit (NP) to stay flat y-y mainly due to the impact of the demand shock caused by the U.S.-Iran war, we think 2H26 outlook remains bright thanks to demand resiliency and BA's own operational efficiency that should enable BA to see its NP rebound meaningfully on the back of demand recovery as we project the consequence of the war to either end entirely or fade staggeringly.

Samui demand remains resilient

We project the number of passengers in Samui route to stay resiliently and likely to inch up slightly y-y to 700k in 2Q26, up from 660k in 2Q25. The weak demand in Apr, the first month that BA will see demand impact from the war, should be followed by demand recovery in May-Jun given global traffic has continued to be strong. The number of passengers in other routes are expected to weakened marginally, thereby resulting BA's aggregate number of passengers in 2Q26.

Airfare continues to reflect cost-parity level

Airfare ticket is projected to inch higher in 2Q26-4Q26, boosted by the higher airfare for Samui, whose price ceiling for domestic full-service flights is at THB13/km vs THB9/km for low-cost airline. BA indicated that its ability to raise airfare in tandem with the higher fuel cost is on par at worse, implying that BA's profitability and margins should stay resiliently high, in our view.

Limited risk for airport-related services

BA's major risk, though limited in our view, is the expiration of the airport-related businesses – catering, airport, flight, ground, and cargo services in Suvarnabhumi airport (BKK), whose license due to expire in Sep-26. In 1Q26, BA earned the aggregate revenue of THB2b, EBITDA of THB0.8b, and NP of THB0.6b, representing ¼ of BA's NP of THB2.1b in 1Q26. We think the risk is low for BA considering that the expansion BKK requires at least three operators – THAI, AOTGA, and BA – to effectively service the fast-growing demands, based on AOT's expansion plan for South and East terminals and BA has already operated the service for 20 years.

A proxy for Thailand's tourist resiliency

We maintain BUY and a TP of THB24.3, based on 13x 2026E P/E. We think BA's share price should continue to rerate to reflect its strong earnings growth trajectory, with only a potential hiccup in 2Q26 before recuperating strikingly in 2H26 on the back of Thailand's resilient number of passengers in Samui route.

Analyst

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ESG Rating : n.a.

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	24.30
VS. BB Consensus TP (%)	+33.9%
Share Price (THB)	16.20
Upside/Downside	+50.0%

Share Data

Market Cap (THB m)	34,020.00
Par (THB)	1.00
Free Float (%)	41.28
Issued shares (m shares)	2,100

Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	24,101	22,940	24,634	25,757
Net profit	3,549	3,927	4,597	4,947
Core net profit	3,787	3,927	4,597	4,947
vs Consensus (%)		24.8	22.9	23.6
Net profit growth (%)	(8.1)	10.6	17.1	7.6
Core net profit growth (%)	25.9	3.7	17.1	7.6
EPS (THB)	1.69	1.87	2.19	2.36
Core EPS (THB)	1.81	1.87	2.19	2.36
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.70	0.94	1.10	1.18
P/E (x)	8.74	8.65	7.39	6.87
P/BV (x)	2.35	2.17	1.85	1.62
ROE (%)	25.98	27.17	27.04	25.19
Dividend yield (%)	21.14	17.30	14.78	13.73

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	14.08	12.50	14.08	9.46
Market	9.47	1.14	(7.35)	(11.13)
12M High/Low (THB)				18.90 / 10.60



Major Shareholders (%) as of 12 Mar 2026

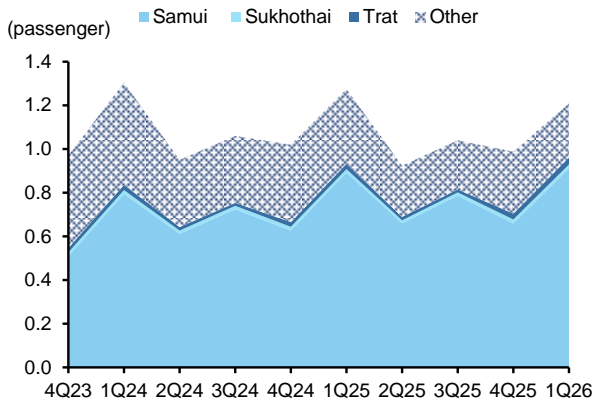
Mr. Puttipong Prasartong-Osoth	24.92
Mrs. Ariya Prasartong-Osoth	11.59
Mr. Prasert Prasartong-Osoth	11.38

Company Profile

BA provides airline, airport and airport-related services including ground and passenger, in-flight catering, and cargo terminal services to its own flights and those of other airlines.

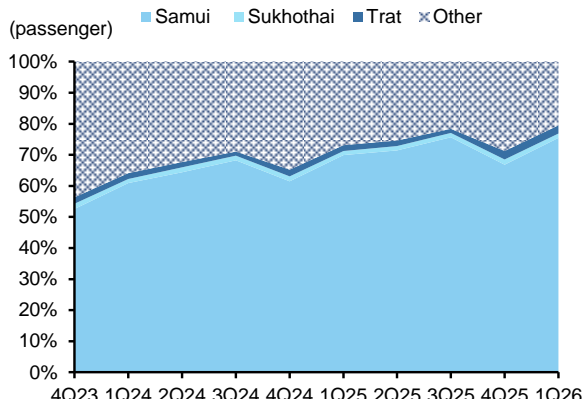
Source: SETSMART, SET

Exhibit 1: Number of passengers breakdown by key airports



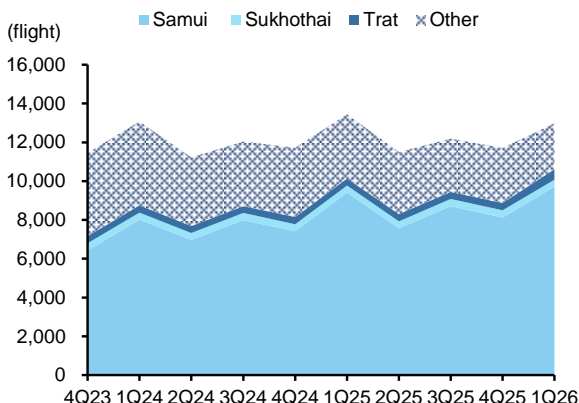
Sources: BA; Globlex Research

Exhibit 2: Number of passengers breakdown by key airports (%)



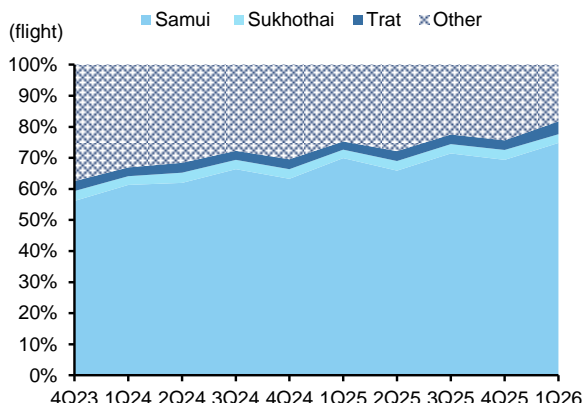
Sources: BA; Globlex Research

Exhibit 3: Number of flights by airports



Sources: BA; Globlex Research

Exhibit 4: Number of flights by airports (%)



Sources: BA; Globlex Research

Exhibit 5: BA's revenue, EBITDA, and net profit from airport-related service businesses

Business Unit	1Q 2025	1Q 2026	Change (%)
Bangkok Air Catering	Revenue: 338, EBITDA: 82, Net Profit: 53	Revenue: 384, EBITDA: 113, Net Profit: 92	Revenue: +14%, EBITDA: +38%, Net Profit: +75%
BFS (Bangkok Flight Services)	Revenue: 900, EBITDA: 254, Net Profit: 168	Revenue: 936, EBITDA: 240, Net Profit: 155	Revenue: +4%, EBITDA: -6%, Net Profit: -8%
BFS Cargo	Revenue: 631, EBITDA: 358, Net Profit: 260	Revenue: 719, EBITDA: 412, Net Profit: 303	Revenue: +14%, EBITDA: +15%, Net Profit: +16%

Operation highlights

- 2.20 million meals +8%
- 33 airline customers
- 20,429 flight services +1%
- 90 airline customers
- 97,026 tonnage services -18%
- 85 airline customers

Airline Customers

*Some of airline customers

Sources: BA; Globlex Research

Balance sheet (THB m)						Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets						Revenue					
Cash & ST investment	8,236	9,560	11,309	13,299	16,152	Cost of goods sold	(15,775)	(15,526)	(14,475)	(15,275)	(15,883)
Account receivable	1,390	1,423	1,454	1,487	1,522	Gross profit	8,221	8,575	8,465	9,359	9,874
Inventories	507	517	482	509	529	Operating expenses	(3,274)	(3,369)	(3,130)	(3,361)	(3,515)
Others	6,052	724	690	741	774	Operating profit	4,946	5,205	5,334	5,998	6,359
Non-current assets						EBIT					
Net fixed assets	7,654	11,967	12,108	12,237	12,352	Depreciation	(1,536)	(1,580)	(1,473)	(1,554)	(1,616)
Others	32,077	26,207	26,207	26,207	26,207	EBITDA	4,946	5,205	5,334	5,998	6,359
Total Assets	55,917	50,399	52,251	54,480	57,536	Non-operating income					
Current liabilities						Other incomes					
Account payable	1,997	1,737	1,619	1,709	1,777	Other non-op income	415	292	415	415	415
ST borrowing	2,172	3,431	3,431	3,431	3,431	Non-operating expense	(2,146)	(2,243)	(1,942)	(1,896)	(1,857)
Others	7,736	7,013	6,676	7,168	7,495	Interest expense	(2,095)	(2,006)	(1,942)	(1,896)	(1,857)
Long-term liabilities						Other non-op expense					
Long-term debts	23,851	21,163	21,000	20,000	20,000	Equity income/(loss)	794	705	450	500	500
Others	4,303	3,782	3,782	3,782	3,782	Pre-tax Profit	4,592	4,343	4,809	5,637	6,075
Total liabilities	40,060	37,126	36,508	36,090	36,485	Extraordinary items					
Shareholders' equity						Current taxation					
Paid-up capital	2,100	2,100	2,100	2,100	2,100	Minorities	(10)	(31)	(11)	(12)	(13)
Retained earnings	2,693	3,636	6,094	8,729	11,377	Net Profit	3,863	3,549	3,927	4,597	4,947
Others	11,138	7,489	7,489	7,489	7,489	Core net profit	3,007	3,787	3,927	4,597	4,947
Minority interest	(75)	48	59	72	85	EPS (THB)	1.84	1.69	1.87	2.19	2.36
	15,856	13,273	15,743	18,389	21,051	Core EPS (THB)	1.43	1.81	1.87	2.19	2.36
Key ratios						Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)						Operating cash flow					
Sales	21.9	0.4	(4.8)	7.4	4.6	Net profit	3,863	3,549	3,927	4,597	4,947
Operating profit	74.1	5.2	2.5	12.4	6.0	Depre.& amortization	1,536	1,580	1,473	1,554	1,616
EBITDA	74.1	5.2	2.5	12.4	6.0	Change in working capital	(3,241)	4,302	(416)	472	306
Net profit	14.7	(8.1)	10.6	17.1	7.6	Others	(2,213)	(2,284)	(2,454)	(2,747)	(2,906)
Core net profit	125,191.7	25.9	3.7	17.1	7.6	Investment cash flow	(746)	1,885	3,370	4,943	5,142
EPS	14.7	(8.0)	10.6	17.1	7.6	Net CAPEX	(2,099)	(5,894)	(10)	(10)	(10)
Core EPS	125,191.7	26.1	3.7	17.1	7.6	Change in LT investment	1,353	7,779	3,380	4,953	5,151
Profitability (%)						Change in other assets					
Gross margin	34.3	35.6	36.9	38.0	38.3	Free cash flow	(800)	9,032	5,899	8,820	9,105
Operation margin	20.6	21.6	23.3	24.3	24.7	Financing cash flow	(3,942)	(7,708)	(4,149)	(6,830)	(6,253)
EBITDA margin	20.6	21.6	23.3	24.3	24.7	Change in share capital	-	-	-	-	-
Net margin	16.1	14.7	17.1	18.7	19.2	Net change in debt	2	123	11	12	13
ROE	18.3	26.0	27.2	27.0	25.2	Dividend paid	(1,470)	(1,468)	(1,468)	(1,963)	(2,299)
ROA	5.3	7.1	7.7	8.6	8.8	Others	(2,474)	(6,363)	(2,692)	(4,879)	(3,967)
Stability						Net cash flow					
Interest bearing debt/equity (x)	1.6	1.9	1.6	1.3	1.1	(4,742)	1,324	1,750	1,990	2,852	
Net debt/equity (x)	1.1	1.1	0.8	0.6	0.3	Per share (THB)					
Interest coverage (x)	1.6	1.8	2.0	2.3	2.6	EPS	1.84	1.69	1.87	2.19	2.36
Interest & ST debt coverage (x)	0.8	0.7	0.7	0.8	0.9	Core EPS	1.43	1.81	1.87	2.19	2.36
Cash flow interest coverage (x)	(0.0)	0.2	0.1	0.1	0.1	CFPS	2.58	2.46	2.58	2.94	3.14
Current ratio (x)	1.4	1.0	1.2	1.3	1.5	BVPS	7.59	6.30	7.48	8.74	10.00
Quick ratio (x)	0.8	0.9	1.1	1.2	1.4	Sales/share	11.43	11.48	10.94	11.75	12.28
Net debt (THB m)	17,788	15,034	13,122	10,132	7,280	EBITDA/share	2.36	2.48	2.54	2.86	3.03
Activity						DPS					
Asset turnover (X)	0.5	0.4	0.4	0.7	1.4	0.70	0.70	0.94	1.10	1.18	
Days receivables	21.2	21.6	23.1	22.0	0.0	Valuation					
Days inventory	11.7	12.2	12.2	12.2	0.0	P/E (x)	12.2	8.7	8.7	7.4	6.9
Days payable	46.2	40.8	40.8	40.8	0.0	P/BV (x)	2.95	2.35	2.17	1.85	1.62
Cash cycle days	(13.3)	(7.1)	(5.5)	(6.6)	0.0	Dividend yield (%)	32.00	21.14	17.30	14.78	13.73
						Dividend payout ratio (%)	38.05	41.36	50.00	50.00	50.00

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

- BUY:** Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.