

A Sustainable Service in the Airline Industry



ANNUAL REPORT 2021

56-1 ONE REPORT 2021 | Bangkok Airways Public Company



Bangkok Airways

On path to sustainable development

1968



Starting Point

Mr. Prasert Prasarttong-Osoth founded Krungthep Sahakol Co., Ltd. and set up Airline Section in the Company.

1989



Samui Airport

The company started construction of its first airport in Koh Samui. This is the first page that opened Koh Samui as premier international tourist destination. Permission was granted to the Company to operate first flight on route Bangkok-Koh Samui and to use PG as IATA airline code.

1998



Sukhothai Airport

The company started construction of Sukhothai Airport, its second airport, located at Ampur Sawankaloke in Sukhothai Province.

2007



2006



Trat Airport. Transfer operation to Suvannabhumi Airport.

The Company started construction of Trat Airport, its third airport, in Trat Province, transferred operation base to Suvannabhumi Airport and expanded business to include related ground services companies namely

- WFS-PG Cargo
- BAC
- BFS Ground

Royal Garuda Emblem 2007

On 9 April 2007 the Company was most proud and honored to receive the Royal Garuda Emblem which enhanced staff morale and brought great pride to all of us.

1984

Sahakol Air

Sahakol Air Co., Ltd. was established to transfer business from Airline Section in Krungthep Sahakol Co., Ltd. later to become Bangkok Airways Co., Ltd.

1986

Bangkok Airways

The Company started to operate scheduled flights under Bangkok Airways banner and on 20 January 1986 to operate inaugural flights on three routes, Bangkok-Nakorn Rajsima, Bangkok-Surin and Bangkok-Krabi, using 18-seat Bandeirante EMB-110.

2002



Member of IATA

To become an active member of IATA means the Company has achieved safety standard of commercial airline under IATA Operational Safety Audit ("IOSA")

2013



Public Company Limited

On 27 February 2013, the company was listed in the Stock Exchange of Thailand as Bangkok Airways Public Company Limited using BA as stock code.



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Message from the Chairman and Chief Executive Officer



ACM Kaset Rochananil
Chairman, Board of Directors

The continual impact of Covid-19 pandemic until 2021 put pressure on global tourism business to cope with several waves of infection caused by mutation of the virus. In Thailand, the government and Civil Aviation Authority of Thailand (CAAT) announced policies and measures on Travel and Tourism Control to curb spread of virus. The policy included prohibition on cross country travel which forced Bangkok Airways to temporarily suspend flight operation in July and August 2021, in compliance with CAAT announcement. Flight services resumed once again in September 2021 on several routes such as Bangkok- Samui, Bangkok-Chiang Mai, Bangkok Sukhothai, Bangkok Lampang and Bangkok Phuket.

However, the Airline set suitable plans for flight operation in consistence with government policy during the pandemic and started to operate special flight services under pilot project to open the country such as Phuket Sandbox and Samui Plus model in support of Thailand tourism sector. After the announcement by the government to open up the country on 1 November 2021, international travelers started to come back to Thailand once again. To enhance visitors' confidence, the Airline set measures for officers on-duty to be fully vaccinated and strictly observe public health guidelines.

As for the Company, policy and measures on Cost Saving had been established and put into practice, together with cancellation of lease agreement with Samui Property Fund. After cancellation of the Fund, the Company is able to operate Samui Airport without any obligations to the Fund.

On behalf of Board of Directors, Executive Management Committee and all employees, we would like to share a piece of good news that in 2021, Bangkok Airways Public Company Limited was voted by passengers worldwide to receive two Skytrax awards as World Best Regional Airline and Best Regional Airline in Asia for five consecutive years. On this occasion we would like to thank all customers, business partners and shareholders for your continuous trust and support rendered to the Company. Please be assured that we will continue to provide services with highest standard of safety and good health for all passengers, employees and everyone in flight operation including consideration of social responsibility.



A stylized, handwritten signature in black ink, consisting of a large, sweeping 'P' followed by a few smaller strokes.

Puttipong Prasarttong-Osoth
Chief Executive Officer

**“To be
the Best airline
in Asia”**

Summary Consolidated Financial and Ratio

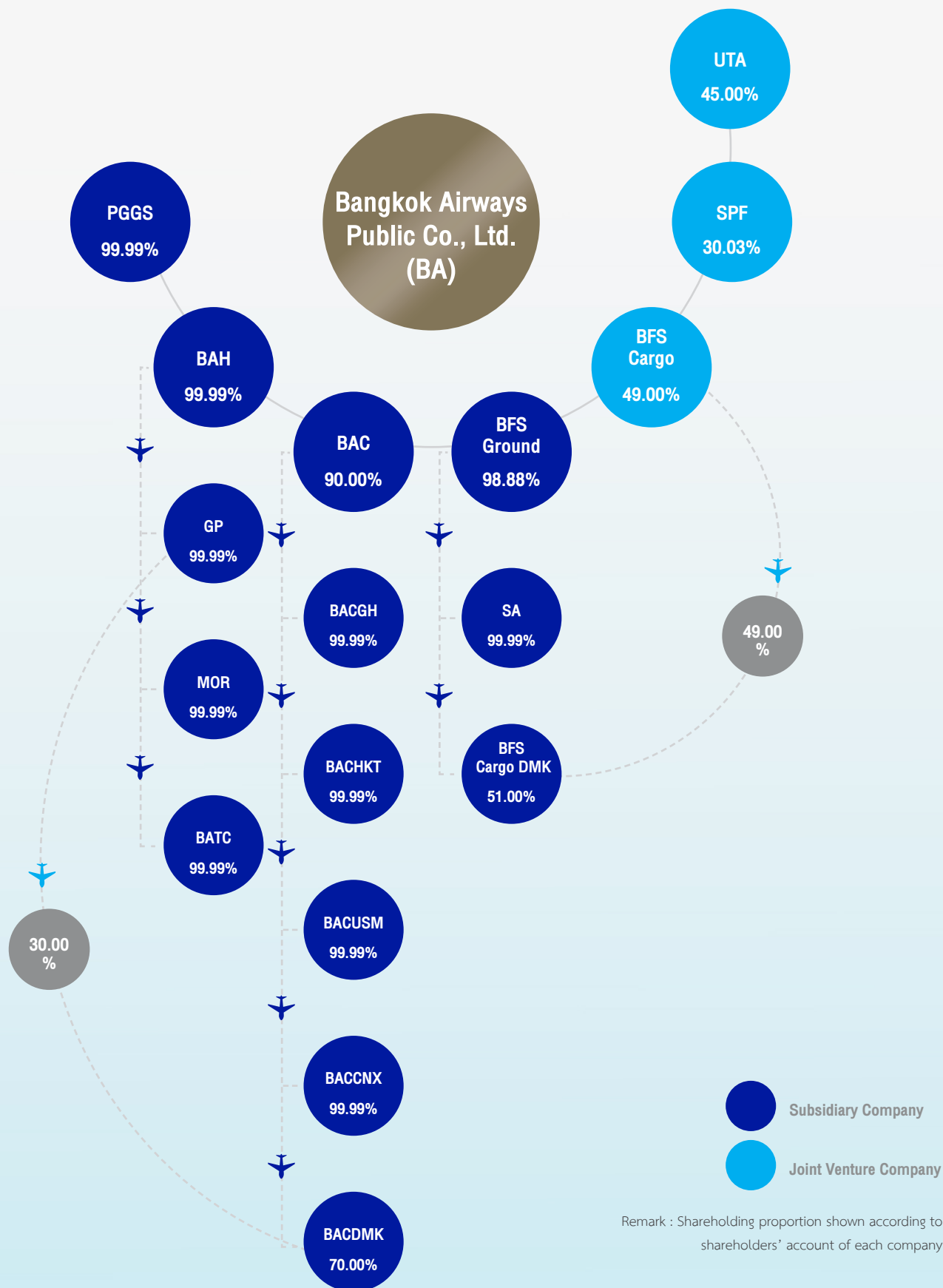
Unit: THB million

Year End December 31

		2021	2020	2019
Statements of Financial Position	Total Assets	48,939	50,602	61,908
	Total Liabilities	35,777	30,996	31,903
	Total Shareholder's Equity	13,162	19,606	30,005
Statement of comprehensive Income	Revenue from airline business	1,197	5,640	19,064
	Sales and service income	1,477	1,849	4,350
	Total Revenue	5,668	10,216	28,505
	EBITDAR	(1,294)*	(714)	1,057
	Profit for the year	(8,600)	(5,328)	357
Shareholder's Equity	Registered and Paid up Shares (Million share)	2,100	2,100	2,100
	Book Value (Baht)	6.3	9.3	14.3
	Earnings Per Share (Baht)	(4.2)	(2.6)	0.2
Liquidity Ratio	Current Ratio (Time)	0.1	0.3	1.4
	Quick Ratio (Time)	1.2	2.4	3.8
	Collection Period (Day)	44.7	43.8	24.2
	Stock Turnover Period (Day)	26.9	16.4	8.5
	Payment Period (Day)	36.0	43.9	33.5
Profitability Ratio	Gross Profit Margin (%)	(125.1)	(41.6)	6.8
	Operating Profit Margin (%)	(133.9)*	(46.4)	(1.5)
	EBITDAR Margin (%)	(36.1)*	(9.0)	4.1
	Net profit Margin (%)	(151.7)	(52.2)	1.2
	Return on Equity (%)	(52.5)	(21.5)	1.2
Efficiency Ratio	Return on Assets (%)	(17.3)	(9.5)	0.6
	Return on Fixed Assets (%)	(66.9)	(19.6)	11.4
	Asset Turnover (Time)	0.1	0.2	0.5
Leverage Ratio	Debt to Equity (Time)	2.7	1.6	1.1
	Interest Leverage Ratio (Time)	(1.0)	(0.6)	0.6

“Corporate Structure of the Company, our Subsidiaries and Associated companies

as of December 31, 2021”



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Subsidiary/ Associated Subsidiary

“We invested in subsidiary and associated companies. The summary of the investment structure of the Company in the subsidiary and associated companies are shown in the following table.”

Initial	Company	Core Business	Paid-up capital (THB million)
Subsidiary			
BAC	Bangkok Air Catering Co., Ltd.	Catering service provider at Suvarnabhumi International Airport	500.00
BACGH	BAC Gourmet House Co., Ltd. ⁽¹⁾	Restaurant	150.00
BACHKT	Bangkok Air Catering Phuket Co., Ltd. ⁽¹⁾	Catering service provider at Phuket International Airport	100.00
BACUSM	Bangkok Air Catering Samui Co., Ltd. ⁽¹⁾	Catering service provider at Samui International Airport	20.00
BACCNX	Bangkok Air Catering Chiang Mai Co., Ltd. ⁽¹⁾	Catering service provider at Chiang Mai International Airport	10.00
BACDMK	Bangkok Air Catering Don Mueang Co., Ltd. ⁽¹⁾	Catering service provider at Don Mueang International Airport	20.00
BFS Ground	Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.	Ground service provider at Suvarnabhumi International Airport	670.00
SA	SA Services Co., Ltd. ⁽²⁾	Ground service provider at the Don Mueang International Airport	1.00
BFS Cargo DMK	BFS Cargo DMK Co., Ltd. ⁽²⁾	Cargo service provider at Don Mueang International Airport	25.00
BAH	Bangkok Airways Holding Co., Ltd.	Holding Company	1,001.00
GP	Gourmet Primo Co., Ltd. (GP) ⁽³⁾	Whole sale pre-cut fresh food	115.75
MOR	More Than Free Co., Ltd. ⁽³⁾	Duty Free	20.00
BATC	Bangkok Air Aviation Training Center Co., Ltd ⁽³⁾	Aviation Training Center	50.00
PGGS	Bangkok Airways Ground Services Co. Ltd.	Ground service provider at Samui International Airport	0.25
Associated companies			
BFS Cargo	WFS-PG Cargo Co., Ltd.	Cargo service provider at Suvarnabhumi International Airport	300.00
SPF	Samui Airport Property Fund	Investing in the holding of a 30-year lease of Samui International Airport	9,208.10
UTA	U-Tapao International Aviation Co., Ltd. (UTA)	Airport activities	4,500.00

Remark:

(1) Held by Bangkok Air Catering Co., Ltd.

(2) Held by Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.

(3) Held by Bangkok Airways Holding Co., Ltd.



Board of Directors

Bangkok Airways Public Company Limited



Air Chief Marshal
Kaset Rochananil



Mr. Puttipong
Prasarttong-Osoth



Mr. Prasert
Prasarttong-Osoth



Pol.Gen Visanu
Prasattongosoth



Mr. Sripop
Sarasas



Mr. Pradit
Theekakul



Mr. Somboon
Kittiyasub



Mr. Saharatna
Benyakul



Mrs. Narumol
Noi-Am



Mrs. Ariya
Prasarttong-Osoth



Mr. Anawat
Leelawatwatana

Board of Directors and Executives



Air Chief Marshal Kaset Rochananil

Age 88 years

Position

Chairman / Independent Director

Date of Appointment as a Director

9 June 1998

Education

- Bachelor Degree of Science, The Royal Thai Air Force Academy
- Diploma, National Defence College, The National Defence College (TNDC) Class 26

Work Experience

1. Chairman, Thai airways PLC. (1989-1992)
2. Supreme Commander (April-July 1992)
3. Airforce Commander-in-Chief (1989-1992)

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

-None-

Training Courses

-None-

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: 700,000
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

-None-



Mr. Puttipong Prasarttong-Osoth

Age 57 Years

Position

Director / Member of Executive Director / President

Date of Appointment as a Director

24 June 1997

Education

- Bachelor Degree of Accounting, Chulalongkorn University
- Diploma Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Diploma, National Defence College, The Joint State - Private Sector College Class 54

Training Courses

- Directors Accreditation Program (DAP) 100 / 2013 Thai Institute of Directors (IOD)
- Directors Certification Program (DCP) 241 / 2017 Thai Institute of Directors (IOD)
- Boards that Make a Difference (BMD) 9 / 2019 Thai Institute of Directors (IOD)

Board Member/Management in Other Listed Company

1. Director, Bangkok Aviation Fuel Services PLC.
2. Director, Bangkok Dusit Medical Services PLC.

Position in Other Company/Organization/Institution

1. Chairman, Bangkok Air Ground Services Co., Ltd.

2. Chairman, Bangkok Air Catering Phuket Co., Ltd.
3. Chairman, Bangkok Air Catering Samui Co., Ltd.
4. Chairman, BAC Gourmet House Co., Ltd.
5. Chairman, Gourmet Primo Co., Ltd.
6. Chairman, Bangkok Air Catering Co., Ltd.
7. Chairman, Bangkok Air Catering Chiangmai Co., Ltd.
8. Chairman, WFS-PG Cargo Co., Ltd.
9. Chairman, Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.
10. Director, Bangkok Airways Holding Co., Ltd.
11. Director, Bangkok Media and Broadcasting Co. Ltd.
12. Director, The Sahakol Estate Co., Ltd.
13. Director, Aeronautical Radio of Thailand Co., Ltd.
14. Director, Fuel Pipeline Transportation Co., Ltd.
15. Director, Samui Palm Beach Co. Ltd.
16. Director, Samui Palm Beach Royal Wing Co. Ltd.
17. Director, Samui Accompany Company Co. Ltd.
18. Director, More Than Free Co. Ltd.
19. Director, U-Tapao International Aviation Co.,Ltd
20. Director, Quality Delicious Co,Ltd
21. Director, Quality Delicious and Chef Man Co,Ltd

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (425,387,900)
- Held by Spouse or Minor Children: (800,000)

Family Relationship among Directors and Executives

(Brother of Mrs. Ariya Prasarttong-Osoth and cousin of Pol.Gen. Visanu Prasattongsoth)



Pol.Gen Visanu Prasattongsoth

Age 59 Years

Position

Director

Date of Appointment as a Director

30 January 2003

Education

- Bachelor Degree of Arts (Economics),
Vanderbilt University, USA
- Master of Political Sciences,
Sukhothai Thammathirat University
- MBA, University of San Francisco, USA
- Senior Executive Program, Capital Market Academy
(CMA) Class 2
- Diploma, National Defence College, The National
Defence College (TNDC) Class 53
- Federal Bureau Investigation (FBI) National

Board Member/Management in Other Listed Company

1. Independent Director / Chairman of the Audit Committee
Finansia Syrus Securities PCL.

Position in Other Company/Organization/Institution

1. Assistant Commission - General, Royal Thai Police
2. Director Thai Kodama Co., Ltd.

Training Courses

- Director Accreditation Program (DAP) 11 / 2004
Thai Institute of Directors (IOD)
- Audit Committee Program (ACP) 7 / 2005
Thai Institute of Directors (IOD)
- Finance for Non-Finance Director (FND) 19 / 2005
Thai Institute of Directors (IOD)
- Corporate Governance for Capital Market Intermediaries
(CGI) 3 / 2015 Thai Institute of Directors (IOD)
- Advance Audit Committee Program (AACP) 20 / 2015
Thai Institute of Directors (IOD)

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (300,000)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(Nephew of Mr.Prasert Prasattong-Osoth and cousin of
Mr.Puttipong Prasattong-Osoth and Mrs. Ariya
Prasattong-Osoth)



Mr. Prasert Prasarttong-Osoth

Age 89 years

Position

Director/ Member of Executive Committee

Date of Appointment as a Director

19 April 2021

Education

Bachelor of Medicine Degree, Siriraj Hospital,
Mahidol University

Board Member/Management in Other Listed Company

1. Director Bangkok Dusit Medical Services PCL.

Position in Other Company/Organization/Institution

1. Director Bangkok Media & Broadcasting Co., Ltd.
2. Director The Sahakol Estate Co., Ltd.
3. Director The Medic Pharma Co., Ltd.
4. Director Prasatthong Osoth Co., Ltd.
5. Director, U-Tapao International Aviation Co., Ltd

Training Courses

Director Accreditation Program (DAP) / 2005

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally (336,942,000)
- Held by Spouse or Minor Children (250,000)

Family Relationship among Directors and Executives

(Father of Mr. Puttipong Prasarttong-Osoth and Mrs. Ariya
Prasarttong-Osoth and uncle of Pol.Gen Visanu
Prasarttong-Osoth)



Mr. Sripop Sarasas

Age 65 Years

Position

Director / Independent Director / Chairman of The Audit Committee/ Chairman of the Nomination and Remuneration Committee

Date of Appointment as a Director

26 February 2013

Education

- Bachelor degree of Science Program in Medical Technology, Chulalongkorn University
- Master of MBA (Finance), University of Southern California, USA

Board Member/Management in Other Listed Company

1. Director / Member of Nomination and Remuneration Committee / Member of Corporate Governance Committee / Member of Risk Management Committee / Chief Administrative Officer, Bangkok Dusit Medical Services PLC.
2. Independent Director / Member of the Nomination and Remuneration Committee / Member of the Audit Committee, Advanced Information Technology PCL.

4. Independent Director / Chairman of the Audit Committee Golden Lime PCL.

5. Independent Director / Chairman of the Audit Committee Kiattana Transport PCL.

Position in Other Company/Organization/Institution

1. Director, Parute (2008) Co., Ltd.
2. Director, Khan Co., Ltd.
3. Director, BDMS Property Management Co., Ltd.
4. Director, BDMS Training Co., Ltd.

Training Courses

- Directors Certification Program (DCP) 22 / 2002 Thai Institute of Directors (IOD)
- Audit Committee Program (ACP) 1 / 2004 Thai Institute of Directors (IOD)

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (None)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(None)



Mr. Pradit Theekakul

Age 63 Years

Position

Director / Member of Executive Director / Executive Vice President – Corporate Administration and Corporate Portfolio

Date of Appointment as a Director

24 July 1997

Education

- Bachelor Degree of Law, Chulalongkorn University
- Bachelor Degree of Political Science, Ramkhamhaeng University
- The Thai Barrister

Board Member/Management in Other Listed Company

1. Authorized Director / Executive Director / Executive advisor to CEO / Member of Risk Management Committee / Member of Corporate Governance Committee, Bangkok Dusit Medical Services PLC.
2. Director, Samitivej PCL.
3. Director, Thonburi Medical Centre PLC.

Position in Other Company/Organization/Institution

1. Chairman, A.N.B. Laboratories Co., Ltd.3.
- 2.Chairman, Bangkok Save Drug Co., Ltd.
3. Chairman, Save Drug Centre Co., Ltd.
4. Chairman, BDMS Training Co., Ltd.
5. Director, Prasitpatana PCL.
6. Director, Thai Medical Center PCL.
7. Director, Siam Medical Co., Ltd.
8. Director, BDMS Accounting Co., Ltd.

9. Director, BDMS Property Management Co., Ltd.
10. Director, BDMS Wellness Clinic Co., Ltd.
11. Director, BDMS Wellness Resort Co., Ltd.
12. Director, Paolo Medic Co., Ltd.
13. Director, Paolo Samutprakarn Co., Ltd.
14. Director, Phyathai 1 Hospital Co., Ltd.
15. Director, Phyathai 2 Hospital Co., Ltd.
16. Director, Phyathai 3 Hospital Co., Ltd.
17. Director, Sriracha Nakorn Hospital PLC.
18. Director, Bangkok Air Catering Co., Ltd.
19. Director, Bangkok Airways Holding Co., Ltd.
20. Director, Thai Petroleum Service Co., Ltd.
21. Director, Bangkok Golden Life Co., Ltd.
22. Director, Paradise Shopping Co., Ltd.
23. Director, National Healthcare Systems Co., Ltd.
24. Director, WFS-PG Cargo Co., Ltd.
25. Director, Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.
26. Director, The one enterprise Co., Ltd.
27. Director, The Sahakol Estate Co., Ltd.
28. Director, Bangkok Helicopter Services Co., Ltd.
29. Director, General Hospital Products PLC.
30. Director, Samui Palmbeach Resort Co., Ltd.
31. Director, U-Tapao International Aviation Co.,Ltd
32. Director, More Than Free Co.,Ltd

Training Courses

- Directors Certification Program (DCP) 29 / 2003 Thai Institute of Directors (IOD)

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (9,000,000)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(None)



Mr. Saharatna Benyakul

Age 57 Years

Position

Director / Independent Director / Member of Audit Committee
/ Member of Corporate Governance Committee

Date of Appointment as a Director

7 January 2015

Education

- Bachelor degree of Public Administration,
Chulalongkorn University
- Master of MBA Texas A&M International University, USA

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

Director, Sukumvit Asset Co, Ltd.

Training Courses

- Director Accreditation Program (DAP) 30 / 2005
Thai Institute of Directors (IOD)
- Directors Certification Program (DCP) 131 / 2010
Thai Institute of Directors (IOD)
- Corporate Governance for Capital Market Intermediaries
(CGI) 18 / 2017 Thai Institute of Directors (IOD)
- Boards that Make a Difference (BMD) 9 / 2019
Thai Institute of Directors (IOD)

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (None)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(None)



Mrs. Narumol Noi-Am

Age 64 Years

Position

Director

Date of Appointment as a Director

25 December 2014

Education

- Bachelor Degree of Economic (second class honors)
Faculty of Economics, Chulalongkorn University
- Master of MBA (Banking and Finance) from North Texas
State, USA

Board Member/Management in Other Listed Company

1. Chief of Financial Officer, Bangkok Dusit Medical
Service PCL.
2. Director, Samitivej PCL.

Position in Other Company/Organization/Institution

1. Chairman, Bangkok Health Insurance PLC.
2. Chairman, BDMS Accounting Co., Ltd.
3. Chairman, Bangkok Premier Insurance Broker Co., Ltd.
4. Director, Thai Listed Company Association
5. Director, Prasitpatana PCL.
6. Director, Sriracha Nakorn General Hospital PCL.
7. Director, Thai Medical Center PCL.
8. Director, Siam Medical Co., Ltd.
9. Director, Bangkok Pattaya Hospital Co., Ltd.
10. Director, Bangkok Phuket Hospital Co., Ltd.
11. Director, Bangkok Chiangmai Hospital Co., Ltd.
12. Director, Bangkok Chiangrai Hospital Co., Ltd.
13. Director, Phyathai 1 Hospitals Co., Ltd.
14. Director, Phyathai 2 Hospitals Co., Ltd.
15. Director, Phyathai 3 Hospitals Co., Ltd.

16. Director, Paolo Medic Co., Ltd.
17. Director, Paolo Samutprakan Co., Ltd.
18. Director, Bangkok Hospital Phuket International Co., Ltd.
19. Director, Phnom Penh Medical Services Co., Ltd.
20. Director, National Health care system Co., Ltd.
21. Director, Green line Synergy Co., Ltd.
22. Director, BDMS Wellness Clinic Co., Ltd.
23. Director, BDMS Wellness Resort Co., Ltd.
24. Director, Bangkok Media and Broadcasting Co. Ltd.
25. Director, U-Tapao International Aviation Co.,Ltd

Training Courses

- Directors Certification Program (DCP) 107 / 2008
Thai Institute of Directors (IOD)
- Successful Formulation & Execution of Strategy (SFE) 6 /
2010 Thai Institute of Directors (IOD)
- Senior Executives in Business and Industrial Development
Class 3 Institute of Business and Industrial Development:IBID
- Leader Program Capital Market Academy Class 15 by
Capital Market Academy (CMA) The Stock Exchange of
Thailand
- TLCA Leadership Development Program “Enhancing
Competitiveness” by Thai listed Companies Association & IMD
- Advanced Certificate Course in Politics and Government
in Democratic Systems for Executives, class 13 by King
Prajadhipok’s Institute
- Financial Executive Development Program Class 12 by
the Thai Institute of Banking and Finance for Executives
from financial institutions
- Applied International Management Program,
Sweden by Government of Sweden

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (300,000)
- Held by Spouse or Minor Children: (50,000)

Family Relationship among Directors and Executives

(None)



Mr. Anawat Leelawatwatana

Age 55 Years

Position

Director / Member of Executive Director/ Senior Vice President – Finance and Accounting

Date of Appointment as a Director

25 April 2016

Education

- Bachelor degree of Science Program in Agronomy, Kasetsart University
- Master of MBA Cleveland State University, USA

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1. Director Bangkok Air Catering Co., Ltd.
2. Director Bangkok Air Catering Phuket Co., Ltd.
3. Director Bangkok Air Catering Samui Co., Ltd.
4. Director Bangkok Air Catering Chiangmai Co., Ltd.
5. Director BAC Gourmet House Co., Ltd.
6. Director Gourmet Primo Co., Ltd.
7. Director, Bangkok Airways Holding Co., Ltd.
Director Bangkok Media & Broadcasting Co., Ltd.
8. Director Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.
9. Director, U-Tapao International Aviation Co.,Ltd

Training Courses

- Directors Certification Program (DCP) 50 / 2004
Thai Institute of Directors (IOD)
- Company Secretary Program (CSP) 60 / 2014
Thai Institute of Directors (IOD)
- Financial Advisor Course, Association of Thai securities Companies (ASCO)
- Land and Building Tax Federation of Accounting Professions

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (212,000)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(None)



Mrs. Ariya Prasarttong-Osoth

Age 55 Years

Position

Director / Member of Corporate Governance Committee /
Member of Nomination and Remuneration

Date of Appointment as a Director

25 April 2016

Education

- Bachelor Degree of Management, Assumption Business Administration College
- Master of Marketing, National University, USA

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1. Director The Sahakol Estate Co., Ltd.
2. Director Bangkok Air Tour (1998) Co., Ltd.
3. Director Bangkok Travel Club Co., Ltd.
4. Director Samui Palm Beach Resort Co., Ltd.
5. Director, Samui Palm Beach Royal Wing Co. Ltd.
6. Director Samui Accom Co., Ltd.
7. Director Fah Thai Holiday Co., Ltd.
8. Director, Paradise Shopping Co., Ltd.
9. Director, Richness and Wealthy Co.,Ltd

Training Courses

- Directors Certification Program (DCP) 193 / 2014 Thai Institute of Directors (IOD)
- TLCA Executive Development Program, Thai Listed Companies Association
- Diploma, National Defence College, The National Defence Course Class 58
- Corporate Governance for Capital Market Intermediaries (CGI) 20 / 2018 Thai Institute of Directors (IOD)
- Board Matters and Trends (BMT) 6 / 2018 Thai Institute of Directors (IOD)

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (243,440,900)
- Held by Spouse or Minor Children: (None)

Family Relationship among Directors and Executives

(Daughter of Mr.Prasert Prasarttong-Osoth and Sister of Mr. Puttipong Prasarttong-Osoth and cousin of Pol.Gen Visanu Prasarttong-Osoth)



Mr. Somboon Kittiyasub

Age 63 Years

Position

Director / Independent Director / Member of Nomination and Remuneration / Chairman of Corporate Governance Committee / Member of Audit Committee

Date of Appointment as a Director

25 April 2016

Education

- Bachelor of Law Degree, Chulalongkorn University
- Master of Comparative Laws, The University of Laws, USA

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1. Director, Somboon and Partner Co., Ltd.
2. Director, Advocate Holding Co., Ltd.
3. Director, Plenty Gourmets Holding Pty Ltd.
4. Director, The one enterprise Co., Ltd.

Training Courses

- Director Accreditation Program (DAP) 130 / 2016
Thai Institute of Directors (IOD)
- Corporate Governance for Capital Market Intermediaries
(CGI) 18 / 2017 Thai Institute of Directors (IOD)
- Director Certificatio

Shareholdings (Ordinary Shares) (as at March 11, 2021)

- Held Personally: (None)
- Held by Spouse or Minor Children: (None)

ความสัมพันธ์ทางครอบครัว ระหว่างกรรมการและผู้บริหาร

(None)



Policy and Business Overview



In 2021, The Company's Committee set The Company's vision and mission that is appropriate and relevant to The Company's business operation. Regularly, there's an annual revision to ensure that The Company's vision and mission are up-to-date and consistent with the current economic situation.

Vision

Striving on excellence to become the best airline in Asia

Mission

We are determined to become Asia's number one airline with our missions as in the followings.

1. Operational safety: Our safety mission is to continually maintain worldwide industry operational safety standards.
2. Maximizing shareholders' return on investment: Our profitability mission is to use our assets effectively in order to generate optimal and sustainable profits for all of our stakeholders.
3. We continued success depends on our customers and we promise to give them the best possible products and services available in the industry.
4. Our employees are our most important asset: we strive to have not only highly motivated staff but also the best and most productive employees in the industry.
5. Corporate accountability: We will continually adopt systems and procedures in our airline that will enhance corporate accountability, transparency and control.
6. We are proud to be a member of our community: We will increase responsibilities of good corporate citizens and continue to serve our community.

Corporate Policy

1. Corporate Management

The Company is obliged to obtain a sound management system. Each delivery of service must be efficiently carried out according to designated development plans to enhance the Company's policy on safety, service quality, and security.

2. Human Resources

The Company promotes and develops on-the-job learning process by focusing on developing and managing corporate structure, improving work process, and heightening human resource capability.

3. Corporate Competitiveness

The Company creates differentiation in products and services by focusing on maximizing customer's satisfaction, strengthening route networks, expanding partnerships, efficient cost control by developing, revising, and improving quality of products and services on a regular basis.

4. Corporate Social Responsibility

The Company promotes and participates in social services and social responsibilities on a regular basis.

History and Corporate Milestone

Mr. Prasert Prasarttong-Osoth began to endeavor into the airline business in 1968 as he established an airline department of a company, owned by him, named Krungthep Sahakol Co., Ltd. Until 1984, he founded “Sahakol Air” to take over the airline business which had been operating under the company which had later changed the name to “**Bangkok Airways**”.

We officially commenced scheduled passenger flight services in 1986 under our current name “**Bangkok Airways**”. In 1989, we completed construction of our first airport, located in Samui, an island in the Gulf of Thailand, which was beginning to be developed as an international tourist destination. We obtained an International Air Transport Association (“IATA”) code, “PG”, and commenced

operations of our Samui Airport. In addition, we also received approval to fly our first route, Bangkok—Samui. In 1994, we became an IATA Clearing House member. In the same year, we added two ATR 72 to our fleet.

In 1998, we commenced operations of our second airport in Sukhothai. In 2000, we put our first Boeing 717-200 into operations. The Boeing 717-200 jet aircraft provided higher speeds and more seat capacity so we could increase capacity and reduce flight frequency. This also allowed us to expand our capacity on routes to and from Samui. In the same year, we commenced operations of our first hangar located in the Don Mueang International Airport. We also became a member of the IATA Billing and Settlement Plan (“**BSP**”). Being a member of the





IATA BSP allows us to drive additional passenger sales and provides us with direct access to a distribution network of IATA. In 2002, we received full IATA membership which means that we upgraded our operations in adherence to the international commercial aviation standards under IATA Operational Safety Audit (“IOSA”), such membership entitles us to voting rights in respect of the fare adjustment process. In 2006, we commenced operations of our third airport in Trat.

As of 31 December 2021, the Company has a registered capital of 2,100,000,000 Baht, comprised ordinary shares of 2,100,000,000 shares, with a par value of 1 Baht per share, and the paid up capital of 2,100,000,000 Baht.



Milestones Awards since 2017 to 2021



- Bangkok Airways Public Company Limited won the **World's Best Regional Airline** and the **Best Regional Airline in Asia** from SKYTRAX World Airline Award 2017.
- Bangkok Airways Public Company Limited won the **Boutique Airline Award for the Best Full-Service Carrier in Asia Pacific** from the Air Transport Award 2017 by the Transport News Magazine, a leading magazine in transport and logistics industry from the UK. The award winners were considered by a judging committee, a satisfaction survey of the Transport News' website members, and experts in the transport industry. This year's Air Transport Award was organized in an honor of companies or individuals that have shown an outstanding business performance.
- Bangkok Airways Public Company Limited won the **Annual Best Travel Brand in 2017** by Smart Travel Asia. This achievement includes winning in three award categories namely **Top Ten Airline Overall – Worldwide**, **Top Five Best in Cabin Service – Worldwide**, and **Top Ten Airport – Worldwide**. Smart Travel Asia is an Asia's leading website and online magazine about tourism. The annual survey for the tourism and service category was conducted from opinions of multi-million tourists from around the world.
- Bangkok Airways Public Company Limited won the **Best Regional Airline in 2017** by the 28th TTG Travel Awards, an annual award bestowed in an honor of individuals and corporates in the tourism industry that demonstrated outstanding business performance in various categories throughout the Asia Pacific Region.



- Bangkok Airways Public Company Limited won the **Top Ten Airline Overall – Worldwide** and **Top Ten Best in Cabin Service – Worldwide** from the Smart Travel Asia
- Bangkok Airways Public Company Limited won the **Travellers' Choice Regional Carrier-Asia** and **Travellers' Choice Economy Class-Asia 2018** from TripAdvisor Travellers' Choice Awards for Airlines 2018
- Bangkok Airways Public Company Limited won the **World's Best Regional Airline** and the **Best Regional Airline in Asia** from SKYTRAX World Airline Award 2018.
- Bangkok Airways Public Company Limited won the **Best Boutique Airline 2018** by TTG Asia
- Bangkok Airways Public Company Limited won the **Excellence in Management Awards** from Thailand's Smart Awards 2018
- Bangkok Airways Public Company Limited has been rates 5th as the most punctual airline 2018 and has been ranked as the 2nd among Asia Pacific Airlines from the OAG Aviation Worldwide



- Bangkok Airways Ranked 5th as **Most Punctual Airline Globally** from OAG Aviation Worldwide
 - Bangkok Airways receives the commendation plaque “**The Most Punctual Airline Asia Pacific Award** (2nd place) from OAG
 - Bangkok Airways wins “**Travelers’ Choice Awards – Regional Airline Asia 2019**” from TripAdvisor
 - Bangkok Airways Awarded Superbrands Thailand 2018
 - Bangkok Airways wins 2 prestigious awards “**World’s Best Regional Airline**” and “**Best Regional Airline in Asia**” from Skytrax World Airline Awards 2019
 - Bangkok Airways wins 2019 Smart Travel Asia Awards as Top 10 Best Cabin Service Worldwide in 2019
-



- Thailand Best Employer Brand Awards 2020 (Airline & Aviation) from World HRD Congress.
 - Bangkok Airways Public Company Limited won the World’s Best Regional Airline and the Best Regional Airline in Asia from SKYTRAX World Airline Award 2020.
-



- Bangkok Airways Public Company Limited won the World’s Best Regional Airline and the Best Regional Airline in Asia from SKYTRAX World Airline Award 2021.

Overview

As of 31 December 2021, we operated scheduled flights on routes covering major cultural and leisure destinations. Through our code-share and other cooperative arrangements, we are able to extend our reach to passengers originating from destinations including Europe, South Asia, the Middle East and Japan.

We operate from three principal hubs, the Suvarnabhumi International Airport in Bangkok, Chiang Mai International airport and Samui International Airport in Surat Thani, which we also own and operate.

We target markets that are less than a five-hour flight time from our hubs, which give us access to passengers travelling to and from Southeast Asia and South Asia. We believe that Thailand's growing economy provides an attractive market in which we can increase passenger growth as an increasing proportion of the Thai population are able to access air transport. We also believe that our premium, quality services, strong culture of hospitality and access to unique cultural and leisure destinations differentiates us from other competing airlines.


Route Network

We put emphasis on market development and route network expansion. We focus on increasing flight frequency and introducing new routes. At the same time, to maintain our market position and strengthen our route network, we continuously seeks for new code share partners to reach out all target groups.



Table presented number of aircraft

as of end of Year 2021 and Year 2020

2020	2	13	15	9	39
 ATR 72-500	ATR 72-500	ATR 72-600	Airbus A319	Airbus A320	Total
2021	2	13	13	9	37

Flight Operation and Flight Routes

Due to the effect of COVID-19 pandemic, the Company operated flights in consistence with the government travel measures and observed the announcement of Civil Aviation Authority of Thailand (CAAT) to protect and control further spread of the virus.

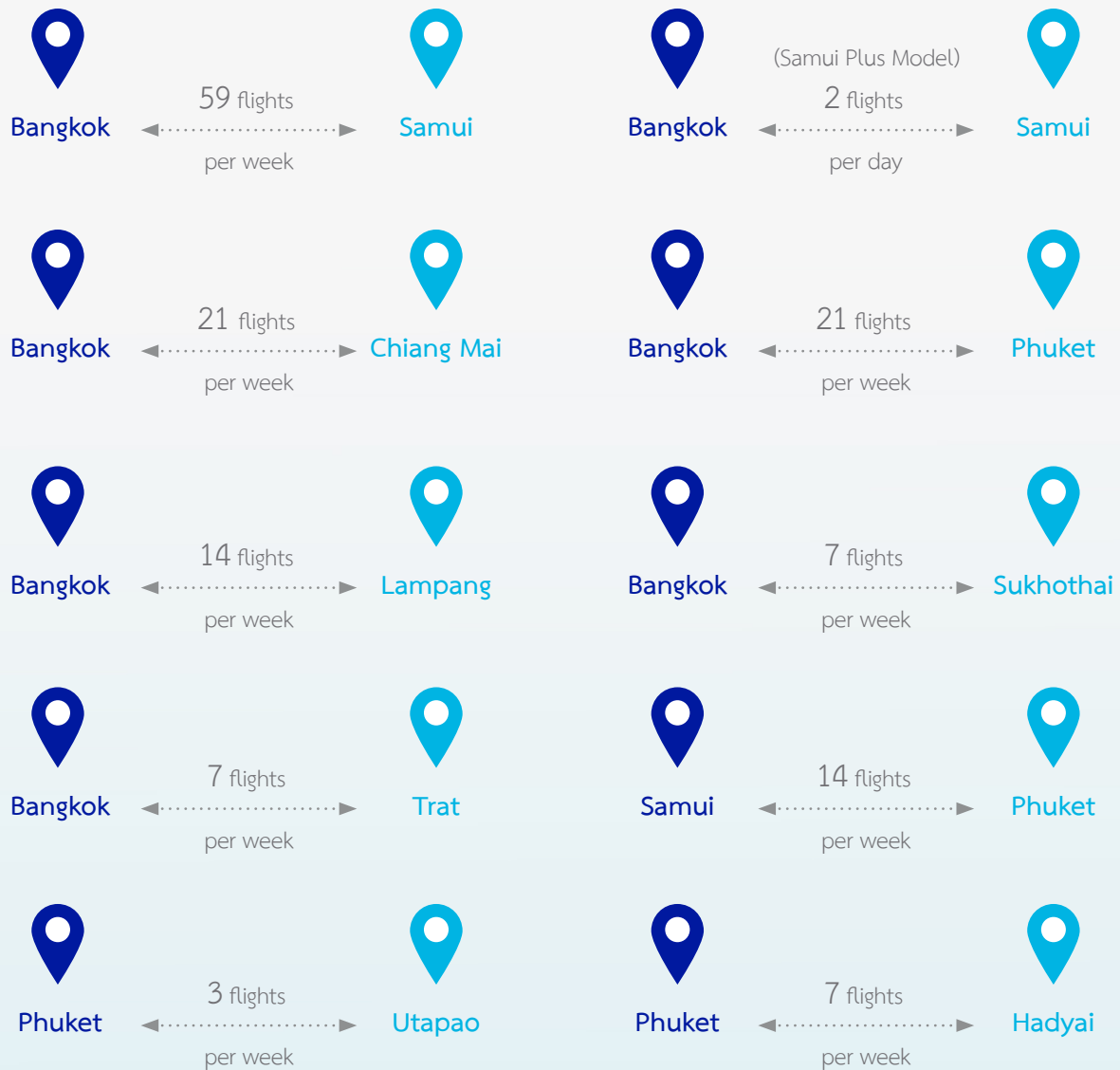
For this reason the Company operated business according the policy and measures set by the government and Civil Aviation Authority of Thailand as follows:

Temporary suspension of domestic flights

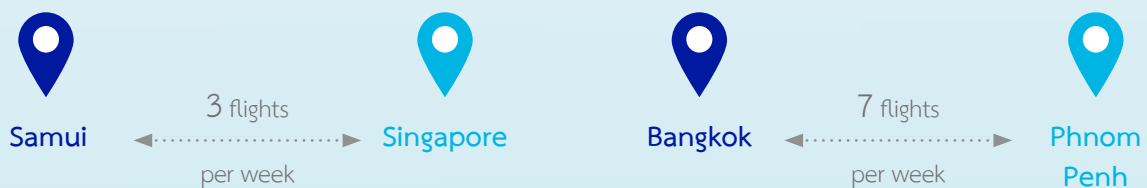
- With Reference to the announcement of Center for

Management of COVID-19 Pandemic to restrict inter-province traveling and Civil Aviation Authority of Thailand announcement (No. 3.) on Guideline for airport operators and airlines operating domestic flights during COVID-19 pandemic to control flights to and from deep red zone, it was necessary for the Company to temporary suspend flight operation routing Bangkok-Chiang Mai and v.v., Bangkok-Phuket and v.v., Bangkok-Sukhothai and v.v., Bangkok-Lampang and v.v., Bangkok-Trat and v.v. and Bangkok-Samui and v.v. (normal scheduled flights) from 13 July to 31 August 2021.

Resumption of international flight



International routes



Product Development and Service

Passenger lounges

The company provides lounge service to passengers on both domestic and international departure at several airports such as the Suvarnabhumi International Airport, Samui International Airport, Phuket International Airport, and Chiang Mai International Airport for the convenience and impressive experience for our passengers. Because of COVID-19 pandemic situation worldwide, the government and related agencies issued health measures to prevent further spread of virus. As a result, the Company had to stop providing services in passenger lounge and courtesy

corner located at every station. On 1 November 2021, when the government eased restrictions, the Company resumed passenger lounge service at Bangkok Station, Samui Station, Chiang Mai Station and Phuket Station and adjusted style of service and product in line with government measure on cleanliness and hygiene such as social distancing seating arrangement in the passenger lounge, providing individually wrapped food items while continuing to maintain standard of service and cleanliness.



Partnership through alliance airlines

Pursuant to Air Traffic Control announcement, particularly for international routes during COVID-19 pandemic, total number of flights decreased or suspended for several months and only domestic flights were in operation, therefore it was not possible to link services with airline partners. However the Company continued to cooperate with commercial

airlines as normal to exchange news and movements, and to be prepared to reconnect with partnered airlines at any time.

In 2021, there are altogether 27 airlines who entered code-share agreement with Bangkok Airways which are:



PR
Philippine Airlines



EK
Emirates



JL
Japan Airlines



QV
Laos Airlines



CI
China Airlines



AY
Finnair



WY
Oman Air



QF
Qantas Airways



MH
Malaysia Airlines



LY
El Al Israel Airlines



GA
Garuda Indonesia



KL
KLM Royal Dutch Airlines



VN
Vietnam Airlines



SU
Aeroflot



AF
Air France



HX
Hong Kong Airlines



CX
Cathay Pacific



BR
EVA Air



MF
Xiamen Airlines



BA
British Airways



TK
Turkish Airlines



TG
Thai Airways



EY
Etihad Airways



GF
Gulf Air



OS
Austrian Airlines



QR
Qatar Airways



KC
Air Astana

By entering the code-share agreements, “the Company” aims to increase passenger volume into the flight network as well as expanding our international networks through partners in Europe, Asia, the Middle East, and Australia.

Business Operations

Revenue Structure of “The Company”,
subsidiaries, and affiliated companies

Revenues from Core Businesses	2021		2020	
	Baht (Million)	Percentage	Baht (Million)	Percentage
Revenues from Airlines				
Passenger Revenue	1,157.2	20.4	5,534.2	54.2
Freight revenue	6.3	0.1	50.3	0.5
Charter flights and charter services revenue	33.4	0.6	55.1	0.5
Total revenues from Airlines	1,196.9	21.1	5,639.6	55.2
Revenues from Airport-related services				
Revenues from BFS Ground	1,039.6	18.3	1,139.1	11.1
Revenues from PGGS	18.1	0.3	98.0	1.0
Revenues from BAC	113.6	2.0	302.8	3.0
Others	305.6	5.4	309.3	3.0
Total revenues from Airport-related services	1,476.9	26.0	1,849.2	18.1
Revenues from Airports				
Passenger service charge	43.1	0.8	177.3	1.7
Total revenues from Airports	43.1	0.8	177.3	1.7
Other revenues				
Dividend income	826.8	14.6	375.1	3.7
Gain on sales of investments in securities and subsidiaries	-	-	227.0	2.2
Interest income				
Gain on Derivatives	529.4	9.3	-	-
Other income	1,595.4	28.2	1,948.4	19.1
Total other revenues	2,951.6	52.1	2,550.5	25.0
Total Revenue	5,668.5	100.0	10,216.3	100.0

Products and services

Products and services of the Company can be divided into core businesses and segments as follow

1. Airline Passenger Services

Scheduled Flights

We provide full-service scheduled flights in a premium level to both business and leisure travellers.

Route Network

As of 31 December 2021, we operated a route network (“PG Route Network”) covering 19 scheduled destinations (excluding Bangkok) in 9 countries (including Thailand). Additionally, with destinations covered in our code-share arrangements extended our route network to cover 27 international destinations in 19 countries (excluding Thailand).

Our PG Route Network focuses on short-haul routes to airports around leisure and cultural destinations. Through our code-share and other cooperative arrangements (“Extended Route Network”) with other airlines, we are able to extend our reach to passengers originating from destinations including Europe, Asia, and Australia.



Our International and Domestic Routes

“The map below illustrates our international and domestic routes as of December 31, 2021”

Fly Boutique, Feel Unique

Bangkok Airways

Asia's Boutique Airline

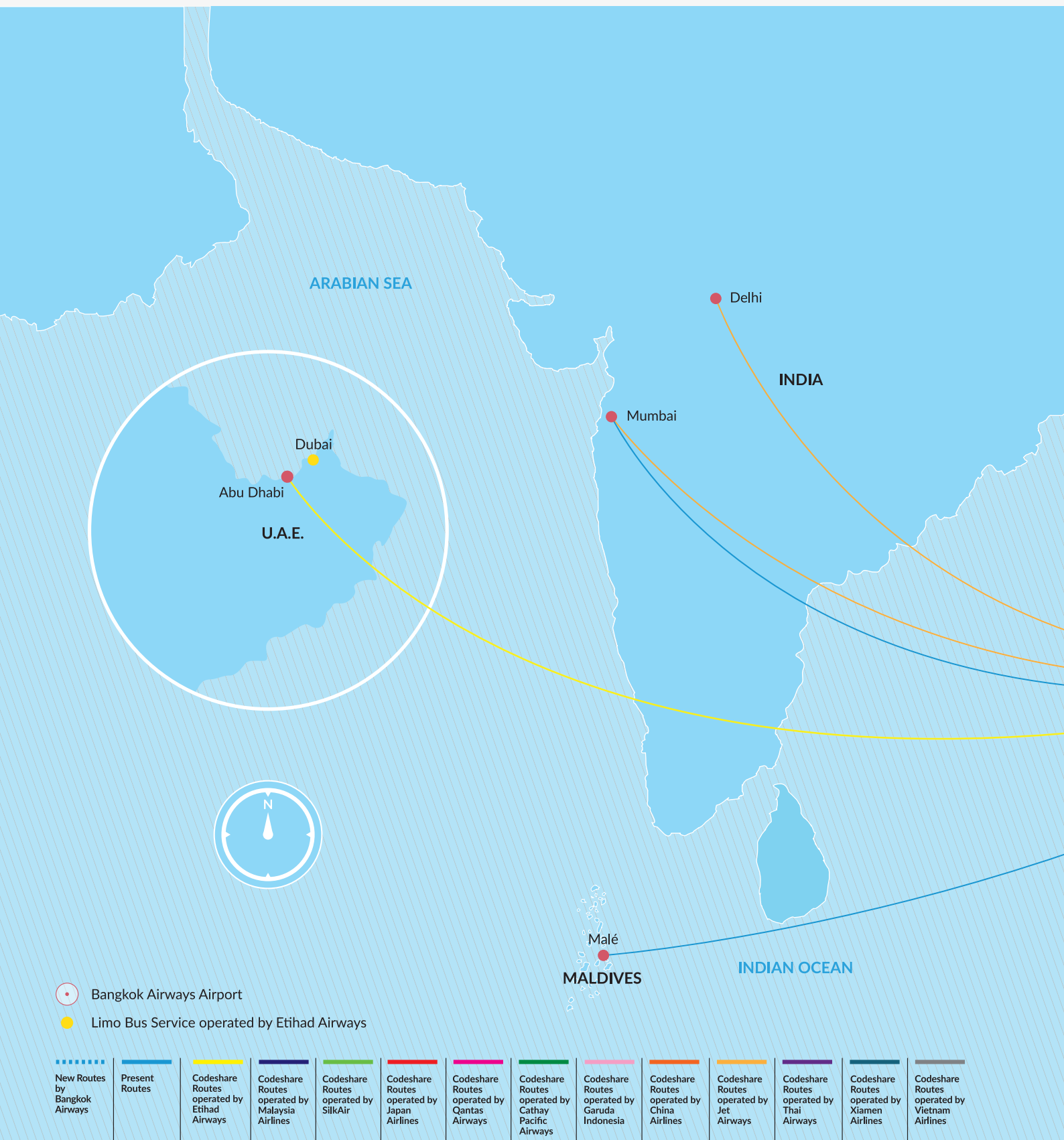


 Bangkok Airways Airport



Our International and Domestic Routes

“The map below illustrates PG operating routes including our code-share network as of December 31, 2021”





Airline Cooperation Arrangements

Airline Cooperation Arrangements can be grouped in Interline Cooperation Agreement and Code Share Agreement.

These interline and code-share arrangements enable us to access broader international markets and serve additional long-distance passengers without operating our own long-distance international flights and having to invest in long-haul fleet. We believe that code-share arrangements are a cost-effective means to expand the scope of our passenger services and enhance our image in the international market.

Through our hubs at Suvarnabhumi International Airport and Samui International Airport, we are able to provide

efficient same airport transfer for passengers of our code-share and interline flights and to connect them to regional and domestic destinations that are part of our PG Route Network.

We have successfully established code-share arrangements with 27 international airlines. We typically seek code-share arrangements that would either increase our passenger traffic on our PG Route Network or add desirable destinations to our Extended Route Network. Our code-share arrangements enable us to access connecting passenger traffic from other airlines traveling from various international destinations in Europe, Asia, Australia and elsewhere.

Airline Operation

1. Our Fleet

As of 31 December 2021, we had an operating fleet of 37 passenger aircraft, with details shown in table below.

Aircraft Model	Total	Finance Lease	Operating Lease	Owned
Airbus A320	9	-	9	-
Airbus A319	13	-	13	-
ATR 72-500	2	-	-	2
ATR 72-600	13	13	-	-
Total	37	13	22	2





2. Route Planning

We focus on short-haul routes to airports in and around major leisure and cultural destinations, typically operating within a radius of up to 3,120 kilometers and a flight duration of up to five hours from our hubs at the Suvarnabhumi International Airport, the Samui Airport, and Chiang Mai Airport.

We cooperate with the DCA in seeking additional air traffic rights under new or existing air services agreements. Our ability to expand our route network and to increase frequency and capacity is subject to our ability to obtain sufficient traffic rights and time slots to these destinations. The principal factors considered in adding a new route to our existing route network or increasing the frequency of flights on an existing route are aircraft availability and projected passenger and cargo load factors, profitability of the route and contribution to traffic on other routes.

In our current route network strategy, we intend to focus more on network connecting traffic going through our

Bangkok hub and our airports, particularly the Samui Airport. Additionally, we connect travelers through Chiang Mai, a gateway location for Northern Thailand. We have entered into code-share and other cooperative arrangements which are also key to our route network strategy, as they enable us to both extend our route network and to increase our passenger load with passengers connecting onto our flights from various international locations, including Europe, Asia, Australia, and other countries. In addition, we are able to reach passengers in China through our chartered flights. We actively monitor flights on our Extended Route Network to match the timing of our flights on our route network to maximize the number of connecting flights available to passengers connecting onto our flights. We also routinely monitor traffic on both our domestic and international routes, and adjust frequency and capacity from time to time to reflect peak travel season in the international markets and fluctuations in demand on these routes.

3. Flight Scheduling

Our network management team formulates flight schedules, based on market demand for various routes. Consistent with market demand and with IATA guidelines, we publish summer and winter flight schedules each year. The winter schedule runs from the last Sunday of October of the previous year to the last Saturday of March and the summer schedule runs from the last Sunday of March to the last Saturday of October each year. From time to time, we also vary the flight frequency and type of aircraft utilized on scheduled routes based on anticipated seasonal demand.

4. Flight Operations

Our operations control center (“OCC”) located outside the Suvarnabhumi International Airport supervises and controls our flights in accordance with our flight operation schedules and relevant regulations of the authorities. Our OCC collects and analyses information relating to the projected payload, weather and airport conditions and aircraft status. Our OCC also approves flight dispatches and coordinates necessary ground service equipment and maintenance services for our aircraft. Our OCC monitors and tracks flights by air and ground radar displays, radio communications, the Air Communication Addressing and Reporting System and Air-to-Ground Data Link communications. In the event of irregularities, our OCC may adjust flight schedules, combine flights and, if necessary, cancel flights.



5. Our Flight Operation Hubs

Bangkok Flight Operation Hub and Facilities

We believe that Bangkok enjoys a number of advantages as a hub. These advantages include its role as a gateway to Southeast Asia, the Mekong region, South Asia and Southern China, and its convenient location as a stopover on routes linking Europe to North Asia and both Europe and North Asia to destinations in Australia, New Zealand and Southeast Asia.

Our primary flight operation hub is based at the Suvarnabhumi International Airport, which is Thailand's principal international and largest airport in terms of the number of aircraft movements and passenger volume. The Airports of Thailand has deployed the Advance Passenger Processing System or APPS to prevent any international terrorist attacks as well as to heighten security within the airport to conform to the safety measurements issued by the International Civil Aviation Organization (ICAO)

Following our commencement of operations at the Suvarnabhumi International Airport, we transferred the bulk of our operations previously based at the Don Mueang International Airport, except our heavy

maintenance services, to the Suvarnabhumi International Airport. We pay various rents, fees and charges to AOT at the Suvarnabhumi International Airport, including landing and parking charges, space rental and other charges, and concession fees for several revenue-generating activities in which we engage at the Suvarnabhumi International Airport through our subsidiary and associated companies.

We also lease a plot of land at the Don Mueang International Airport which we use for our maintenance services. Our maintenance facility comprises a hangar, a C-check maintenance facility and adjacent workshops servicing a broad range of equipment.

Samui Hub and Facilities

We have built and developed the Samui International Airport which opened in 1989. Developed at an estimated cost of THB 800 million, the airport was officially opened on 25 April 1989 with a 1,800 meter runway. The airport served domestic flights, primarily to and from Bangkok. In 1997, the Samui Airport was upgraded to allow for international flights, with the development of customs



and immigration facilities, as well as new passenger terminals, which allowed for the operation of new routes to the airport, including services to international destinations.

In 2004, the airport began a THB 500 million expansion program that provided for six new terminals-four domestic and two international. In addition, the program provided for extension of the runway, to 2,100 meters. The development program was completed in 2007, providing airport capacity for 16,000 passengers a day. The program increased annual passenger capacity from 1.3 million to 6 million. Beginning October 1st, 2015; the Airports of Thailand has deployed the Advance Passenger Processing System or APPS to inspect passengers in order to prevent any international terrorist attacks as well as to heighten security within the airport to conform to the safety measurements issued by the International Civil Aviation Organization (ICAO) also Suvarnabhumi International Airport

The growth in the airport has coincided and facilitated the growth in popularity of Samui as a tourist destination.

Samui has developed into a very popular destination for Europeans, Asians, and others.

With the 2,100 meter runway, we were able to increase the size of the aircraft it operated to the airport. The carrier currently operates a mix of A319s and ATR-72s at the airport. The Samui Airport is also open for other airlines Samui International Airport has won several awards for its design and architecture, including an environmental impact assessment award for the use of locally produced palm leaves and a natural, open-air cooling system for the terminal buildings.

Samui Hub and Facilities

We announced Chiang Mai Airport as our hub for the Northern Thailand region. Chiang Mai has becoming more popular for business and leisure purposes. We have observed high potential to develop tourism and create connecting traffic in this region for cultural tourism. We introduced four new route network creating Chiang Mai as the center in the Northern region for connecting traffic such as routes from Chiang Mai-Samui, and Chiangmai-Mae Hongson.



6. Chartered Passenger Services

Chartered passenger services enhance our aircraft utilization and revenues. We determine our charter flight arrangements in accordance with aircraft availability by primarily treating the scheduled passenger services as our first priority

7. Aircraft Maintenance

The Company owns and operates an aircraft maintenance hangar at Don Muang Airport. This facility, certified by The Civil Aviation Authority of Thailand (CAAT), provides maintenance and repair service to aircraft for some parts. Generally, airlines in Thailand don't own this type of facility. Therefore, apart from maintaining and repairing the aircraft parts including equipment used in flight operation of The Company, this hangar apparently gives The Company an edge over the other airlines who don't own a hangar themselves. This facility also helps leverage the country's aviation industry with a substantial cost reduction, as well as bringing in new technology to the industry.

Aircraft maintenance, both in line maintenance and base maintenance, is required to keep airworthiness of aircraft. This activity, including maintenance, repair, and overhaul (MRO); must only be operated by a company certified by The Civil Aviation Authority of Thailand (CAAT). The airworthiness of aircraft is taken very highly for passenger's safety. The efficient use and maintenance of our aircraft is a Preventive Maintenance Measure to optimize utilization of our fleet properly, in consistence with the following key points.

7.1 Continuing Airworthiness Tasks

7.2 Maintenance program

7.3 Airworthiness Directive

7.4 Data for modification and repairs

7.5 Aircraft continuing airworthiness record system

7.6 Operator Technical Log System

7.7 Transfer of aircraft continuing airworthiness

Planning of schedules and cycles for maintenance of our aircraft varies depending on certain factors which includes age and type of aircraft, equipment and specifications determined by aircraft manufacturer. We conduct our maintenance services in compliance with maintenance module issued by the Civil Aviation Authority of Thailand (CAAT), IATA Operational Safety Audit (IOSA) and International Civil Aviation Organization (ICAO). We are certified by the International Organization for Standardization (ISO) for quality of performance and by Civil Aviation Authority of Thailand for standard of maintenance services.

Our aircraft maintenance checks involve light maintenance and line maintenance. These periodic inspections are conducted after either a certain period of time, aircraft operational cycle or period of flight hour, depending on type of aircraft and the manufacturer's specifications. Generally our aircraft maintenance check can be divided as follows:

1. Light maintenance which includes A Checks and B Checks
2. Line maintenance which includes C Checks and D Checks
3. Change of aircraft equipment according to its useful life

Daily maintenance checks, which include visual testing and inspections of equipment and hygiene, fuel level and emergency equipment are conducted before and after each flight to ensure the aircraft are airworthy. In addition to the daily checks, we also perform A Checks, B Checks and D Checks to maintain our fleet as follows:

Light Maintenance A checks / B checks	Line Maintenance C checks
Maintenance schedule ATR72-500, ATR72-600	
Every 750 hours	Every 5,000 hours
Maintenance schedule Airbus A319 and A320	
Every 4 months or 750 flight hours or 750 cycles, which ever comes first	Every 24 months or 7,500 flight hours or 5,000 cycles which ever comes first
Maintenance station	
Bay or aircraft parking area	Hangar
Scope of inspection	
<p>A check</p> <ul style="list-style-type: none"> - includes lower checks i.e. Daily Check <p>B check</p> <ul style="list-style-type: none"> - includes detailed maintenance inspection for components and aircraft systems, requiring specific equipment and testing. - includes lower checks i.e. daily checks and A Check <p>At present B Check had been incorporated into C Check and included in 6-year and 12-year checks</p>	<p>Includes lower checks i.e. Daily check, A Check and B check</p> <p>C check, 6-year check and 12-year check are line maintenance with specific management process and systematic control.</p>
Example MPD specified by aircraft manufacturer	
<ul style="list-style-type: none"> - General external inspection of aircraft structure for evidence of damage, deformation, corrosion or missing parts. - Check and test equipment i.e. turn control switches on/off - Check pressure of crew oxygen system - Operation check of emergency lights in the cabin - Operation check of hydraulic systems 	<ul style="list-style-type: none"> - General internal inspection of aircraft structure and wirings. Seats removed to open up cabin walls. - Check safety system of doors and emergency exits - Check aircraft strength and stability by testing for evidence of leaks in door seals - Check condition of pressure system - Test operation of DC and uninterrupted power system. - Operation check of Ramp air turbine deployment system - Operation check of flap asymmetry system - Operation check of flight control mechanism

D Check (or Heavy Maintenance Check) is the most complicated, detailed, line maintenance, conducted every 6 years or 12 years involving detailed inspection of aircraft structure for any defects in aircraft parts, components or structure and non-destructive checks. D Check also includes inspection for traces of decay, abnormality of aircraft structure and other traces of damage which may required technical experts, using special equipment to deconstruct the components in order to carry out maintenance work. At present CAAT has granted permission for the Company to perform D Check and included it in Hangar License.

Other services such as maintenance of aircraft equipment and components, overhaul of aircraft engines and calibration are mostly outsourced to third party service providers. Only service providers which have gone through processes in compliance with the Company quality requirement are acceptable.

Through our lease agreements, we are able to rely on or enjoy the benefits of manufacturer's warranties and product support, granted through our lessors.

We maintain an inventory of rotatable and consumable spare parts at our maintenance facilities at Suwannabhumi Airport, Don Muang Airport, Samui Airport and other airports.

8. Privileges under BOI Certificates

Airline Operations

We have obtained BOI Certificates for airline operations under Investment Promotion Act B.E. 2520 (as amended). Tax privileges under the BOI Certificates include (i) corporate income tax exemption for net profit for a period of eight years from the date of first income derived from such activity; (ii) import duties exemption for machines; (iii) dividend tax exemption for each project throughout the period of corporate income tax exemption; and if we suffer losses from the operation of the relevant aircraft during the period of corporate income tax exemption, we are permitted to deduct such losses from the net profits incurred after the period of corporate income tax exemption for a period of not exceeding five

years, whereby we may choose to deduct such losses from the net profit of any one year or several years. Non-tax privileges include the permission to import skill non-Thai experts/technicians in amounts and period as deemed appropriate by the Thai Board of Investment (the "BOI").

As of December 31, 2021, we have obtained 12 BOI Certificates under which the corporate income tax exemption for 38 aircraft of which 28 aircraft has been utilized under BOI certificates. The remaining BOI Certificates allow us to exercise tax exemption for 2 aircraft.

2. Airport-related Businesses

Apart from airline services and airport services, we also provide airport-related services including cargo terminal services, ground and passenger services and in-flight catering services to our flights and those of other airlines through our subsidiaries and associated companies as follows:

Company	Shareholding percentage	Relationship with the Company	Business Operations
BFS Ground	98.88	subsidiary	provides passenger services and ground support equipment services
BAC	90.0	subsidiary	provides in-flight catering services
BFS Cargo	49.0	Associated company	provides international cargo terminal services

Ground Services

Our ground services include passenger services and ground support equipment services. At the Suvarnabhumi International Airport, BFS Ground provides ground support equipment services on a contract basis for other airlines. Worldwide Flight Services Holding S.A. (“WFS”) provides certain services to BFS Ground, which include monitoring and evaluating the quality of the operational services, marketing the services and facilities of BFS Ground, developing controls and best practice for operating costs,

maintaining and administering all agreements of BFS Ground, including the Ground Project Agreement, and assisting in procuring relevant industry certification.

The AOT granted BFS Ground the right to operate ground equipment and ramp services under a build transfer-operate project agreement for a period of 20 years, commencing from September 28, 2006. BFS Ground’s principal competitor for its ground services is Thai Airways.



1. Passenger Services

BFS Ground provides a wide range of passenger services for airlines, scheduled flights, charter flights and private jets at the Suvarnabhumi International Airport. Passenger services include check-in and ticketing service, boarding service, baggage handling and interline baggage handling. BFS Ground provides ramp and passenger services to over 60 other airlines at the Suvarnabhumi International Airport. BFS Ground's passenger service contracts are typically for terms of two to three years, and are denominated in Thai Baht. As of December 31st ,2021, BFS Ground had over 40 air operators as clients

2. Ground Support Equipment Services

BFS Ground provides Ramp Service and Ground Handling Service to airlines operating in and out of Suvarnabhumi Airport including scheduled flights, charter flights, and private jets. These services consist of shuttle bus service for passengers, air crews, and baggage; aircraft reloading and unloading service; aircraft towing service; passenger stairs service, interior aircraft cleaning service, Air Conditioning Unit (ACU), Ground Power Unit (GPU), water supply unit, ground equipment maintenance service, and flight operations information service, etc

BFS Ground provides Ramp Service and Ground Handling Service to more than 90 airlines at Suvarnabhumi Airport. In general, the Ramp Service and the Ground Handling Service are engaged in two to three-year contracts with the service fee charged in Thai Baht. As of December 31st ,2021, BFS Ground had over 60 air operators as clients

BFS Ground is a service provider that is certified by the International Air Transport Association (IATA) Safety Audit for Ground Operations (ISAGO), the Occupation Health and Safety Management System-ISO 45001:2018 and Quality Management System- ISO9001:2015,

Cargo Services

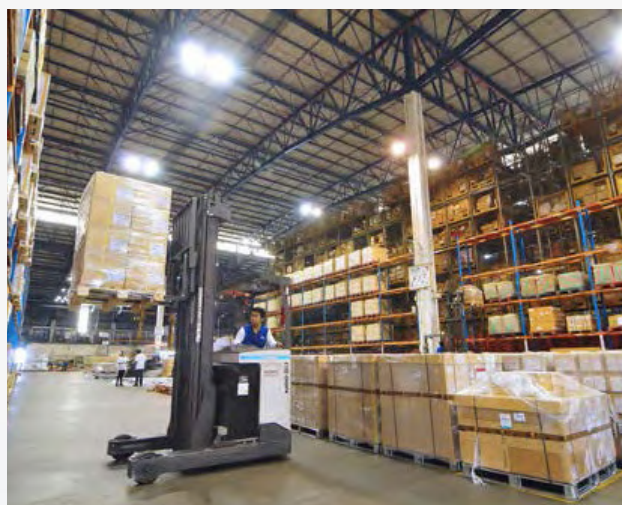
BFS Cargo who provides international cargo service at Suvarnabhumi Airport; has commissioned WFS, a worldwide ground handling and cargo service provider for airlines around the world; to manage and operate the cargo warehouse by controlling quality, evaluating the overall performance including service operations, marketing operations, and cost-effectiveness operation development. These are aimed to ensure that BFS Cargo follows all contractual commitments and the Cargo service contract, as well as to provide guidance and assistance in cargo warehouse operation to be in line with the international standard and being certified in a relevant industry.

BFS Cargo won a 20-year concession from AOT on a cargo operation contract from September 28th, 2006; the date

when Suvarnabhumi Airport was officially open. This allowed BFS Cargo to start providing service following the cargo operation contract on international air cargo at Suvarnabhumi Airport.

BFS Cargo's facilities enable it to handle premium cargo, including perishable goods and valuable cargo, in respect of which it is able to earn higher margins. Security in BFS Cargo's facilities is important to BFS Cargo. BFS Cargo has installed 165 closed circuit televisions located throughout its facilities, and in the areas where BFS Cargo stores high value cargo, BFS Cargo's facilities are equipped with static cameras. BFS Cargo also has x-ray machines to screen for explosives and has outsourced aviation trained security personnel.





BFS Cargo is certified its security standard by the Transported Asset Protection Association (TAPA-FSR-2017), quality Management System as in ISO 9001:2015. BFS Cargo was the first and only IATA (International Air Transport Association) Safety Audit for Ground Operations (“ISAGO”) and the Occupational Health and Safety Management System ISO 45001:2018). It also plays a role as a regulated agent 3 which refers to the third country cargo service provider who’s been audited and approved in the standard of EU flight operation and is also certified as a Regulated Agent Certificate from the Civil Aviation Authority of Thailand (CAAT).

BFS Cargo’s cargo terminal is a 55,370 square meter facility at the Suvarnabhumi International Airport. Within BFS Cargo’s facilities, it has a 39,744 square meter cargo warehouse and 15,626 square meter office space. The warehouse area consists of a 2,500 square meter cold storage area, a secured storage area with an enclosed steel vault and biometric access control for valuables, a dedicated ventilated area for livestock and storage for hazardous cargo. The capacity of BFS Cargo’s cargo facility is 523,000 tons per annum

As of December 31, 2021	2021	2020
Weight of handled cargo (Ton)	477,837	390,683
cargo tonnage (Ton per year) ⁽¹⁾	523,000	523,000
Utilization (percentage)	91.36	74.70

On December 31st, 2021; BFS Cargo had more than 50 clients under two to three-year contracts and the service fee is charged in Thai Baht. BFS Cargo one of the two cargo service providers at the Suvarnabhumi International Airport which the other provider is Thai Airways International.

In-Flight Catering

BAC, provides in-flight catering for passengers on our own flights as well as for passengers on other airlines. The AOT granted BAC the right to operate in-flight catering services under a build transfer-operate project agreement dated (the “Catering Project Agreement”) for a period of 20 years commencing from September 28, 2006.

Bangkok Air Catering’s facility is located at Suvarnabhumi

Airport with a size of approximately 20,000 sq.m. It is divided into a 10,000-sq.m. area for Halal meals preparation; 3,000-sq.m. area for general meals preparation, and 400 more square meters for Kosher meals preparation. BAC is capable of producing meals for all flights of The Company as well as other airlines including charter flights as in the following details.

As of December 31, 2021	2021	2020
Amount of produced and uplifted meals for our flights (million meals)	0.24	1.00
Amount of produced and uplifted meals for other airlines (million meals)	0.38	1.06
Average of produced and uplifted meals (meal)	1,684	5,635

BAC produces all meals in international standards namely the Good Manufacturing Practice (GMP) and Hazard Analysis Critical Control Point (HACCP) global standards. In addition, BAC is also Halal certified by the Central Islamic of Thailand and Kosher certified by the Thai Kashrut Services Ltd.

Apart from “the Company”, BAC now serves 26 airline clients with contracts typically for terms of one to three years. Such contracts are mostly priced in Thai Baht. Besides the in-flight catering service, BAC also provides meals and refreshments at The Company’s passenger lounge, both in Business and Economic Class, as well as

the Business Class Lounges for the other airlines at Suvarnabhumi international Airport.

BAC is among three other in-flight catering service providers at Suvarnabhumi international Airport which are namely Thai Airways International Public Company Limited, and LSG Sky Chefs Co., Ltd.

In 2021, aviation businesses had been heavily affected by the COVID-19 pandemic, “the Company” which produces meals for airlines was also affected, as can be seen from 2021 meals production statistics above. However, public health authorities predicted that COVID-19 omicron variant will be categorized as endemic within this year. In that case, the company is confident that the business will return to normal with more positive growth when the situation is resolved.



3. Airport Businesses

The company owns and operates three airports namely Samui Airport, Trat Airport and Sukhothai Airport.

Samui Airport

The Samui Airport is our most important airport in terms of passenger traffic and contribution to income. We commenced operations at the Samui Airport in 1989 as the only privately-owned public airport in Thailand. We commenced operations with the Samui Airport Incorporation License.

In 2005, the Samui Airport expansion was completed in order to increase the passenger capacity accommodation.

The Samui Airport operates 16 hours a day. The total area of the airport's premises is approximately 600 rai. The airport has one operating runway, with a length of 2,060 meters. The Samui airport has four taxiways with an area of approximately 28,000 square meters.

The airport can accommodate ATR 72-500/72-600, Airbus A319 and Boeing 737-400 aircraft, as well as business and private jets.

The airport has six terminals, which cover an area of 12,113 square meters, of which 1,939 square meters is commercial space. Within the arrival terminal, there are eight immigration officers on duty for 16 hours a day. Since August 2015, The Airport has provided more convenience to passengers by adding 10 common-use self-service (CUSS) kiosks at departure terminal.

In November 2006, we leased the assets of the Samui Airport to the Samui Property Fund for a period of 30 years from November 24, 2006 in accordance with the terms of the Long-Term Lease Agreement. Under the Long-Term Lease Agreement, we have agreed to, at our expense, among others, maintain the general environment of the Samui Airport and perform required marketing activities.



The Company continues to act as the operator of the Samui Airport in accordance with the terms and conditions under the Sub-lease Agreement and the service agreement dated November 24, 2006 (the “Service Agreement”). Under the Sub-lease Agreement, the Samui Property Fund sub-leased the Samui Airport to us for a three year term, renewable for up to nine additional three year terms upon agreement by both parties. Accordingly, we have the ability to sub-lease the Samui Airport for aggregate term of not exceeding 30 years. Under the Service Agreement, the Company agrees to provide services relating to equipment, machinery and other systems (such as equipment for maintenance of runway, communication system and other systems) in the Samui Airport to the Samui Property Fund for a period of 30 years from the date of the Service Agreement. The Company also agrees to pay to the Samui Property Fund, (i) rent in an amount of THB26.1 million per month and (ii) a service fee, which consists of a fixed service fee in the amount of THB21.4 million and a variable service fee in an amount calculated based on the formula specified in the Service Agreement.

Such formula is based on several factors, including the number of the departing passengers and the aircraft (excluding the rent of commercial areas within the Samui Airport).

Major revenues of the Samui Airport are obtained from passenger service charges, aircraft landing fee, aircraft parking fee and ground handling services fee charged to other airlines operating at the airport, and the rent of commercial areas within the Samui Airport.

Since we granted PGGS the right to provide ground services for other airlines at the Samui Airport, revenues from ground service charges provided to other airlines will not be directly paid to us. Instead, we obtain revenue from granting PGGS such rights. A substantial portion of our revenue from the Samui Airport operation will be paid to the Samui Property Fund as rent, fixed service fee and variable service fee and they will in turn be paid to us as dividend income because we hold a 25.0% ownership interest in the Samui Property Fund.



Trat Airport

Trat Airport was open in 2003 under the Trat Airport Incorporation License which is valid until March 14, 2026. It's located 387 kilometers east of Bangkok. Trat province is a border town between Thailand and Cambodia. Bangkok Airways is the only operator on this route. The airport premise has an area of approximately 1,300 rai. It has one operating runway with a length of 1,800 meters.

Trat Airport is among the three airports that belong to Bangkok Airways Public Company Limited. It's open for Bangkok Airways and other flights as well. The airport's ICAO Airport Reference Code is 4C. The runway is asphaltic concrete with a length of 1,800 meters, width of 45 meters, and the runway's outer area as specified by the standard of the ICAO (International Civil Aviation Organization). Trat Airport is open for service from 06.00 hrs. to 19.00 hrs. Presently, Trat Airport has the immigration and customs services in place. The landing fee at Trat Airport is priced according to the announcement of the Civil Aviation Authority of Thailand. The air traffic control service is available during the operating hours of the airport





Sukhothai Airport

We commenced operations at the Sukhothai Airport in 1998. Sukhothai is located 440 kilometers north of Bangkok. Approximately 600,000 people live in the town. Old Sukhothai, which is located 12 kilometers west, has been a UNESCO World Heritage site since 1991.

The Sukhothai Airport operates 12 hours. The total area of the airport's premises granted in a license is

approximately 1,018 rai. The airport has one operating runway with a length of 2,100 meters, one taxiway occupying an area of 3,870 square meters. The Sukhothai Airport has two operative aprons, with an area of approximately 9,975 square meters. The airport has two terminals which cover an area of 1,026 square meters, of which 784 square meters is commercial space.

Assets Used in Business Operations

Land and Main Buildings

The Company

Land and main buildings that the Company has ownership, right in possession or leasehold rights located in Thailand used for the purpose of operating its business in various locations are as follows:

Key features of the main fixed assets	Type of ownership	Accounting value (million baht) As of 31 December 2021	Collateral burden
Bangkok Airways PCL HDQ 20 -storey Building located at Vibhavadirangsit Rd Chatuchak District Bangkok	The Company has ownership in land and buildings	204.3	Mortgaged as collateral with financial institutions in the amount of mortgages of 2,000 million baht
Bangkok Airways PCL (Thub Suwan) 4-storey Building located at Bang-ploi District Samutprakarn	The Company has ownership in land and leasehold rights in some of buildings and land	224.8	Burden free
Bangkok Airways Hangar located at Sanambin Don mueang Vibhavadirangsit RD Bangkok	The Company has leasehold rights in land and buildings	3.8	None
Samui Airport located at Koh Samui District Suratthani	The Company has ownership in buildings and some of land and leasehold rights in some of buildings and land	1,537.6	Mortgaged as collateral with financial institutions in the amount of mortgages of 13,000 million baht
Sukhothai Airport located at Sawankhalok District Sukhothai	The Company has ownership in buildings and land and leasehold rights in some of land	526.7	Burden free
Trat Airport located at Khao Saming District Trat	The Company has ownership in some of land and ownership in buildings and possessory right in some land	772.8	Burden free

Bangkok Air Catering Co., Ltd.

Key features of the main fixed assets	Type of ownership	Accounting value (million baht) As of 31 December 2021	Collateral burden
Fixed assets and right-to-use assets for building and improvement of building and kitchen equipment	The Company has the right to use building and the improvement of building (according to the lease contract)	68.4	None









Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.

Key features of the main fixed assets	Type of ownership	Accounting value (million baht) As of 31 December 2021	Collateral burden
Fixed assets and right-to-use assets for building and improvement of building	The Company has the right to use building and the improvement of building (according to the lease contract)	349.2	None
Machinery and equipment for operations	The Company has ownership	443.1	None





Trademarks, servicemarks and copyright

The Company




The following table shows the Company's trademarks and products that use the said marks






No.	Trademark	Product	Expiry date
1		<ul style="list-style-type: none"> • Postcard 	9 October 2027
2		<ul style="list-style-type: none"> • Clock/Watch, keychain made from valuable metal 	9 October 2027
3		<ul style="list-style-type: none"> • Clothes (except underwear and sportswear) • Jacket • Cap 	9 October 2027
4		<ul style="list-style-type: none"> • Batik fabric 	9 October 2027
5		<ul style="list-style-type: none"> • Brooch 	9 October 2027
6		<ul style="list-style-type: none"> • Cosmetic bag • Multi-purpose bag • Passport bag • Waistpack • Leather envelope • UV sun umbrella 	9 October 2027
7		<ul style="list-style-type: none"> • Magazine 	22 April 2028
8		<ul style="list-style-type: none"> • Plant • Natural flower 	1 September 2023

The following table shows the Company's trademarks and products that use the said marks registered in Cambodia

No.	Trademark	Product	Expiry date
1		<ul style="list-style-type: none"> • Pocket watch • Chronograph watch • Watch box • Keychain (decorative items or for car remote control) • Coin • Pin (Neck tie) • Tie clip • Tie pin • Souvenir coin (copper) • Wrist watch 	17 July 2022
2		<ul style="list-style-type: none"> • Card box (notepad) • Handbag • Men's wallet • Ladies' purse • Travel bag/suitcase • Umbrella 	17 July 2022
3		<ul style="list-style-type: none"> • Pocket watch • Chronograph watch • Watch box • Keychain (decorative items or for car remote control) • Coin • Pin (Neck tie) • Tie clip • Tie pin • Souvenir coin (copper) • Wrist watch 	17 July 2022
4		<ul style="list-style-type: none"> • Card box (notepad) • Handbag • Men's wallet • Ladies' purse • Travel bag/suitcase • Umbrella 	17 July 2022

The following table shows the Company's servicemarks and products that use the said marks

No.	Servicemarks	Service	Expiry date
1		<ul style="list-style-type: none"> • Air transport • Land transport • Water transport • Ship transport • Passenger transport • Bus transport • Sight seeing service • Travel service • Parking service • Goods transport • Ticket booking • Mail and parcel delivery • Newspaper delivery • Visitor care • Vehicle parking space rental service • Vehicle rental • Aircraft hangar rental 	9 October 2027
2		<ul style="list-style-type: none"> • Air transport • Land transport • Maritime transport • Ship transport • Passenger transport • Bus transport • Sight seeing service • Travel service • Parking service • Goods transport • Ticket booking • Mail and parcel delivery • Newspaper delivery • Visitor care • Vehicle parking space rental service • Vehicle rental • Aircraft hangar rental 	13 May 2031
3		<ul style="list-style-type: none"> • Bus transport • Passenger transport • Warehouse • Ticket sales • Travel booking • Travel information 	1 September 2023

No.	Servicemarks	Service	Expiry date
4		<ul style="list-style-type: none"> • Food and Beverage supplies 	1 September 2023
5		<ul style="list-style-type: none"> • Museum exhibit 	1 September 2023
6		<ul style="list-style-type: none"> • Food and beverage supplies • Restaurant 	1 September 2023
7		<ul style="list-style-type: none"> • Bus transport • Passenger transport • Warehouse • Ticket sales • Tavel booking • Travel information 	1 September 2023
8		<ul style="list-style-type: none"> • Air transport • Passenger transport • Ticket sales, travel service • Tavel booking • Travel information 	16 September 2023

The following table shows the Company's servicemarks and products that use the said marks registered in Cambodia

No.	Servicemarks	Service	Expiry date
1		<ul style="list-style-type: none"> • Air transport • Aircraft rental • Travel service • Ship transport • Travel booking • Broker service (transport) • Bus transport • Car transport • Cargo transport • Freight service • Travel information service • Pilot service • Booking service (transport) • Booking service (travel) • Transport • Freight booking • Travel information • Warehouse rental 	17 July 2022
2		<ul style="list-style-type: none"> • Advertisement space (rental) • Hotel management • News clipping • Advertisement on media channel • Airtime rental on media channel 	17 July 2022
3		<ul style="list-style-type: none"> • Advertisement space (rental) • Hotel management • News clipping • Advertisement on media channel • Airtime rental on media channel 	17 July 2022
4		<ul style="list-style-type: none"> • Air transport • Aircraft rental • Travel service • Ship transport • Travel booking • Broker service (transport) • Bus transport • Car transport • Cargo transport • Freight service • Travel information service • Pilot service • Booking service (transport) • Booking service (travel) • Transport • Freight booking • Travel information • Warehouse rental 	17 July 2022

The following table shows list of computer programs that the Company has notified copyright


No.	Details	Registration No.
1	BANGKOK AIRWAYS INTERNET RESERVATION AND TICKETING SYSTEM (BIRTS)	Wor1. 1294
2	EMERGENCY RESPONSE TEAM SYSTEM (ERTS)	Wor1. 2906
3	SHORT MESSAGE SERVICE GATEWAY (SMS-GW)	Wor1. 2905
4	PG TIME ATTENDANT (PGTAS)	Wor1. 2904
5	HUMAN RESOURCES MANAGEMENT SYSTEM (HRMS)	Wor1. 2903
6	FINANCIAL INTEGRATED SYSTEM (FIS)	Wor1. 2902
7	INVENTORY SYSTEM	Wor1. 2901
8	BANGKOK AIRWAYS INTERNET RESERVATION AND TICKETING SYSTEM (BIRTS) VERSION 4	Wor1. 2899
9	CASE MANAGEMENT SYSTEM(CMS)	Wor1. 2900
10	GOA1 CREATE CASH COMPENSATION	Wor1. 5285
11	GOA1 REIMBURSE PROCESSING (REVIEWER)	Wor1. 5286
12	GOA1 REIMBURSE PROCESSING (APPROVER)	Wor1. 5287
13	GOA2 CREATE UPLIFT RECORDING	Wor1. 5288
14	GOA2 REVIEW UPLIFT RECORDING	Wor1. 5289
15	GOA2 APPROVE UPLIFT RECORDING	Wor1. 5290

Bangkok Air Catering Co., Ltd. (BAC)

The following table shows trademarks of BAC and products that use the said marks

No.	Trademark	Product	Expiry date
1		• Fruit juice, vegetable juice, drinking water	3 June 2029
2		• Ready-to-eat meals mainly consisting of meat and vegetables	3 June 2029
3		• Ready-to-eat meals mainly consisting of rice, cake, bread, pies, cookies	3 June 2029

The following table shows service marks of BAC and products that use the said marks

No.	Trademark	Service	Expiry date
1		• Food and beverage service	3 June 2029

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Marketing and Competition

Marketing

Promoting Passenger Experience

We are committed to enhancing our passenger experience by providing them with premium, quality services, including the use of complimentary lounges at the airports, friendly and passenger- r-focused service, a modern and fuel efficient fleet of aircraft and cultural and leisure destinations.

We distinguish our passenger experience with complimentary lounges for all passengers. Our economy class lounges offer our passengers free snacks, beverages and Internet access. We also operate separate business class lounges, to service our business class passengers. Our business lounges offer hot meals, shower rooms.

To provide the highest quality customer service, we employ staffs who have English proficiency, friendly, and professional. Staffs are selected through a rigorous recruitment process, which is followed by extensive and ongoing training and performance management activities. We specifically budget for training for each customer service personnel every year to ensure staffs are fully prepared to assist passengers effectively and efficiently.

Advertising and Marketing

We believe that Thailand's popularity as a tourist destination has historically provided us with a competitive advantage. Our marketing efforts have historically emphasized the unique appeal of Thai culture, including the attributes of hospitality and friendliness, with the goal of enhancing our positioning as a boutique airline and building a strong reputation of quality personal service.

Our expenditure on marketing relates primarily to media advertising, support to tour operators and travel agents. We advertise mainly through our Internet website, social media, international and domestic trade fairs, outdoor billboards, newspapers and television and radio commercials.

While our marketing efforts focus on destinations within Thailand and Southeast Asia, through our code-share and other cooperative arrangements and our general sales agents and marketing offices located in various locations internationally, we are also able to reach international passengers connecting domestically and regionally to the destinations we serve.

Pricing and Revenue Management

Our business is impacted by the number of passengers flown and the fares charged. We have implemented a revenue management system to maximize revenues by flight, by market and across our entire operations. Revenue management is an integrated set of business processes used to calculate the optimal pricing and seat inventory for premium and budget passengers to maximize revenue generated by the sale of tickets based on forecasting of demand behaviour for each market.

Through our current revenue management system, we seek to maximize revenue per flight by optimizing allocation of seat inventory in the fare classes. We have a multiple pricing structure to meet the varying demands of each market segment. Certain of our aircraft cabins are physically divided into business and economy cabins and virtually divided into 16 fare sub-classes. We

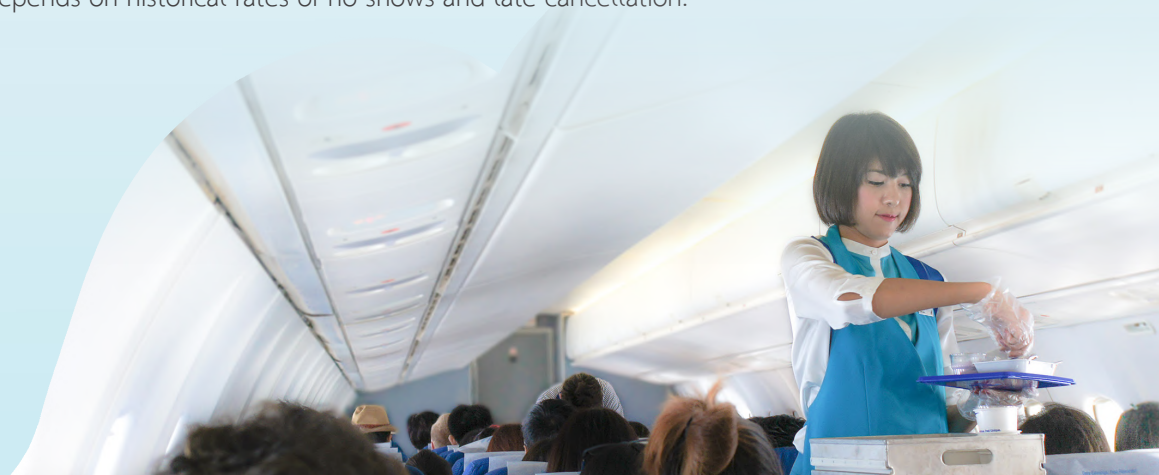
determine the number of seats offered at each fare through a continual process of competitive analysis, being one of the most critical processes in revenue management, forecasting and optimization. Booking history and seasonal trends are used to forecast anticipated demand. We use historical forecasts, combined with current bookings, upcoming events, competitive pressures and other factors to establish a fare structure to maximize revenues.

We use Air Vision Revenue Manager, a revenue management system developed by Sabre Inc. This system uses forecasting and optimization models to rapidly analyze economic trade offs required to determine the number of seats offered at each fare, which enables us to maximize revenues from existing capacity. We have implemented this system with respect to all of our international and domestic routes since 2008.

We actively manage passenger yields through our marketing and sales policies to maximize passenger revenues. Among other measures, we seek to increase passenger revenues by:

1. Simplifying the pricing structures and at the same time, introducing pricing policies at each point of sale to match the characteristic of each point of sale and channel in order to maximize yield and minimize revenue dilution;
2. Introducing automated ticketing to prevent revenue losses due to human error and increase revenue from optional service fees such as excess baggage fees;
3. Employing marketing initiatives in high-yield markets such as Samui and Siem Reap;
4. optimizing seat allocation within each booking category according to fare classes and forecasted demand based on historical data for each route (such as by allocating fewer lower fare seats for routes with higher expected demand); and
5. Optimizing priority allocation to passengers based on forecast demand to maximize revenue on a network basis rather than on an individual sector basis

Like most other airlines, we overbook some flights to account for no-shows. Our overbooking percentage varies route by route and depends on historical rates of no-shows and late cancellation.



Maintaining frequent customers by FlyerBonus

Since its establishment in 2005, our frequent flyer program, FlyerBonus, has played a key role in our marketing strategy and is one of our principal means of creating and retaining customer loyalty. FlyerBonus has two membership tiers: regular and premier. We believe our frequent flyer program promotes loyalty by offering fare redemption for continued patronage. Members can earn mileage credits on our flights and with all of our code-share partners. Mileage credits can be redeemed for free, discounted or upgraded travel on our flights or exchanged for certain goods sold through in-flight sales. Including all of our code-share partners,

financial institutions, car rental companies and local and international hotel chains, allowing members to earn miles through everyday spending, car rentals and hotel stays.

Additionally, FlyBonus continues to reward members by constantly offering more benefits for examples, offering discounts and benefits from hotels, shops, and over 200 well-known restaurants in Bangkok Airways' routes. Also, the special point promotions allow members to redeem awards from the airline and partners' co-promotions.

The screenshot displays the Bangkok Airways FlyerBonus website. At the top, the Bangkok Airways logo and 'FlyerBonus' text are visible, along with links to 'go to www.bangkokair.com', 'Language' (with Thai and English flags), 'Sign In', and 'Join FlyerBonus'. A navigation bar includes links for 'About FlyerBonus', 'Earn Points', 'Redeem Awards', 'Promotions & Privileges', 'News', 'Services & Support', 'Show Your Card', and 'Add Points'. The main banner features a 'FIRST FLIGHT BONUS' sign, 'DOUBLE Points*' for new members, and a 'Don't forget to register first!' stamp. It also states 'Enrol, Travel and Register: 1 January - 31 December 2022' and includes a 'Terms and conditions apply' link. Below the banner, there's a 'Book and Stay Special' promotion with 'RECEIVE TRIPLE POINTS' and a 'FlyerBonus Member Sign in' section with fields for ID and password. A cookie consent banner is at the bottom.

Book and Stay Special
Rates starting from THB2,000
RECEIVE TRIPLE POINTS*
Valid until 31 March 2022

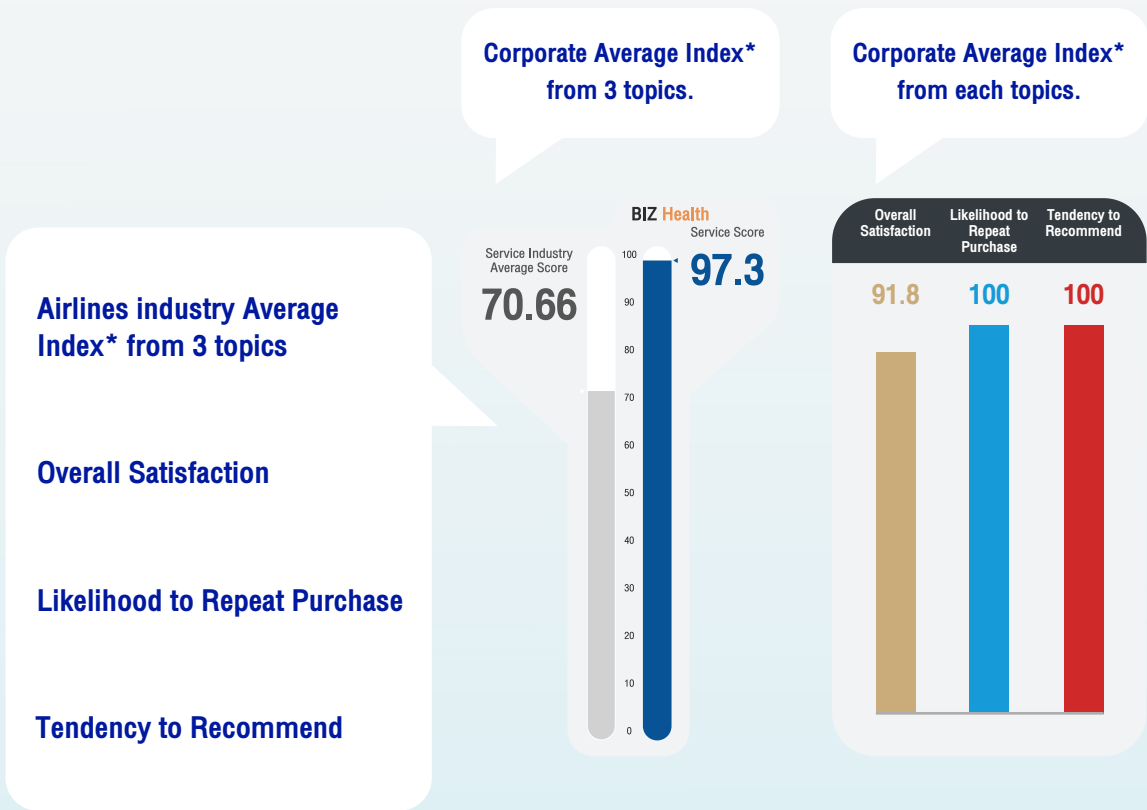
FlyerBonus Member Sign in
Please enter your FlyerBonus ID and password
FlyerBonus ID
Password
Sign In

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Our target customers

Our target customers are primarily tourists, as we believe that we are well-positioned to benefit from the growth of tourism in Thailand. Our boutique business model provides extra amenities to our customers such as lounge services without charging additional cost, while also supporting our ability to maintain full service fares, which we believe differentiates us from our competitors. Our

passenger base consists of primarily international passengers, and still continue to increase continuously. Our domestic passenger base concurrently to benefit from the expanding domestic passenger market and to minimize our dependence on international passengers. The company has prepared the Customer’s Satisfaction survey of 2021



*Remark : Index compute with weighted calculaution

Bangkok Airways Average index is 97.5 higher than Aviation industry is 70.66

Sales and Distribution

We have two principal distribution channels: direct sales through our sales offices, call center and website, and indirect sales

1. Direct sales

Direct sales are made at sales offices, ticket counters, airport counters, Call Centers and on our website.

Sales offices, ticket counters and airport counters.

We operated sales offices via 50 selling agents located in Canada, Australia, Europe, Thailand, Singapore, Hong Kong, Cambodia, Laos and Myanmar. We also sell tickets at our ticket counters located in the airports which we

serve. These sales offices, ticket counters and airport counters allow guests to walk in to make or change reservations and settle payments either in cash or by using a credit or debit card.



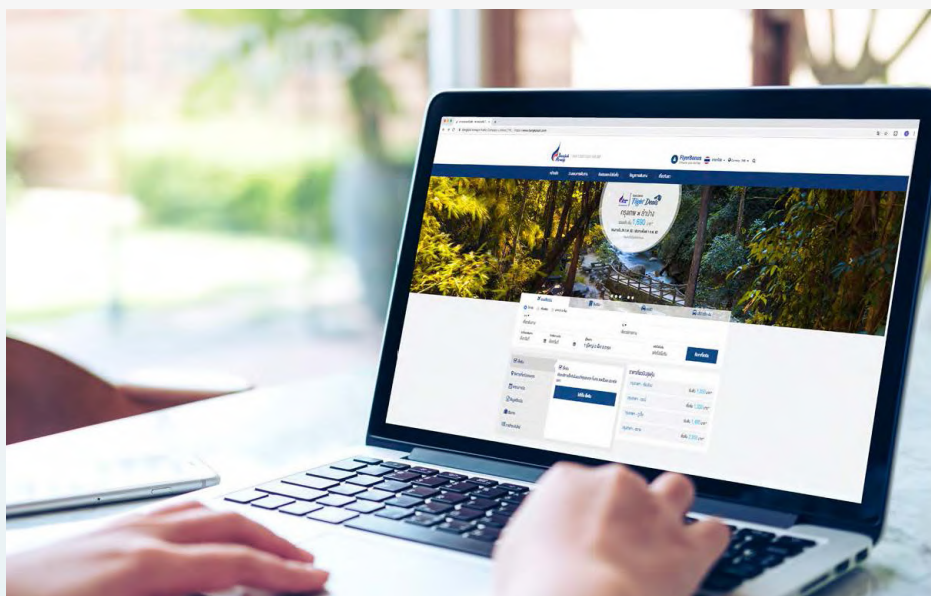
Call Centers

The 1771 Call Center, servicing 24 hours a day, is a key channel that provides convenient access to the service for passengers; such as product and service information enquiry, ticketing and reservation, payment, flight change charges, or other special services including ticketing and reservation for medical care service and check-in service

through the Call Center for passengers on domestic routes traveling without checked luggage. Apart from the Call Center, passengers can also make a contact through e-mail at reservation@bangkokair.com or the 24-hour PG Live Chat.

Internet

We rely on our website, <http://www.bangkokair.com>, for our Internet sales. Online bookings are paid for by credit card or direct debit, reducing credit risk and accounting processes. This also improves our operating cash flows as all revenues from Internet sales are received directly by our acquiring bank for crediting to our account. In 2010, we upgraded our website to increase Internet sales and reduce agency commissions. We also revamped the layout to be more sales-focused with more prominent fares and promotional displays. Use of the Internet to make flight reservations increased respectively. The Internet has become our least expensive distribution channel as it requires lower overhead and operating costs.



2. Indirect sales

We generally appoint general sales agents in locations inside and outside Thailand in order to reach a broader customer network. We have general sales agents in various locations including the United States, Canada, Australia and Europe. General sales agents perform similar functions to our own sale offices, including marketing, promotional functions and ticket sales. General sales agents are particularly important for code-share flights arriving from international destinations to connect to our domestic and regional flights. IATA-authorized sales agents may also sell tickets on our flights. We became a member of the IATA BSP in the year 2000, we had established relationships with over 40 countries around the world to

sell our tickets through IATA-authorized sales agents. Payments for tickets sold through IATA-authorized Sales agents are typically settled via a bank settlement plan administered by IATA. The services that travel agents provide are particularly useful for travellers who do not have Internet access and/or credit cards, especially in rural remote areas of Thailand or in other developing countries.

Besides managing the sale channel through the Global Distribution System (GDS); and online travel agent (OTA) which has shown an exponential growth worldwide

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The Risk Management

Bangkok Airways Public Company Limited (the Company) is determined to develop Risk Management Process to ensure that the process would help the Company to achieve its goal and create added value for the organization, shareholders and stakeholders. The Company set plans and measures to mitigate risks that may occur internally and externally and set measures to manage emergency when operation is interrupted. These measures are consistently monitored and reviewed by management to ensure risks are reduced to an acceptable level and that the Company can continue to operate.

The Company established Risk Management system applicable to Bangkok Airways Public Company Limited and its subsidiaries according to COSO-ERM framework. The system is always updated to respond to changing business environment in order to add value to the whole value chain and create risk management culture throughout the organization under corporate risk management framework.

Both the Company and its subsidiaries set explicit objectives for management of risk and integrated risks into two levels - Entity Level and Activity Level - with focus on elimination or mitigation of significant risks such as operation risk, safety, health and environmental risk; observation of rules and regulations and comparison of risk and costs.

Risk Factors

1. Risks Relating to Our Business

1.1 Our business, financial condition, results of operation and prospects are materially and adversely affected by the cost or unavailability of sufficient quantities of fuel.

Aircraft fuel costs represent the largest component of our cost of sales and services, comprising 17.3% and 9.4% of our total consolidated cost of sales and services in 2020, 2021 respectively. As jet fuel constitutes a substantial portion of our operating costs, a relatively small increase in fuel costs can have negative effect on our operating costs. In the event of a jet fuel supply shortage, higher jet fuel prices or the curtailment of our scheduled service could result.

In 2020 the sudden and severe impact on jet fuel price caused average price of MOP in April 2020 to decrease to USD 21.26 a barrel. However when rate of Covid-19 vaccination world wide increased, air travel industry tended to follow in the same direction and improve, with continuous increase of average price of MOP closing

at USD 83.516 per barrel, a 44% increase from the price at the beginning of 2020.

Normally, we would enter into jet fuel derivative contracts to manage our risks resulting from future changes in jet fuel prices. But as the Covid-19 infection continued to spread, the situation is changeable and unpredictable. Therefore in 2020 we did not enter into jet fuel derivative contracts so that on 31 December 2020 the Company did not have any obligation towards fuel price hedging program whatsoever. In any case we cannot assure you that our fuel hedging program will be sufficient to fully protect us against increases in price of fuel. Additionally, we are also exposed to potential losses from our other hedging activities.

1.2 Our business, financial condition, results of operation and prospects have been in the past and could be in the future materially and adversely affected in the event of an emergency, accident or incident involving any of our aircraft.

We are exposed to potential significant losses in the event that any of our aircraft is lost or subject to an emergency, accident, terrorist incident or other disaster and we incur significant costs related to passenger claims, repairs or replacement of a damaged aircraft and its temporary or permanent loss from service. We cannot

assure you that we will not be involved in any similar or other more serious events, including one where injuries or death occur, in the future. We cannot assure you that the amount of our insurance coverage will be adequate to cover the losses or damages from any future accidents or incidents.

1.3 Changes in code-share agreements with other airlines may have an adversely negative effect on our business, financial condition, results of operation and prospects.

As of December 31st, 2021, we had code-share agreements in place with 27 airlines. This resulted in revenue generation for us from our code-shared partners. We expect more reliance on our code-share arrangements. However, we cannot assure you that we will not be adversely affected by any future changes in our relationships with our code-share airlines. Moreover, certain of our

code-share agreements can be terminated with 30-days written notice, without cause, or immediately, with cause. Any unexpected or premature termination of our code-share agreements may have adverse effect on our business, financial condition, results of operation and prospects.

1.4 The intense competition in the airline industry along with competition from other forms of transportation could materially and adversely affect our business, financial condition, results of operation and prospects.

We have faced a high level of competition on our domestic and international routes. Airlines compete primarily on fare levels, frequency, reliability of service, brand recognition, passenger amenities, frequent flyer programs and the availability and convenience of other passenger services. In addition, some of the airlines with which we compete are larger and may have greater brand recognition, financial resources and penetration in key markets, including Thailand. They may be in a better position to operate unprofitable routes for a longer period of time than us.

include other full-service operators, low-cost operators and other forms of transportation. We face competition on our principal domestic routes primarily from carriers such as Thai Airways, Thai AirAsia, NOK Air, Thai Smile and Thai Lion Air. In addition, additional carriers may desire to fly in and out of Samui in the future. The intensity of competition varies from route to route. We cannot assure you that our competitors will not engage in price cutting or other activities in an attempt to shift market share, which may have adverse effect on our business, financial condition, results of operation and prospects.

Our competition for our scheduled passenger services

1.5 Our airline and airport businesses are heavily dependent on travel to Thailand and the broader Southeast Asian markets, by Thai, regional and European passengers, and a reduction in demand for air travel in these markets may have a material adverse effect on our business, financial condition, results of operation and prospects.

The airline business is our core business, contributing 55.20% of our total consolidated revenues in 2021. It comprises air transport services for passengers domestically and internationally. Our growth has focused and will continue to focus on adding domestic and international flights to and from our operations at the Suvarnabhumi International Airport, Samui Airport and Chiang Mai Airport. Our business, financial condition, results of operation and prospects would be affected by any circumstances causing a reduction in demand for air transportation in Thailand, including adverse changes in local economic conditions, declining interests in Thailand as a tourist destination, or significant price increases as a result of increases in airport access costs and fees imposed on passengers.

We believe that a substantial majority of our passenger traffic on our airline and at our airports comprises tourists

attracted by Thailand's appeal as a tourist destination. Accordingly, we are dependent on the health of the Thai tourism industry. We have experienced a significant decline in international passenger traffic by a number of political demonstrations and strikes as well as reports of violence in certain areas of Bangkok including plague. Our business is adversely affected by any circumstances causing deterioration in Thailand's appeal as a tourist destination, such as continued internal political instability, adverse changes in international economic conditions. We cannot assure you that we will be able to take any preventive measures to mitigate potential negative impacts to our operations. Moreover, as some of our interline passengers originate from Europe, any negative external factors affecting travel from Europe could have adverse effect on our business, financial condition, results of operation and prospects.

1.6 Our subsidiary and associated companies have been granted concessions to provide airline related services at the Suvarnabhumi International Airport.

Our subsidiary and associated companies have entered into project agreements with the AOT to provide airport-related services at the Suvarnabhumi International Airport, including cargo terminal services, ground services and in-flight catering services, with a term of 20 years, expiring September 27, 2026. BFS Ground and BAC contributed 11.2% and 3.0%, respectively. We cannot guarantee you that one or more of our project agreements will not be terminated before their expiration. If our

subsidiary and associated companies are unable to renew or extend their project agreements upon expiration or termination, our subsidiary and associated companies will lose their rights to operate the relevant businesses resulting in our loss of revenue stream resulting from such business, which will have adverse effect on our business, financial condition, results of operation and prospects.

1.7 Compliance with environmental laws and regulations may affect our existing and future operations and result in additional costs.

The airline industry is subject to environmental laws and regulations and will likely be subject to more stringent environmental laws and regulations in the future. These environmental laws and regulations relate to, among other issues, aircraft noise, the use and handling of hazardous materials, air emissions and environmental contamination clean-up. Several countries have issued a number of environment related directives and other regulations including regulations relating to aircraft noise, exhaust and age. Further, environmental regulations, especially those with respect to noise and air pollution,

have evolved rapidly and are expected to continue to evolve in ways that may require the termination of use of certain models of aircraft if they do not conform to the regulations. These requirements impose substantial ongoing compliance costs and operational restrictions on airlines, particularly as new aircraft brought into service will have to meet the environmental requirements during their entire service life. Compliance with these laws and regulations could increase our expenses or restrict our ability to continue to expand some of our operations.

1.8 Our maintenance costs will increase as our fleet ages.

The average age of our aircraft was 11.2 years as of December 31, 2021. Generally, the cost of maintaining aging aircraft will exceed the cost of maintaining newer aircraft. As our fleet continues to age, it will require more maintenance and our maintenance expenses will increase on an absolute basis, on an available seat kilometer basis and as a percentage of our operating expenses (provided our other operating expenses remain constant).

Any significant increase in maintenance expenses will have an adverse effect on our business, financial condition, results of operation and prospects. Older aircraft typically feature older cabin products, and generally require more frequent maintenance, which may result in disruptions of flight schedules, and generally affect customer satisfaction and perceptions of our airline, each of which may generally reduce our competitiveness.



1.9 We may incur a significant amount of debt in the future to finance the acquisition of aircraft, capital expenditure or expansion plans.

We have historically leased most of our aircraft pursuant to operating lease arrangements. However, we may consider purchasing a portion of our aircraft requirements in the future. We entered into a sale and purchase agreement for nine new ATR 72-600 aircraft. The delivery seven aircraft of all. We are likely to require financing and incur significant amounts of debt to fund such acquisitions. If we are unable to obtain such financing, we will remain obligated to take delivery of the nine aircraft and will be required to finance through alternative funding sources or renegotiate with the vendor or default under the sale and purchase agreement. We may also

obtain debt financing to finance our operations. If we are unable to obtain financing for new aircraft on acceptable terms, this may affect our profitability and delay our fleet expansion plans. Moreover, our future credit facilities may contain covenants that limit our operating and financing activities and require the creation of security interests over our assets. Our ability to meet our payment obligations and to fund planned capital expenditures will depend on the success of our business strategy and our ability to generate sufficient revenues to satisfy our obligations, which are subject to many uncertainties and contingencies beyond our control.

1.10 We may not be successful in implementing our business strategy

Our business strategy involves increasing the number of our aircraft, increasing the frequency of our flights to destinations we currently serve, expanding the number of destinations we serve and that is part of our extended code-share network and stimulating growth in the markets that we serve. Achieving our business strategy is critical to the success of the Company

International Airport, Samui Airport, Chiang Mai Airport, and other Airports where we operate flights. Any failure to obtain these traffic rights, airport departure and landing slots or approvals, to add additional code-share arrangements, or to add additional departure and landing slots may have adverse effect on our business, financial condition, results of operation and prospects

Increasing the number of destinations that we serve depends on our ability to obtain suitable landing slots in airports located in our targeted markets in a manner that is consistent with our strategy. We need to obtain air traffic rights and airport landing slots before we can commence services to new destinations. Increasing the number of destinations, increasing the frequency to the destinations that we currently serve depends on our ability to obtain additional departure and landing slots in such destinations, including at the Suvarnabhumi

We expect a number of planned future destinations. Adding service to new destinations may require us to commit a substantial amount of financial and other resources, even before the new service commences, and we may initially experience low load factors and be required to offer promotional fares to new destinations, which will adversely affect the profitability of these new destinations., which may affect our business, financial condition, results of operation and prospects.

Other factors that may have an impact on our business strategy include:

- the general condition of the Thai, Asian and global economies and the global capital markets;
- demand for regional air transportation;
- barriers to entry into the Thai and Southeast Asian aviation market;
- our ability to operate and manage a larger operation cost-effectively;
- our ability to acquire additional licenses and traffic rights to our targeted geographical markets in order to expand our route portfolio;
- our ability to hire, train and retain sufficient numbers of pilots, cabin crew and engineers for our aircraft;
- our ability to source and take delivery of aircraft on a timely basis; and
- our ability to obtain the financing necessary to pay for expansion at cost-effective rates.

Many of these factors are beyond our control. We cannot assure you that we will be able to successfully expand within our existing markets or establish new markets, and any failure to successfully implement our business strategy may have a material adverse effect on our business, financial condition, results of operation and prospects.



1.11 Our ability to set fares on certain segments of our business is constrained by fare ceilings set by the Government.

As an airline company, we are regulated by the Government through, among others, The Civil Aviation Authority of Thailand. The Civil Aviation Authority of Thailand is the regulatory authority responsible for regulating the Thai aviation sector. The Civil Aviation Authority of Thailand issues operating licenses required for our flight operations, sets price caps for airfares on domestic passenger services sold in Thailand, regulates fuel surcharges for scheduled domestic passenger and cargo services and agrees international bilateral air service

agreements with other countries. Our domestic fares are subject to fare ceilings prescribed by The Civil Aviation Authority of Thailand. Our revenue from domestic passenger services accounted for 60.9% and 66.0% of our revenues from passenger services in 2014 and the 2015, respectively. Any adverse changes in these policies, in addition to other regulations and policies governing airline operations, could have adverse effect on our business, financial condition, results of operation and prospects.



1.12 Fluctuations in currency exchange rates may have an adverse impact on our business, financial condition, results of operation and prospects.

Due to the geographic diversity of our business, we receive revenue and incur expenses in a variety of currencies, in particular the Thai Baht, and U.S. Dollar. However, most of our maintenance, aircraft leasing, jet fuel supply, insurance contracts and substantially all of our purchase contracts with respect to aircraft spares are denominated in U.S. Dollars. A number of currencies, have experienced significant volatility, which could be detrimental depending on our foreign exchange position with respect to both our income and expenses. We may, in the future, enter into derivative contracts to hedge our foreign exchange exposure. However, we cannot assure you that such hedges will be available or commercially viable or

effective to hedge our exposure to foreign currency risks. We may enter into U.S. Dollar commitments in the future, including in relation to future purchases of aircraft. Therefore, any depreciation in the Thai Baht against these foreign currencies would increase our obligations. There can be no assurance that we would be able to generate revenue increases sufficient to offset such increased obligations. As a result, fluctuations in the value of the Thai Baht against other foreign currencies may affect our business, financial condition, results of operations and prospects.

1.13 We are exposed to certain risks against which we do not insure, and may have difficulty obtaining insurance on commercially acceptable terms or at all.

Insurance is fundamental to airline and airport operations. As a result of terrorist attacks or other world events, certain aviation insurance could become unavailable or available only for reduced amounts of coverage that are insufficient to comply with the levels of coverage required by our aircraft lessors or applicable government regulations. Any inability to obtain insurance, on commercially acceptable terms or at all, for our general operations or specific assets would have a material adverse effect on our business, financial condition, results of operation and prospects.

incurred by us exceed the amount insured, we could have to bear substantial losses which may have adverse effect on our business, financial condition, results of operation and prospects. In line with industry practice, we leave some business risks uninsured, including business interruptions, loss of profit or revenue. To the extent that uninsured risks materialize, our business, financial condition, results of operation and prospects could be materially and adversely affected.

We cannot assure you that our coverage will cover actual losses incurred. To the extent that actual losses

2. Risk Relating to the Aviation Industry

2.1 The airline industry tends to experience adverse financial performance during general economic downturns.

It is difficult to predict the effects of a global economic downturn. The airline industry is characterized by low profit margins and high fixed costs. A significant proportion of our expenses, including depreciation, maintenance and overhaul, aircraft handling and navigation fees, finance costs, operating lease payments and labor costs for flight deck and cabin crew and ground personnel do not vary based on our load factors, while revenue generated from a flight is directly related to the number of passengers

or cargo carried and the fare structure. A change in the number of passengers in relevant markets or in pricing, load factors, or traffic mix could have a disproportionate impact on our business, financial condition, results of operation and prospects. In addition, a minor shortfall in expected revenue levels could have adverse effect on our financial performance.



2.2 Limitations of Bangkok's airports and other Thai airports may inhibit our ability to increase our aircraft utilization rates, improve our on-time performance and provide safe and efficient air transportation.

Although Thailand's commercial aviation infrastructure has improved substantially with the opening of the Suvarnabhumi International Airport in September 2006 and the re-opening of Don Mueang International Airport to domestic flights in March 2007, the resources of many segments of the commercial airline industry, including airport facilities and air traffic control systems, have been strained by the rapid increase in air traffic volume. Our ability to increase utilization rates, improve our on-time performance and provide safe and efficient air transportation in the future depends in part on factors beyond our control, including:

- capacity of landing slots, passenger capacity at terminals and air traffic congestion in major hub airports that we serve, particularly at the Suvarnabhumi International Airport in Bangkok and the Phuket Airport;
- the quality of the management of Thai airports by the relevant operator;

- the quality of national air traffic control;
- the quality of navigational systems and ground control operations at Thai airports;
- limitations on runway length and/or strength which restrict our aircraft payload;
- the quality of infrastructure at regional airports that we serve; and
- any increased security measures.

If any of these factors is inadequate, our ability to expand our route network or to increase the frequency of flights on our existing routes, improve our on-time performance and to provide safe air transportation will be compromised, and our business, financial condition, results of operation and prospects may be adversely affected.

2.3 The airline industry is exposed to extraneous events such as terrorist attacks, outbreak of contagious diseases and extreme weather conditions.

Terrorist attacks and their aftermath had a negative impact on the airline industry. The effects experienced by the airline industry include increased security and insurance costs, increased concerns about future terrorist attacks, airport shutdowns, flight cancellations and delays due to security breaches and perceived safety threats, and reduced passenger traffic and yields due to the subsequent drop in demand for air travel globally. Terrorist attacks, or the fear of such attacks, or otherworld events could result in decreased passenger load factors and yields and could also result in increased costs for the airline industry, including us. If any similar events or circumstances occur in the future, our business financial condition, results of operation and prospects could be adversely affected.

An outbreak or contagious disease with the potential to become a pandemic or the measures taken by the governments of affected countries against such potential outbreaks could also disrupt our operations, which could

have an adverse effect on our business, financial condition, results of operation and prospects.

During the typhoon season or periods of other adverse weather conditions in Thailand or elsewhere, flights may be cancelled or significantly delayed. Thailand has experienced a number of major natural catastrophes over the years, including tsunamis and floods. If we delay or cancel flights for extreme weather conditions, our revenues and profits will be reduced and, notwithstanding that these events are beyond our control, passengers may blame us for such delays and cancellations. We could suffer a loss to our reputation, which could result in a loss of customers and adversely affect our business, financial condition, results of operation and prospects. In addition, adverse weather conditions in other countries or regions which feed passengers onto our route network could adversely affect the number of passengers on our flights.

2.4 The airline industry is under the supervision of international safety and operation standards

The airline industry is under the supervision of international safety and operation standards which is inspected and directed by international audit scheme. If there are any Significant Safety Concerns will get the status down on safety standard which affects directly and indirectly to the country and the office that administers all airlines in the country as well. Such effects include suspension of expanding route network, limiting flight

frequency, limiting flight timetable, which will also affect the competitiveness, higher operation cost, limiting business opportunity, limiting profit making, higher leasing and insurance cost, to more strict maintenance conditions which will subsequently affect patronage decision making because safety is key for passengers to make their choice of airline service.

Sustainable Business Drive

Sustainable Management Policy and Target

The Company continuously operated business in consistence with Social Responsibility Management Policy. In 2021 the Company was determined to set plan for sustainable business drive and put it into practice under commitment to deliver value to all groups of customers and of stakeholders. In addition the Company placed priority on issues relating to management of the environment, social responsibilities and corporate governance (ESG) in response to needs of all stakeholders to ensure sustainable growth of the business and improved the standard of report on sustainability in compliance with regulations of the Stock Exchange of Thailand.

The Company set guideline to achieve corporate sustainability and created awareness among the staff to strive for common target by appointment of Sustainable Management Committee and Working Group responsible for ensuring the work to drive sustainable business is efficient, effective and meet the target that has been set. The Sustainable Management Committee comprises the President (Chairman of the Committee), top management and Vice President of each department.

Roles and responsibilities of Sustainability Management Committee are as follows:

- Set and review corporate sustainability policy and target, ensure sustainable growth of the business together with social and environmental responsibility and equal benefit for all stakeholders
- Appoint Sustainability Working Group and supervise its performance
- Promote putting Sustainability policy into real practice
- Check correctness of Sustainable Development Plan, prepared by Sustainability Working Group
- Offer advice and recommendations on implementation of Sustainability development work. Make decision on sustainability issue regarding the economy, social and environment, sustainability risk and report.
- Monitor sustainability performance by all divisions through Sustainability Working Group

Sustainability Working Group comprises Vice President and Representative of each department in the Company

Role and Responsibilities of Sustainability Working Group

- Set plan and frame work for implementation of sustainable development through appropriate strategy in consistence with Corporate Sustainability Development policy and target.
- Monitor implementation of Sustainability Development by all divisions, summarize result and report to Sustainability Management Committee
- Encourage all divisions inside and outside the Company to participate under Sustainability Development framework
- Study and find additional information to support implementation of Sustainability Development
- Transfer knowledge and understanding of Sustainability Development to other staff in the Company.



Sustainable Management of the Environment

Energy Management

At Samui Airport, Sukhothai Airport and Trat Airport

The Company implemented energy management practices according to Energy Conservation Promotion Act B.E. 2535 (amended B.E.2550) by utilizing Energy Management systems in all divisions in order to reduce cost of energy for the Company, national import of energy and impact on global warming. The Energy Conservation Policy contains guideline for all staff to be involved in management of energy in their own division for most efficient result.

Guideline on energy management contained in Energy Conservation Policy

1. Appropriate implementation and development of energy management system and imposed that Energy Conservation is part of operation at Samui Airport in accordance to related laws and requirements.
2. Continuous improvement of efficiency for utilization of company resources, suitable to existing technology and good practice.
3. Set annual plan and target for conservation of energy, communicate to all staff to ensure the plan is clearly understood and correctly implemented.
4. Airports Department considered that energy conservation is the duty and responsibility of all levels of management and each member of staff. They are required to cooperate by observation of imposed measures, monitor results and report to Energy Management Working Committee.
5. Provide necessary support for energy development work, training and involvement in presenting ideas. The support in terms of finance and manpower.
6. Management and Energy Management Working Committee to review and improve policy, target and energy action plan annually.

Electricity Reduction Plan

Airports Department developed a plan to reduce consumption of electricity by adopting energy saving measures as strategy and tool. Target had been set to reduce electricity consumption by 5 – 20% of total amount used during current year.

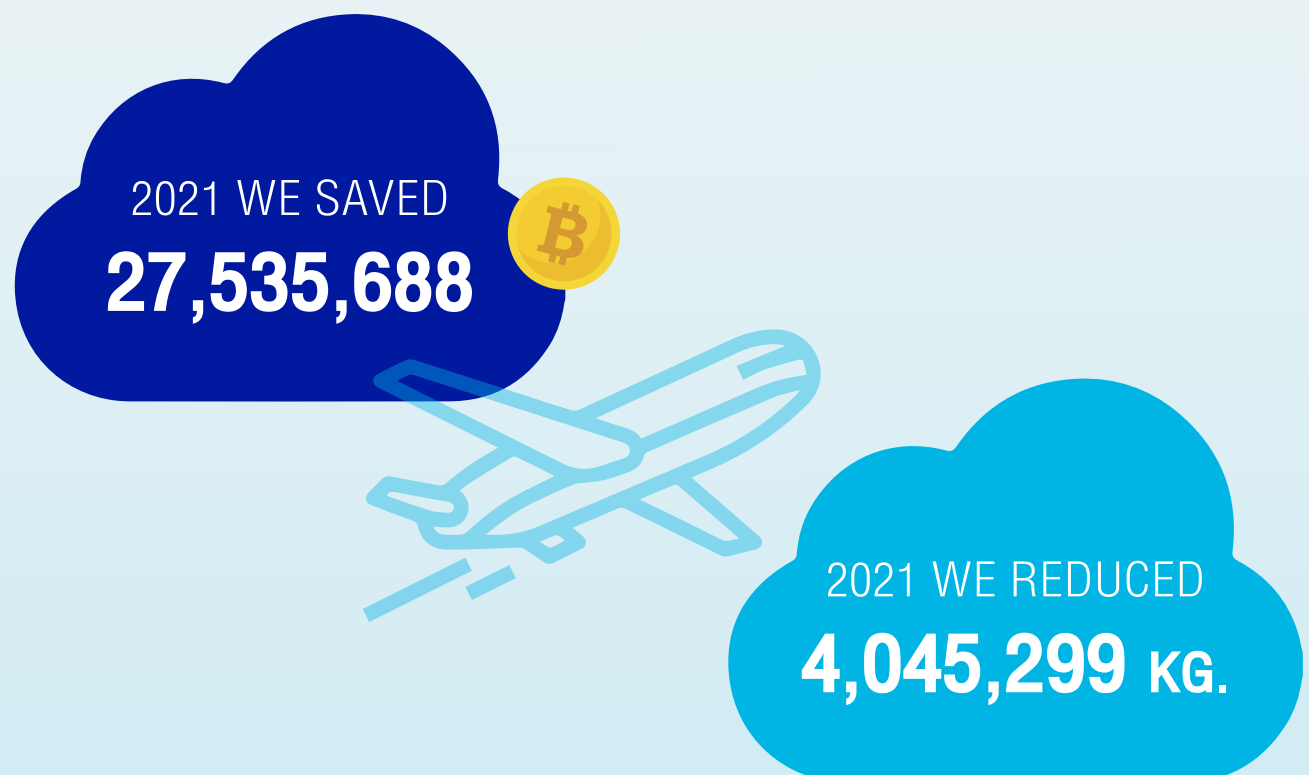
Waste and Pollution Management

The Company considered environmental policy as its main policy. Each airport is required to set action plans and measures based on this policy and set up Environment Working Committee for implementation according to the department's policy to ensure waste management complies with related laws, regulations and requirements; management of airport general waste and hazardous waste complies with laws on public health, dangerous goods, health and occupational safety; and ensure observation of Environmental Mitigation Measures and Monitoring Program.

The Company adopted plan to reduce volume of waste produced and delivered to the municipality for disposal by 30% from 2020. Set target and plan to reduce amount of waste produced, amount delivered to the municipality for disposal and amount sent to land fill, in addition to enhance effective re-cycle of wastes and resources and mitigation of Green House effect.

Management and mitigation of Green house effect

The Company developed flight operation measures to reduce air pollution by application of one-engine take off/landing technique to reduce noise, reduce fuel consumption and any effect on the community around the airports. Therefore flights are operated with minimal noise impact according to the context of each airport. Efficient implementation of fuel saving measure resulted in saving cost of aircraft fuel for the Company and Carbon reduction

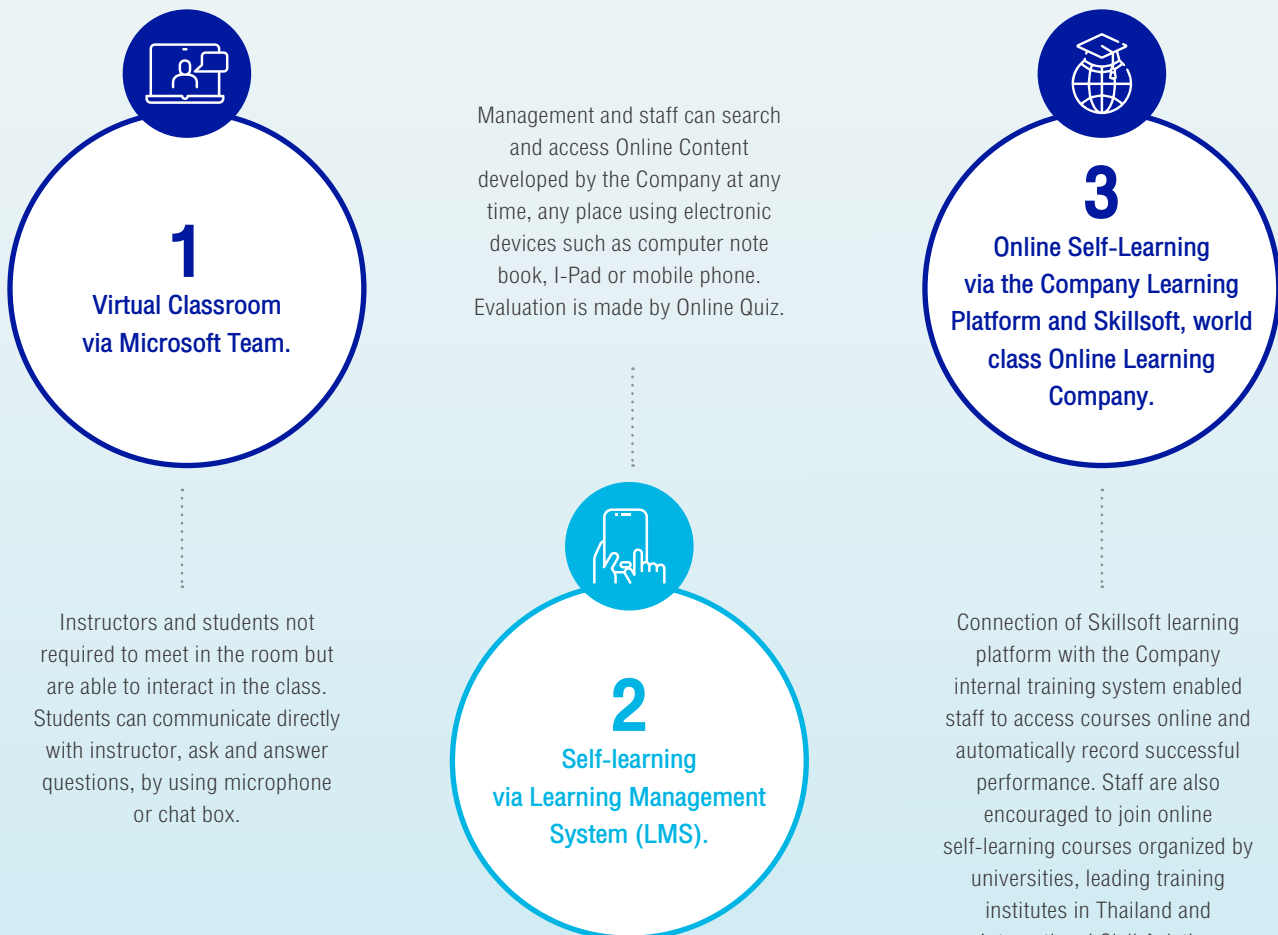


Social sustainability management

Personnel Development Policy

In response to commitment by the Company to promote and support development of staff potential and support business drive of the organization to fulfill and sustain needs of all groups of stakeholders, the Company provided internal and external training to all levels of management and staff, in line with Bangkok Airways' Training Development Framework that include Core Values, Core Competency, Leadership Competency. In addition Functional or Specific Training is also provided to maintain standard of performance according to aviation industry requirements at national, regional and international levels and to help staff to gain appropriate knowledge and skills to enable them to perform duties according to standard, laws, rules, regulations and requirements of related aviation industry. Furthermore the Annual Training Plan also included other suitable subjects in consistence with the situation.

The Company launched personal development plan in consistence with Preventive Measure of COVID-19 pandemic to enable management and staff to continue to develop their potentials, knowledge and skills by adapting style of training to Online Training. Guideline for personal development by Multi-Platform Learning, as appropriate to development objective and subject content, in addition to internal training and classroom training with social distancing requirement, are as follows:



Proportion of Curriculum for Training Development of Management and Staff (sorted by proportion of total training hours).



Personnel Development Target

Although aviation industry has been severely affected by COVID-19 pandemic during the past two year and unavoidably put a limit on personnel development work but the Company was determined to maintain emphasis on continuous promotion of sustainable personnel management and development process, implemented under framework of personnel management and development policy. Furthermore the Company created an environment that contributed to a learning organization by consistent promotion of skill, knowledge and competency through multi-platform learning so that staff are able to learn without any restrictions. While General Training curriculum provides general knowledge, skill and attitude essential to all divisions in the Company, Functional or Specific Training curriculum offers specific knowledge, skill and attitude for each type of work or position in the Company to enable staff in operation department or division such as Flight Operation, In-flight Service, Ground Service, Cargo Service, Safety and Security, Air Craft Maintenance, Airport etc to perform their duties efficiently and effectively, in compliance with the law, rules, regulations and requirements of related international aviation industry and business. This would enable the Company to maintain consistence safety standard for operation and services, support Career Development Program according to Individual Development Plan (IDP) and provide opportunities for management and staff to gain real learning experience within the division by job rotation in order to ensure development of potential for higher skill and knowledge or wider experience are consistence to staff career development plan.

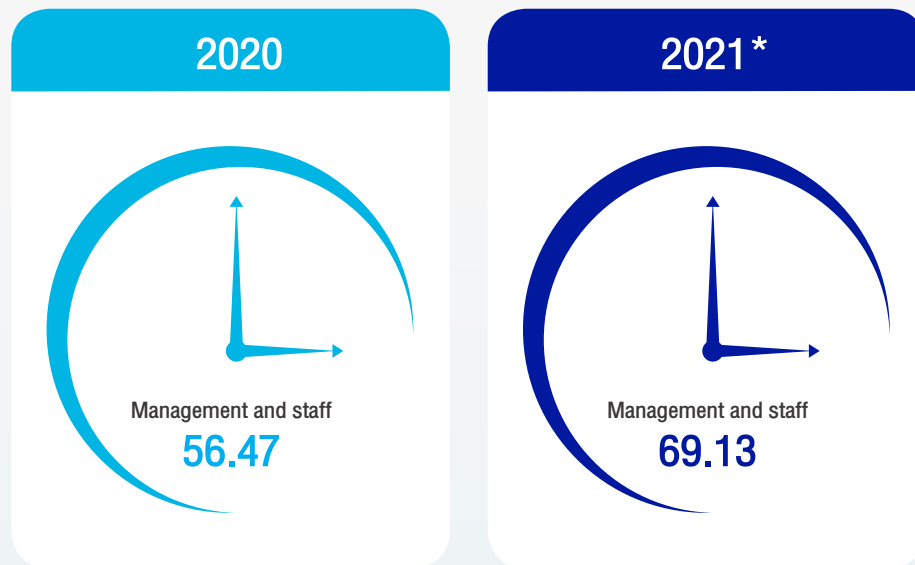
In 2021 the Company provided several personnel development approaches as appropriate to the development objective, subject content and curriculum to enable continuous development of management and staff. Training and development of staff potential are made indiscriminately without prejudice of age or gender, to upgrade both general and specific knowledge and skills of staff to perform duties in present positions. As a result staff are competent with ability to perform duties more efficiently and effectively and respond to corporate strategy, objective and policy. Each member of staff played a role in bringing success to the organization by delivering impressive travel experience to passengers, enabling the Company to continuously maintain safety standard of operation and services, and to receive many awards at national, regional and international levels.

The Company supported continuous development of management and staff to increase efficiency of personnel, to enable them to perform duties to their full potential and achieve performance target together. Continuous promotion of personnel development helped staff to be ready to adjust themselves in any competitive or changing situation that may occur. The ability to manage the situation appropriately has good effect on physical and mental health of staff in the organization making them feel happy to be working together.

In addition the support in career development, through Individual Career Development Plan (IDP), prepared by supervisor and staff, helped to enhance staff morale and raised level of commitment to the Company.

Overall Personnel Development statistics

Training hours per person per year



Note: Reference of training records from PG-HRC as on 31 December 2021

Average training hours per person per year in 2021

(classified by level)



Average training hours per person per year (classified by gender)



Average training hours (female)
64.74 hours

Total training hours : 67,389.68
Total female staff : 1,041



Average training hours (male)
73.20 hours

Total training hours : 82,132.35
Total male staff : 1,122

Total training hours (classified by age)



Note: Reference age statistics from <https://en.wikipedia.org/wiki/Generation>

Responsibility towards customers

Customer Care services through, Customer Care Center (Call Center) and Customer Care online Station are important channels to facilitate customers wishing to contact the Company to ask for information on products and services, reservation and issuance of tickets, payment of tickets, fees for ticket change and refund and other special services to Flyer Bonus members and other customers in general. The service is also provided through the telephone, e-mail and Live Chat.

Customers can also send comments and suggestions through other channels such as at various Customer Service Touch points, Reservation and Ticketing Call Center or on-line social media channel. Customer Service Division would forward such comments to Customer Relation Division for further action.

In 2020, due to continual COVID-19 pandemic that affected air travel, other businesses and economy worldwide, and announcement by the government to close border in 2020, together with cancellation of flights resulting from new wave of COVID-19 pandemic, Customer Care Division was responsible for helping to take care of customers to refund tickets, or postpone travel date without charge or offer travel vouchers to customers affected by flight cancellation due to COVID-19 situation . After the government announced opening the border in July 2021 and launched Phuket Sand Box, Samui Plus Model and Thailand Pass program, Customer Care Division continued to support customer services.

Opening hours of Reservation and Ticketing offices at nine locations were adjusted - at Suwannabhumi Airport, Samui Airport and Chawange Office, Chiangmai Airport, Phuket Airport and City Office, Krabi Airport, Haadyai Airport, Trat Airport, Sukhothai Airport and Lampang Airport in consistence with total flights operated and flight frequency, so as to provide continuous service to customers affected by flight cancellation. Other Ticketing Offices in Thailand and abroad were temporary closed because flights were cancelled and international border closed resulting from COVID situation. Singapore Airport Office re-opened in August 2021 (resumed flight operation SIN-USN-SIN on Mondays, Thursdays and Sundays) and Phnom Penh Airport Office in Cambodia re-opened in December 2021(resumed daily flight operation BKK-PNH-BKK).

Customer data protection

Customer Care Division is aware of safe-keeping of customer personal data. Therefore the Division set standard to strictly manage the data, set requirements and monitor procedure to ensure customers who contact the Company are real owners of data, defined eligibility of data access and period for data retention. All procedures are monitored regularly to ensure no leakage of data to external persons and complied with standards of Personal Data Protection Act.

Business Resilience Management

Business Resilience Management Division's main missions are to create and maintain the ability to adjust the organization in response to unexpected changes, crisis or emergencies related or unrelated to aircraft; the ability to ensure continuity of business according to legal requirements, rule, regulations of state agencies and related organizations; development of strategies, response process, preparedness, training and exercise for management and staff; preparation of necessary equipment. Two main functions under supervision are:

- **Emergency planning and Response Section** is responsible for management of crisis and emergency, particularly providing humanitarian assistance to victims of aviation disaster, passengers, flight crew and their families for own airline, partner airlines and other airlines with agreement on aviation incident. The Company developed and maintained Crisis & Emergency Response Manual, approved by Civil Aviation Authority of Thailand (CAAT). The Manual is current, complies with the law, requirements of the state and aviation organizations, both in Thailand and abroad. In addition the Company produced Personnel Development Plan for management and staff in relevant divisions to help them to gain knowledge and clear understanding of procedures for management of crisis and emergency.
- **Business Continuity Management (BCM) Section** is well aware of the importance and necessity of Business Continuity Management to ensure the Company can continue to operate business without disruption or with minimal impact. Therefore BCM is considered as key corporate culture, strictly observed by management and staff and BCM policy is reviewed, updated and revised. To ensure that the business can be resumed and recovered quickly after the crisis, the Company prepared Business Continuity Management Plan, Business Continuity Plan (BCP) and Business Impact Analysis (BIA).

Emergency Response Planning 2021

In 2021, Crisis and Emergency Management (CEM) Section revised and reviewed Crisis and Emergency Response Manual (CERM) twice to ensure that the manual is updated and complied with requirements, regulations and restrictions of state agencies including local and international aviation associations. The Manual has been approved by Civil Aviation Authority of Thailand.

The Training and Exercise for management in Corporate CEM management team and officers handling emergencies at stations were conducted in full according to scheduled plan.

Preparedness of Crisis Management Center and Equipment

In order to handle any crisis that may happen, the Company set up 24-hours Crisis Management Center (CMC) and used as operation control center for corporate Crisis Management Team to issue orders and manage the situation. Monitoring COVID-19 Pandemic situation

Crisis and Emergency Response Section regularly monitored the situation and coordinated with related division in the Company, made sure there is a ready process to handle the situation should an infected person travel on the Company flight. The process complies with WHO standard, practice of Department of Disease Control, Ministry of Public Health, announcement of Civil Aviation Authority of Thailand and practice of ICAO and IATA.

Business Continuity Management 2021

Business Continuity Management Policy

The objectives of the Plan to ensure the company to maintain continuity of operation or essential functions; to have in place a recovery and resumption process for return to normal within specific time frame; to minimize impact on company assets and personnel, image and reputation and to ensure frame work of Business Continuity Management complies with international standard.

Review and improvement of process in Business Continuity Management System

In 2021 Business Continuity Section reviewed and improved Business Continuity Management process by analysis of internal risks in operation area and head office support, to find out what are the strength and weaknesses. Then identify external risks by analysis of threats and opportunities based on assessment by divisions concerned and situations that may have serious, positive or negative impact on the organization. Also analyzed global trend of disruption by specifying main risks and factors that may have long term or short term effect, in terms of economy, social, environment and technology. All these are used for preparation of Strategic Plan and Business Continuity Management Plan. In addition there are other processes in consistence with Business Continuity Management based on Business Continuity Management Standard ISO 22301:2012 e.g. Analysis of impact on business, Risk specification and assessment, preparation of Business Continuity Management Plan, communication, training, evaluation, monitoring and assessment etc.

Business Continuity Plan (BCP)

Related divisions had been coordinated to revise plan to support Business Continuity covering four main areas e.g. Head Office, Samui International Airport, Hangar and Operations Division at Suwannabhumi Airport. These operation plans are based on annual Business Continuity Policy and analysis by specialist in each department or division. Specialists analyze internal processes to ensure all staff involved that when essential functions are interrupted, there are plans to mitigate loss or damage and facilitate continuation of operation. The key plans are at present are 1. Master Plan. 2. Location Plan and 3. Activity Plan

During the past year, under COVID-19 pandemic situation, BCP Section took on a supporting role jointly with other related divisions such as Personnel Management Division, Occupational Health Division, to manage the situation which has an impact on performance of duties by staff in all divisions by application of Business Continuity Plan as specific plan for the epidemic, with reference to information from the state epidemiological division as well as information and suggestions from aviation agencies

To ensure effective process is in place to mitigate the infection or reduce chances of infection.

Ensuring Occupational Safety

The Company emphasizes on occupational safety for all staffs and in between the work process to ensure that employees, passengers, business partners, contractors, and visitors are safe. This is done on a basis of law, safety standard recognized domestically and internationally, and The Company's regulation and policy to prevent risk on safety, health, and working environment.

The Company promotes activities in safety, health, and working environment systematically in compliance with The Company's standard and the law. The Safety Day activity has been held consistently in different areas.

Moreover, The Company encourages to submit reports on Occupational Safety, Health, and Environment consistently through the Integrated Quality and Safety Management System (IQ SMS OSH) in order to make use of such information to plan on the occupational safety management for employees.

Community/Social Responsibility

Financial support of Occupation Project for the disabled at Sukhothai Airport and Trat Airport

- In 2021, the Company helped 23 disabled person or caretakers, living in communities around the airports, by providing financial support at 114,245 Baht per person (8 cases in Sukhothai and 15 cases in Trat).

This project provided an opportunity for the Company not only to assist financially but also enabled people with disabilities to truly realize their own social value. In addition the project strengthened good relationship between the Company and communities surrounding the airports.

- During the COVID-19 pandemic, the Company helped people affected by the virus, as well as providing morale support to medical practitioners and health workers by donation of dry food, beverages, masks, alcohol and rubber gloves at Rangsit Orphanage, Ampur Thanyaburi, Prathumthani, Samui Airport Community and Kidney Institute, Bhumirajanakarin Hospital.

During July and August 2021, a Support Center has been set up in Sukhothai Airport to help employees who are at risk of contracting COVID-19.





Management's Discussion and Analysis

For the period ended 31 December 2021

Bangkok Airways Public Company Limited and Its Subsidiaries

Bangkok Airways Public Company Limited and its Subsidiaries

Management's Discussion and Analysis for the period ended 31 December 2021

Executive Summary

The overall global aviation industry in 2021 has improved compare to the previous year despite disruption caused by the Omicron variant of COVID-19 during high season. For the overall industry, Worldwide Revenue Passenger Kilometers (RPK) increased by 79.5 percent. Europe region experiences the highest growth rate at 177.5 percent, followed by Middle East and North America respectively. Meanwhile, Asia Pacific had the highest dropout rate at 4.6 percent. For supply side, Available Seat Kilometers (ASK) increased by 45.5 percent worldwide in 2021. Europe shows the highest growth rate at 120.3 percent, followed by Middle East, Latin America respectively while Asia Pacific had the highest dropout rate at 5.1 percent. Moreover, the overall passenger load factor (PLF) was 72.3 percent, increased 13.7 percentage from the same period of the previous year. (Source: International Air Transportation Association: IATA)

For Thailand's tourism, foreign tourist figures increased after the opening of tourism sandbox scheme in July 2021 and re-opening of the country on 1 November 2021, but overall tourism growth remained low as the outbreak situation both in Thailand and aboard remained uncertain. Also, international travel restrictions in many countries remained in place. In addition, tourists are concerned about the spread of the Omicron variant. As a consequence, in 2021, a number international visitor arrivals were only 427,869 people or decreased by 93.6% compared to the previous year. Whereas the number of international visitor arrivals in Q4/2021 were 342,024 people or increase by more than 100.0% compared to the previous year. (Source: Ministry of tourism and sport)

In year 2021, the Company critically affected from Corona virus (COVID-19) outbreak, especially the third wave starting in April 2021. Consequently, the Company temporarily suspended route operations in accordance with the announcement of The Civil Aviation Authority of Thailand (CAAT) during July – September 2021. Nevertheless, the government has announced tourism stimulus policy i.e., Phuket Sandbox, Samui Plus, and after all Thailand's reopening project in November 2021. The Company has supported the projects by operating special flight operations called 'Sealed Route' and focusing more on some potential domestic routes; Bangkok-Samui, Bangkok-Phuket, Bangkok-Sukhothai and Bangkok-Lampang. For international flight operations, the Company resumed Samui-Singapore and Bangkok-Phnom Penh, resulting in number of passenger reached 0.5 million passengers, decreased by 71.5 percent comparing to year 2020, with the load factor of 58.6 percent.

The total revenue year 2021 reported at 5,668.5 million baht, decreased by 44.5 percent from the same period last year. That was mainly resulted from a declining of passenger revenue from airline business by 78.7 percent, airport business decreased by 75.7 percent. Also, the revenue from airport-related businesses dropped by 20.1 percent. The Company reported net loss from termination of lease agreement amounted 5,437.7 million baht. As a result, net loss for the period was 8,599.8 million baht of which loss attributable to the equity holders of the Company was 8,549.9 million baht. Loss per share for the period was 4.15 baht. Nevertheless, lessening of net loss from termination of lease agreement, the loss from operation was 2,532.5 million baht, declining by 22.2 percent compared with the same period of last year.



Notable Events Year 2021

- The Company started route operations i.e., Bangkok-Samui, Bangkok-Phuket, Bangkok-Chiang Mai, Bangkok-Sukhothai, Bangkok-Lampang, Bangkok-Trat, Bangkok-Krabi, Had Yai-Phuket, Samui-Phuket, U-Tapao-Phuket and U-Tapao-Samui. In order to support Thailand's opening project: Samui Plus and Phuket Sandbox, the company started to operate Sealed Routes; Bangkok-Samui, Samui-Phuket and Samui-Singapore. In addition, the Company started to operate an international route, Bangkok-Phnom Penh in the fourth quarter.
- The Company returned two Airbus A319 aircraft upon the expiry of the operating lease contract in the third and fourth quarters respectively. As a result, the Company had total of 37 aircraft at the end of 2021.
- In the third quarter, the company paid 18,050.0 million baht for the termination of lease agreement with the Samui Airport Property Fund. As a consequence, Samui Airport Property Fund was terminated and delisted from the Stock Exchange of Thailand on 30 July, 2021.
- The Company reclassified long-term loan and finance lease liabilities amounted of 17,366.0 million baht as current liabilities. This was a result from the Company has not received waiver letter from financial institutions due to non-compliance to financial conditions under ATR72-600 aircraft financial lease agreement of 9 aircraft.
- The U-Tapao International Aviation Co., Ltd. (UTA) submitted the completed Master Plan to the Civil Aviation Authority of Thailand (CAAT) for consideration and approval. The international design architect (IDA) was selected to design the new passenger terminal for this project. The selected IDA has extensive experience in large scale airport terminal design works in the second quarter.

Management's Discussion and Analysis

Bangkok Airways is a full serviced airline providing premium service to passengers. Company owns and operates 3 airports which are Samui Airport, Trat Airport and Sukhothai Airport. In addition to airline and airport businesses, it operates airport related businesses which include passenger and ramp services, catering services and international cargo.

Consolidated financial statement of the Company consists of Separate Financial Statement and Financial Statements of the 14 subsidiaries that include: 1) Bangkok Air Catering Company Limited 2) Worldwide Flight Services Bangkok

Air Ground Handling Company Limited 3) Bangkok Airways Ground Service Company Limited 4) Bangkok Airways Holding Company Limited 5) SA Services Company Limited 6) BFS Cargo DMK Company Limited 7) BAC Gourmet House Company Limited 8) Bangkok Air Catering Phuket Company Limited 9) Gourmet Primo Company Limited 10) Bangkok Air Catering Samui Company Limited and 11) Bangkok Air Catering Chiang Mai Company Limited 12) More Than Free Company Limited 13) Bangkok Air Aviation Training Center Co., Ltd. 14) Bangkok Air Catering Don Mueang Co., Ltd

Airline Operating Data

	Unit	January-December	
		2021	2020
Number of scheduled passengers carried	Thousand	536.3	1,884.6
Number of flights flown	Flights	8,694	24,901
Available Seat Kilometers (ASK)	Million Seat –Kilometers	535.3	2,014.7
Revenue Passenger Kilometers (RPK)	Million Passenger – Kilometers	313.8	1,268.1
Passenger Load Factor	Percentage	58.6	62.9
Aircraft utilization ⁽¹⁾	Block Hour per Day per Aircraft	3.8	4.6
Number of aircraft at period end	Aircraft	37	39
Passenger Yield ⁽²⁾	Baht per Passenger – Kilometer	3.62	4.38
Revenue ASK (RASK)	Baht per Available Seat – Kilometer	3.93	3.05
Cost per ASK (CASK)		10.96	4.84
RASK – CASK		(7.03)	(1.79)

Remarks:

- (1) Calculate from operating aircraft only
- (2) Scheduled passenger revenues including fuel surcharge and insurance surcharge, but excluding excess baggage divided by RPKs.

Operating performance summary for the period ended December 31, 2021

Unit : million baht

	January-December			
	2021	2020	Variance	
			Amount	%
Total revenue	5,668.5	10,216.3	(4,547.8)	(44.5)
Total expenses	8,145.1	14,914.2	(6,769.2)	(45.4)
Operating profit (loss) for the period ⁽¹⁾	(2,532.5)	(3,254.0)	721.5	22.2
Net profit (loss) for the period	(8,599.8)	(5,327.8)	(3,272.0)	(61.4)
Profit (loss) attributable to equity holders of the Company	(8,549.9)	(5,283.2)	(3,266.7)	(61.8)
EBIT ⁽²⁾	(3,636.6)	(3,556.4)	(80.3)	(2.3)
EBITDA ⁽²⁾	(1,294.4)	(713.8)	(580.5)	(81.3)
EBIT Ratio (%)	(101.5)	(44.8)	(56.8)	
EBITDA Ratio (%)	(36.1)	(9.0)	(27.2)	

Remarks:

- (1) Excluding gain(loss) from exchange rate, gain(loss) from derivative transaction and net loss of the lease agreement termination on Samui Airport Property Fund
- (2) EBIT, EBIT margins, EBITDA, EBITDA margins are not standard measures, nor measurements of financial performance or liquidity, under TFRS, and should not be considered alternatives to net profit (loss) or any other performance measure or as an alternative to cash flow from operating activities. Since there are various calculation methods, its presentation may not be comparable to similarly titled measures used by other companies.

For year 2021, the Company reported the loss before interest and tax, depreciation, amortization (EBITDA) was 1,294.4 million baht and operating loss at 2,532.5 million baht, improved by 22.2 percent from the same period of year 2020.

The Company reported net loss for the period was 8,599.8 million baht which mainly contributed from net loss on lease agreement termination of Samui Airport Property Fund amounted to 5,434.7 million baht. The loss per share of the Company was 4.15 baht and net loss attributable to the equity holders during the period was 8,549.9 million baht.

Revenues

Total revenue for year 2021 was 5,668.5 million baht, decreased by 44.5 percent comparing to the previous year. That was mainly from a declining of passenger revenue from airline business by 78.7 percent, together with airport business decreasing by 75.7 percent. The downturn resulted from the third wave of the COVID-19 pandemic in Thailand starting in April 2021, which the Company temporarily suspended flights during July until September of year 2021.

Even though the government launched tourism sandbox scheme in July 2021 and Thailand's re-opening project in November 2021, the passenger flown in the fourth quarter of this year decreased by 23.5 percent comparing to previous last year. In year 2021, the Company carried 0.5 million passengers, lowered by 71.5 percent. The

passenger load factor reported at 58.6 per cent and the average fare of 2,118.5 baht per sector, dropped by 28.2 percent compared to year 2020.

The sales and services revenue from airport-related business was 1,476.9 million baht, decreasing by 20.1 percent compared to the same period last year. The declining revenue was mainly from Bangkok Air Catering with the lower revenue at 189.2 million baht, and the lower amount at 99.5 million baht from Worldwide Flight Services Bangkok Air Ground Handling. The amounts dropped by 62.5 percent and 8.7 percent, respectively. Nevertheless, the Company had dividend income mainly from BDMS amounted to 826.8 million baht and 529.4 million baht gain from derivatives transaction gain during the period.

Share of Profit from Investments in Associates

The Company reported share of profit from associated companies for year 2021 at 453.2 million baht, mainly from the share of profit from WFS-PG Cargo Company which reported at 453.1 million baht or increased by 28.7 percent compared with last year. An increasing revenue was from higher cargo terminal utilization and tariff adjustment during period. The Company reported share of profit from Samui Airport Property Fund at 73.3 million baht, declined by 65.0 percent and share of loss from U-Tapao International Aviation at 73.3 million baht.

Expenses

For year 2021, total expenses declared 8,145.1 million baht, dropped by 45.4 percent from same period last year.

Cost of sales and services reported at 6,115.3 million baht, dropped by 43.7 percent compared to the last year. That was mainly comprised of wages and salary, aircraft maintenance, and fuel which accounted for 14.4 percent, 9.9 percent, and 3.9 percent of total expenses respectively.

Total selling and distribution expenses was 281.6 million baht, dropped by 44.2 percent from year 2020. The decreasing amount was mainly from usage of reservation system, advertising and expenses related to selling and marketing campaign.

The administrative expenses of the Company for year 2021 was 1,269.3 million baht, decreasing by 32.5 percent compared to year 2020. The significant reduction of

administrative expenses was from the lower of personnel cost and system usages. This period, the company reported unrealized loss from exchange rate amounted 473.5 million baht.

Financial cost for year 2021 reported at 1,264.8 million baht, grew by 13.2 percent from last year. The major amount of financial costs were interest expenses and fees paid to financial institutions.

In May 2021, the Company proposed to terminate the long-term lease agreement relating to Samui Airport Property Fund (SPF) by paying a compensation amounted to 18,050.0 million baht. In July 2021, the Fund was dissolved and delisted from the Stock Exchange of Thailand. Consequently, the Company reported loss from lease termination at 7,490.9 million baht and received share of profit from SPF at 2,056.2 million baht. As a result, the Company reported net loss from lease termination of SPF at 5,434.7 million baht.

Assets

As of 31 December 2021, the Company and its subsidiaries have total assets amounted of 48,939.1 million baht, decreased by 1,662.5 million baht from 31 December 2020.

Unit : million baht

	As at December 31, 2021	As at December 31, 2020	Variance
Current assets			
• Cash & cash equivalents	2,125.9	2,181.1	(55.2)
• Trade and other receivables	372.6	400.7	(28.1)
• Inventory	438.5	476.6	(38.1)
• Other current assets	168.7	198.4	(29.7)
Total current assets	3,105.7	3,256.8	(151.1)
Non-current assets			
• Investments in associates	2,226.3	4,881.2	(2,654.9)
• Other non-current financial assets	25,965.0	23,424.1	2,540.9
• Property, plant and equipment	8,927.2	9,776.8	(849.6)
• Right-of-use assets	6,966.4	7,762.5	(796.1)
• Deposits	491.5	529.0	(37.5)
• Other non-current assets	1,256.9	971.1	285.8
Total Non-current assets	45,833.4	47,344.7	(1,511.4)
Total assets	48,939.1	50,601.5	(1,662.5)

Current assets

Total current assets of the Company as of 31 December 2021 was 3,105.7 million baht, decreased from 31 December 2020 by 151.1 million baht. This was mainly from a lower of Cash and cash equivalents by 55.2 million baht, mainly resulted from cash paid for operating activities, lease liabilities, and long-term loans. The Company received dividend from investment in associate, investment in equity instruments and cash from capital distribution of investment in SPF during the period.

Non-current assets

Total non-current assets of the Company were 45,833.4 million baht, decreased from year 2020 by 1,511.4 million baht. This was mainly resulted from dissolution of SPF by 2,654.9 million baht. In addition, the amount of Property, Plant and Equipment and Right-of-use assets declined by 849.6 million baht and 796.1 million baht respectively.

Nevertheless, that was offset by an increasing of other non-current financial assets by 2,540.9 million baht mostly due to the mark to market of long-term investments in marketable securities during the period.

Liabilities

As of 31 December 2021, the Company and its subsidiaries have liabilities amounted of 35,777.2 million baht. An increase of 4,781.3 million baht from 31 December 2020 was as follows:

Unit : million baht

	As at December 31, 2021	As at December 31, 2020	Variance
Current liabilities			
• Short-term loan	917.0	1,105.0	(188.0)
• Trade and other payables	967.4	1,119.0	(151.6)
• Current portion of long-term loans	15,617.0	916.9	14,700.1
• Current portion of long-term loan from related party	1,000.0	0.0	1,000.0
• Current portion of lease liabilities	3,229.5	4,240.7	(1,011.2)
• Unearned revenue	375.8	571.6	(195.8)
• Other current liabilities	1,696.8	2,724.2	(1,027.4)
Total current liabilities	23,803.5	10,677.4	13,126.1
Non-Current liabilities			
• Long-term loans– net current of portion	4,540.1	2,046.4	2,493.7
• Long-term loans- related party	-	1,000.0	(1,000.0)
• Lease liabilities - net of current portion	2,128.6	2,359.1	(230.5)
• Long-term loans from related party – net of current portion	-	9,623.0	(9,623.0)
• Employee benefits	853.6	798.5	55.1
• Deferred tax liabilities	4,311.0	3,955.6	355.4
• Other non-current financial liabilities	128.3	522.3	(394.0)
• Other non-current liabilities	12.1	13.6	(1.5)
Total non-current liabilities	11,973.7	20,318.5	(8,344.8)
Total liabilities	35,777.2	30,995.9	4,781.3

Current liabilities

Total current liabilities amounting to 23,803.5 million baht, increased from 31 December 2020 by 13,126.1 million baht. The increment of current liabilities was mainly from current portion of long-term loans amounting to 14,700.1 million baht. The Company has not received waiver letter from financial institutions due to non-compliance to financial conditions under aircraft financial lease agreement of 9-ATR72-600 and long-term loan agreement. As a results, the Company reclassified long-term loan amounting of 15,002.0 million baht and finance lease liabilities amounting of 2,364.0 million baht to current portion of long-term loans and current portion of lease liabilities in current liabilities.

Nevertheless, current portion of lease liabilities were decreased by 1,011.2 million baht, mainly from repayment of liabilities related to aircraft during the period.

Non-current liabilities

The total of non-current liabilities of the Company were 11,973.7 million baht, decreasing by 8,344.8 million baht from 31 December 2020, largely due to long-term loans from related party – net of current portion amounting to 9,623.0 million baht. That was resulted from termination of lease agreements and any related agreements with Samui Airport Property Fund during the period.

Nevertheless, long-term loans– net current of portion increased by 2,493.7 million baht from long-term loan from financial institution during the period.

Shareholders' Equity

Unit : million baht

	As at December 31, 2021	As at December 31, 2020	Variance
<ul style="list-style-type: none"> • Paid up capital • Premium on ordinary shares and capital reserve for share-based payment transactions • Treasury stocks • Other components of shareholders' equity • Retained earnings (loss) • Others ⁽¹⁾ 	2,100.0 9,319.6 (464.9) 16,377.0 (13,922.3) (247.5)	2,100.0 9,319.5 (491.6) 14,264.4 (5,389.9) (196.9)	- 0.1 26.7 2,112.6 (8,532.4) (50.6)
Total shareholders' equity	13,161.9	19,605.5	(6,443.6)

Remark:

(1) Comprised of discount on changes in shareholding in subsidiaries and non-controlling interests of the subsidiaries

As of 31 December 2021, total shareholders of the Company and its subsidiaries was 13,161.9 million baht, decreasing by 6,443.6 million baht. That amount was mainly from the mark to market of long-term investments in marketable securities and retained loss. An increasing retained loss by 8,532.4 million baht was resulted from operation and termination of Samui Airport Property Fund lease agreement during the period. The Company reported retained loss at the amount of 13,922.3 million baht at the end of year 2021.

Statement of Cash Flow

Unit : million baht

	As at 31 December 2021	As at 31 December 2020
Net cash flows from operating activities	(2,173.8)	(4,268.5)
Net cash flows from investing activities	6,025.9	2,419.2
Net cash flows used in financing activities	(3,907.3)	(1,242.7)
Cash and cash equivalents at end of period	2,125.9	2,181.1

Cash flows from operating activities

As of 31 December 2021, the loss of the Company and its subsidiaries before changes in operating assets and liabilities is 1,666.9 million baht while the amount of net cash flows used in operating activities was 1,886.9 million baht.

Cash flows from investing activities

As of 31 December 2021, net cash flows from investing activities of the Company and its subsidiaries were 6,025.9 million baht which mainly from dividend received from investments in associates - the Fund and investment in equity instruments, together with cash received from capital distribution of investment in associate.

Cash flows from financing activities

As of 31 December 2021, the Company and its subsidiaries had cash flow used in financing activities at the amount of 3,907.3 million baht, mainly for payment of long-term loan, lease liabilities and finance cost which all amounting to 2,934.9 million baht. The Company reported cash received from long-term loan for the payment of lease termination of Samui Airport Property Fund during the period.

Summary Consolidated Financial and Ratio

		As at 31 December	
		2021	2020
Liquidity Ratio	Current Ratio (Time)	0.1	0.3
	Quick Ratio (Time)	1.2	2.4
	Collection Period (Day)	44.7	43.8
	Stock Turnover Period (Day)	26.9	16.4
	Payment Period (Day)	36.0	43.9
Profitability Ratio	Gross Profit Margin (%)	(125.1)	(41.6)
	Operating Profit Margin (%)	(133.9)	(46.4)
	EBITDA Margin (%)	(36.1)	(9.0)
	Net profit Margin (%)	(151.7)	(52.2)
	Return on Equity (%)	(52.5)	(21.5)
Efficiency Ratio	Return on Assets (%)	(17.3)	(9.5)
	Return on Fixed Assets (%)	(66.9)	(19.6)
	Asset Turnover (Time)	0.1	0.2
Leverage Ratio	Debt to Equity (Time)	2.7	1.6
	Interest Coverage Ratio (Time)	(1.0)	(0.6)

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General Information and Dispute

Company Name :	Bangkok Airways Public Company Limited (the “Company”)		
Initial :	BA		
Registration Number :	0107556000183		
Core Business :	The Company’s core business are 1. Passengers airline business including freight domestically and internationally 2. Establishment of public airport and/or operate and manage public airport, rent out space including other activities relating to the establishment and operation of airport		
Registered Capital and Issued and Fully Paid-up :	2,100,000,000 Baht		
Head Office :	99 Mu 14 Vibhavadirangsit Road, Chom Phon, Chatuchak, Bangkok 10900		
Telephone : (66) 2 265 5678	Fax : (66) 2 265 5775	Website : www.bangkokair.com	
<hr/>			
Investor Relations :			
Telephone : (66) 2 265 8796-97	Fax : (66) 2 265 5727	Website : ir@bangkokair.com	
<hr/>			
Shares Registrar :	Thailand Securities Depository Co., Ltd 93 The Stock Exchange of Thailand Building, Ratchadapisek Road, Dindang, Bangkok 10400, Thailand		
Telephone : (66) 2 009 9000	Fax : (66) 2 009 9991	Website : http://www.set.or.th/tsd	
<hr/>			
Company’s Auditor :	EY Office Limited 33rd Floor, Lake Rajada Office Complex, 193/136-137 Ratchadapisek Road, Klongtoey, Bangkok 10110		
Telephone : (66) 2 264 9090	Fax : (66) 2 264 0789-90	Website : www.ey.com	

Dispute

Dispute

1. In February 2022, the Company has been sued by its 2 former employees with Central Labour Court, claiming severance payment due to unfair termination amounting to Baht 46 million together with the interest and surcharge thereon at the rate of 7.5% and 15% per annum, respectively. Currently, the cases are appointed for determination and consideration by the Central Labour Court in June 2022.

Subsidiaries

2. In February 2019, a subsidiary was sued by its two former employees, claiming severance payment totaling of Baht 40.5 million together with the interest thereon at the rate of 7.5% and 15% per annum. Subsequently, on 24 August 2020, the plaintiffs withdrew some cases amounting to Baht 32.5 million. Therefore, a subsidiary was sued by its former employees for compensation of Baht 8 million. Subsequently, on 20 January 2022, the subsidiary won a case against one of its former employees in the Central Labour Court. On 31 January 2022, the Central Labour Court judged the subsidiary to lose a case against another former employee. So, the subsidiary has to pay the severance payment of Baht 1 million with the interest thereon at the rate of 7.5% per annum. Therefore, the case is an end.
3. In July 2020, a subsidiary was sued by its former employee, claiming severance payment due to an unfair termination amounting to Baht 5 million together with the interest thereon at the rate of 7.5% per annum. Currently, the case is being considered and negotiated by the Central Labour Court for mediation on 1 March 2022.
4. In January 2021, a subsidiary and an associate were sued by an injured person for compensation of Baht 42.8 million with interest thereon at the rate of 7.5% per annum for negligent act causing serious injury to a person while performing duty. The case is currently being considered by the Civil Court. However, the subsidiary and the associate are assured that the accidental damage will be covered by the insurance claim. Therefore, the subsidiary and the associate did not record the damages and provision from this lawsuit.

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Corporate Governance

The Company upholds and complies with the principles of good corporate governance in operating the Company's business by the directors, management and employees; and considers that the principles of good corporate governance is an essential factor to support the overall achievement of the Company as the organization responsible for the society. The Company's policies on corporate governance will comply with the guideline on good corporate governance in accordance with the Principles of Good Corporate Governance for Listed Companies, 2012 set by the Stock Exchange of Thailand. The details of the policies on Good Corporate Governance are as follows:

- **Good Corporate Governance**

The policies on Corporate Governance complies with the Principles of Good Corporate Governance for Listed Companies, 2012 set by the Stock Exchange of Thailand, which is a guideline in preparing the policies on corporate governance of listed companies in accordance with the

principles of corporate governance of the Organization for Economic Co-operation and Development (OECD) and ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) that comprise five following topics.

1 Shareholder's rights

Principle : The shareholders have the rights in an ownership of "The Company", hence "The Company" should encourage the shareholders to exercise their rights.

Good practice : "The Company" realizes an importance of rights exercise by the shareholders and wouldn't engage in any actions deemed violating, limiting, or depriving the shareholders' rights. On the other hand, "The Company" would foster and facilitate all groups of shareholders to meet and constantly exercise their rights on different issues for the benefits of "The Company" and the shareholders themselves.

The shareholders' rights don't merely include the rights in trading, selling, or transferring shares; but they also include the rights to receive the dividends, the rights in obtaining news and important notifications about the business or that may have any effects on the business, the rights in attending the shareholders' meetings and voting on any matters.

2 Equal treatment to shareholders

Principle : Every shareholder should be equally treated and subject to fair treatment.

Good practice : “The Company” will govern on equal and fair treatment to all groups, including the major and minor shareholders, by assigning directions and instructing equal approach on information disclosure; giving an opportunity to the minor shareholders to propose or consider any matters during the shareholders’ meetings. For examples, the nomination of candidates by minor shareholders can be done in advance or allowing minor shareholders to propose any agenda item and on screening those proposed by them. This includes assigning preventive measures against abusive self-dealing, or an exploitation of internal information for own benefit which may render illicit effects to all other shareholders such as insider trading. “The Company” also assigned the directors and management to disclose the information relating to the interests of the directors, management and related party to eliminate any conflict of interests. The directors and/or the management who are bound to such tendency aren’t allowed to consider, give any opinion, or continue with such conflict through any transaction. Moreover, “The Company” will constantly organize activities to create good relations among the shareholders and between the shareholders and “The Company”.

3 Stakeholder’s roles

Principle : The stakeholders should be taken care of by “The Company” through the rights of relevant laws. “The Company” should have a mechanism or procedures to promote collaboration between “the Company” and the stakeholders.

Good practice : “The Company” sets policy for decent and fair treatment to each stakeholder group by considering their rights either by the rule of law, commercial agreement or by the mission that they have with “The Company”. Meanwhile, “the Company” will develop a mechanism of stakeholder’s participation including any collaborations with “the Company” to support the business in a viable and sustainable manner.

Moreover, “the Company” already has the corporate social responsibility policy in place. This policy is based on the social and environmental factors which relate directly to the business.

To achieve the objective of this practice; the key stakeholders are the clients, business partners, employees, shareholders, investors, creditors, community, social units, government sector, business competitors, etc.

4 Disclosure and transparency

Principle : “The Company” should conform to a disclosure of key relevant information of “the Company” in a correct, complete, timely, and transparent manner through channels which are equally accessible and reliable

Good practice : “The Company” realizes and emphasizes on the information quality. This includes the correct disclosure that is done in a complete, timely, and transparent manner through channels which are equally accessible and reliable. “The Company” has the policy to disclose both financial and non-financial information sufficiently, reliably, timely, and currently. The information that is disclosed must be thoroughly prepared, clear, precise, auditable, and using language that is concise and easy to understand. Such disclosure must be carried out regularly by presenting both positive and negative points, and conforming to rules, laws, relevant government sector’s regulations, and “the Company’s” regulations.



5 Responsibility of the Board of Directors

Principle :	The Board of Directors plays a key role in supervising business towards the highest benefit of “the Company”. They are responsible for their roles to the shareholders and independent from the management.
Good practice :	

The Board of Directors consists of directors who obtain various work experiences, skills, and expertise in particular fields which contribute benefits to the business of “the Company”.

The Directors are to perform their duties with integrity, carefulness, and meticulousness; while consider the highest benefits for “the Company” and to the shareholders as a whole. All Directors are prompt to devote time to perform their duties that they are responsible for to the most of their capacity. It’s also a duty for the Directors to attend every Board’s meeting unless when there’s an appropriate reason for their absence.

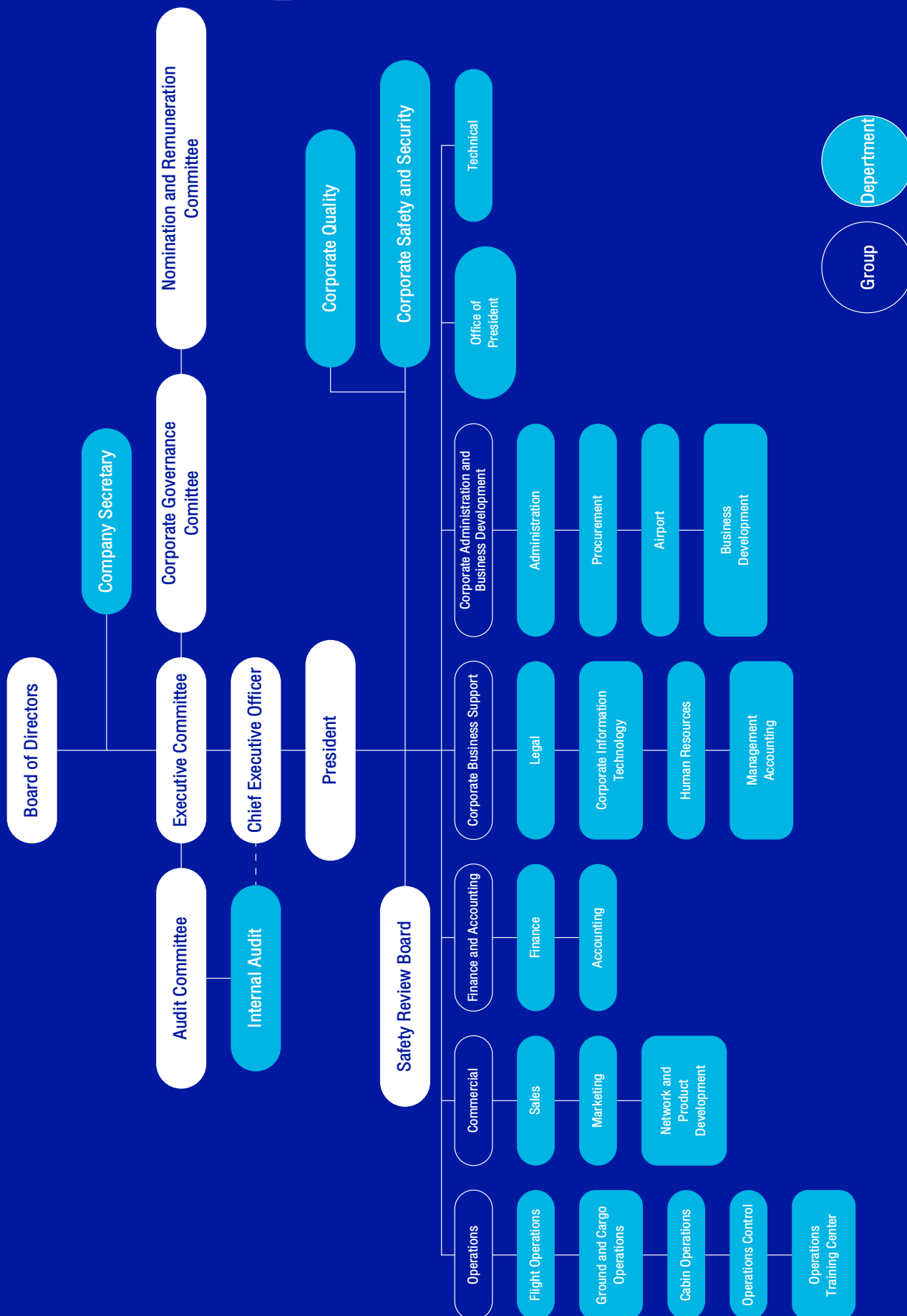
The Board of Directors must set the vision, business direction, and strategies which are clear and practical along with the regulation and monitoring procedures, including an efficient evaluation procedures on the management work. All directors understand their duties and responsibilities as well as the nature of the business very well. They are prompt to independently share their opinions and ready to cope with any changes as it’s prone to occur from time to time.

The Board of Directors will distinctly assign roles and responsibilities between the Board of Directors and the executive management while also regulate “the Company” to have a certain work flow that can be assured as lawful and ethical.

“The Company” has the Director selection process in place for consideration at the shareholders’ meeting. This must be done transparently, and without any domination of the shareholders who has rights to control or belong to the executive management team. The Directors are not allowed to stipulate their own remuneration which is considered their direct interest. On the other hand, there must be certain procedures to set appropriate remunerations that are transparent and without any dominations of any particular individual or party.

Company Organization Chart

As of December 31, 2021



Management Structure

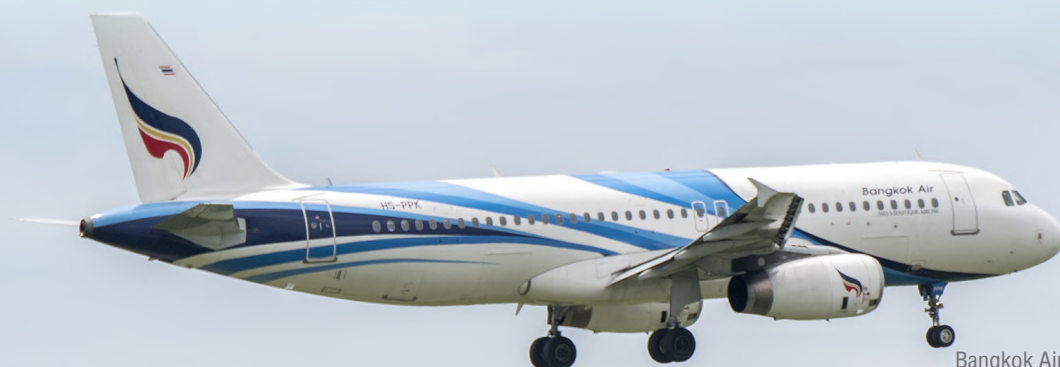
Board of Directors

The management structure of the Company consists of five Board of Directors which are the Company's Board of Directors Committee, the Executive Committee, the Audit Committee, the Nomination and Compensation Committee, and the Corporate Governance Committee with details as follows.

1. The Board of Directors of the Company

As of December 31, 2021 our Board of Directors comprised of three non-executive directors, four executive director and four Independent Director as follows:

No.	Names	Position
1	Air Chief Marshal Kaset Rochananil	Chairman / Independent Director
2	Mr. Puttipong Prasarttong-Osoth	Vice Chairman / Chairman of Executive Director /Chief Executive Officer / President
3	Mr Prasert Prasarttong-Osoth	Director / Member of Executive Director
4	Pol.Gen.Visanu Prasattongosoth	Director
5	Mr. Pradit Theekakul	Director / Member of Executive Director
6	Mr. Sripop Sarasas	Director / Independent Director / Chairman of The Audit Committee / Chairman of Nomination and Remuneration
7	Mr. Saharatna Benyakul	Director / Independent Director / Member of Audit Committee / Member of Corporate Governance Committee
8	Mrs. Narumol Noi-am	Director
9	Mrs. Ariya Prasarttong-Osoth	Director / Member of Corporate Governance Committee / Member of Nomination and Remuneration
10	Mr. Anawat Leelawatwatana	Director / Member of Executive Director
11	Mr. Somboon Kittiyansub	Director / Independent Director / Chairman of Corporate Governance Committee / Member of Nomination and Remuneration / Member of The Audit Committee



Scope of Duties and Responsibilities of the Board of Directors

● Policy and Governance

1. The Board of Directors shall perform duties using their knowledge and expertise for the benefit of the Company in accordance with the Company's Articles of Association and resolutions of the shareholders' meeting. Directors are authorized to perform actions indicated in the Company's Memorandum of Association, the Public Company Act and relevant laws.
2. Comply with the provisions and the good practices of listed company directors of the Stock Exchange of Thailand.
3. Determine policies and approve matters related to the general operation of the Company, such as vision, business direction, strategies, business plan, annual budgets, investment plan, and make financial decisions.
4. Monitor the operational results of the Company in order to ensure consistency with established goals and plans.
5. Procure policies on corporate governance in writing and approve such policies. The Board of Directors shall review such policies and their compliance consistently, at least once a year.
6. Encourage the determination of code of conduct in writing in order to ensure that all directors, executive officers and employees understand ethical standard used in the Company's business operation and strictly monitor the compliance of such code of conduct.

● Financial

1. Set up a reliable financial report and account audit system.
2. Procure the preparation of the Company's statement of financial position and profit and loss statement for the approval of the Annual General Meeting of the shareholders. The Board of Directors shall engage the auditors to audit such statement of financial position and profit and loss statement prior to the proposal to the shareholders.

● Internal Control, Internal Audit and Risk Management

1. Put in place an appropriate internal control and internal audit system by procuring the independent personnel or working unit who is responsible for the inspection of such system and review the internal control system at least once a year.
2. Set up policies on risk management to manage and control all risks covering the organization.
3. Review or evaluate the effectiveness of the internal control system and the risk management at least once a year.

● Human Resources

With respect to the Directors

1. Filter the list of candidates to be appointed as the Company's directors to propose for the shareholders' approval.
2. Consider forms and rules concerning the payment of remuneration of directors and sub-committees to propose for the shareholders' approval.
3. The Directors should review the qualifications of persons who are appointed as the "Independent Directors" to ensure that they are truly independent which befit properly to the specific nature of The Company in accordance to the criteria of the Securities and Exchange Commission, Thailand. In addition, the Directors should reassure that the Independent Directors are only able to remain in the position not more than nine consecutive years from the first appointment. In case of extending the position term, the Directors must review thoroughly on the necessity of such period extension.
4. The Directors must set the criteria for each Director who also works for the other companies that they must be capable of adequately contributing to The Company by limiting their jobs with five registered companies considering they already hold a position at The Company. The on-job efficiency could be an issue, if the Directors work for too many companies at the same time.

With respect to Chief Executive Officer and President

1. Approve the appropriate qualifications, methods and rules of the selection, including forms and rules of the payment of remuneration regarding Chief Executive Officer and President.
2. Approve rules and procedures for the evaluation of performances and results of the performances of Chief Executive Officer and President.
3. Approve the determination of the annual remuneration for Chief Executive Officer and President.

With respect to Organizational Structure, Salary Adjustment and Executive Succession Plan

1. Approve the upper-level organizational structure, including scope of duties, authorities and responsibilities of the management of such level.
2. Approve the pay scale and the criteria for the annual salary adjustment.
3. Approve the executive succession plan for the positions of Chief Executive Officer and President.

● Communication with the Shareholders

Provide appropriate and regular communication channels to the shareholders and provide transparent of disclosure of information in accordance with standards.

● Management of Conflict of Interest

1. Supervise and monitor to ensure the complete compliance with laws and the Stock Exchange of Thailand's regulations in relation to procedures of actions and disclosures for the conflict of interest transactions.
2. Report to the Company on any conflicts of interests, which pertain to the management of the Company or subsidiaries, of oneself or related persons. For transparency, such transactions are to be reported to the Board of Directors whenever there is a change.
3. On the date on which the independent directors accept the appointment and every year afterwards, the independent directors shall submit a confirmation letter to the Company to ascertain their independency as defined by the Company.

● Investment

1. Our Board of Directors is authorized to approve any investment that does not carry an unacceptable level of risk of the Company.
2. Authorize the Executive Committee to approve investments not exceeding THB500.0 million per transaction. The Executive Committee is required to present to our Board of Directors for acknowledgment, such approval of investment. The Executive Committee is required to present to our Board of Directors for approval, any investments in securities of entities which are connected or related to the Company or its directors or management, and any director(s) related to such entities will not attend or vote.

● Others

1. Appoint the Company's corporate secretary according securities and exchange laws.
2. Establish charters of the Board of Directors and sub-committees and approve suggestions proposed by the sub-committees in the adjustment of the content in such charters to be updated and compatible with changing rules, regulations and circumstances.
3. Perform other duties as prescribed in the notifications, regulations, acts or laws governing the Company.

The above authority duties and responsibilities shall not apply to any person with possible conflict, interest or conflict of interest in any other form with the Company or subsidiaries. Furthermore, it does not include actions in connection with the connected transactions and acquisition/sale of important assets of the listed company in accordance with the regulations of the Stock Exchange of Thailand or other related notifications. The Company must act in accordance with regulations and guidelines of the Stock Exchange of Thailand or other related notifications on the related matter. In addition, the above authority duties and responsibilities shall not include any matter that is required by the Articles of Association to be approved by the shareholders. The Executive Committee or the authorized persons by the Executive Committee shall not approve any transaction in which oneself or persons who may have the conflict of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) may have interest or other benefits or may have conflict of interest with the Company or subsidiaries, except for the approval of transactions in accordance with policies and rules as approved by the shareholders or the Board of Directors.

2. Executive Committee of the Company

To enable the Company's operation to be efficient and timely in line with circumstances, with the best benefit of the Company, the Board of Directors appointed the Executive Committee of the Company.

As of December 31, 2021 the Executive Committee of the company consists of four following directors and executive officers with the office term of 3 years.

No.	Names of Members of Executive Committee	Positions
1	Mr. Puttipong Prasarttong-Osoth	Member of Executive Committee
2	Mr Prasert Prasarttong-Osoth	Member of Executive Committee
3	Mr. Pradit Theekakul	Member of Executive Committee
4	Mr. Anawat Leelawatwatana	Member of Executive Committee

Scope of Authorities and Duties of the Executive Committee

- Policy and Governance

1. Determine vision, business direction, policies, and strategies of the Company to propose for the Board of Directors' approval.
2. Review business plan, annual budgets, annual expenses, investment plan, Corporate Social Responsibility plan, of the Company to be in line with laid down policies and strategies, and propose for the Board of Directors' approval.
3. Supervise the Company's operation to be line with the specified plans, including laws, rules and regulations of the relevant authority agencies and rules and the Articles of Association of the Company.
4. Consider the summary report of the Company's operation and propose for the Board of Directors' approval.

- Financial

1. Approve capital expenditures and operating expenses, including expenses for public interest or charity, which is not included in the annual budget, for the amount not exceeding Baht 100,000,000. except that expenses for the investment in real estates, i.e. lands and/or buildings, leasehold rights in lands and/or buildings, which shall be registered with the land offices, shall be approved by the Board of Directors in any case.

On July 24, 2014, the Company's Board of Directors adopted an adjustment to the scope of authorities, duties and responsibilities of the Executive Committee to cover the approval of the investment and expenses in emergency in order to smooth the management of the Company. The President is authorised to pre-approve capital expenditures and operating expenses, including expenses for public interest or charity, , which is not included in the annual budget within the above specified amount and shall then propose to the Executive Committee afterwards.

2. Approve or review loan facilities made to subsidiaries within the limit of Baht100,000,000; provided that 5% of the issued and paid-up shares of such subsidiaries shall not be held by related persons of the Company, and report to the Board of Directors in the subsequent meeting.

- **Internal Control, Internal Audit and Risk Management**

Ensure that the Company has an effective and appropriate operational system for internal control and the management and control of risks and comply with suggestions and comments from the Audit Committee.

- **Human Resources**

1. Consider and review forms of organizational structure and the scope of authorities, duties and responsibilities of upper-level personnel (President-level) to propose for the Board of Directors' approval.
2. Approve the executive succession plan.
3. Approve the appointment, transfer or removal of executive officers (from the position of Vice President). Determine and approve the list of directors and the managing director of subsidiaries to serve as guidelines for such subsidiaries to have such list further approved according to laws and rules and regulations of each subsidiary.
4. Consider and review the structure of pay scale and the principles of annual salary adjustment of the Company and subsidiaries (however excluding Chief Executive Officer and President) to propose for the Board of Directors' approval.

- **Investment**

1. Authorized to approve any investment with the amount not exceeding Baht500,000,000 per transaction.
2. The Executive Committee is required to present to our Board of Directors for approval, any investments in securities of entities which are connected or related to the Company or its directors or management, and any director(s) related to such entities will not attend or vote.

- **Others**

1. Delegate a working team to solve any problem in compliance with the Company's policies.
2. Annually review the Executive Committee's charter. If the Executive Committee views that it is necessary to amend any content in such charter to be compatible with changing rules, regulations and circumstances, the Executive Committee shall to further propose for the Board of Directors' approval.
3. Perform other duties as assigned by the Board of Directors.

The above authority duties and responsibilities shall not apply to any person with possible conflict, interest or conflict of interest in any other form with the Company or subsidiaries. Furthermore, it does not include actions in connection with connected transactions and acquisition/sale of important assets of the listed company in accordance with the regulations of the Stock Exchange of Thailand or other related notifications. The Company must act in accordance with regulations and guidelines of the Stock Exchange of Thailand or other related notifications on the related matter. In addition, the above authority duties and responsibilities shall not include any matter that is required by the Articles of Association to be approved by the shareholders. The Executive Committee or the authorized persons by the Executive Committee shall not approve any transaction in which oneself or persons who may have the conflict of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) may have interest or other benefits or may have conflict of interest with the Company or subsidiaries, except for the approval of transactions in accordance with policies and rules as approved by the shareholders or the Board of Directors.

3. Audit Committee

The Audit Committee of the Company consists of three independent directors, who are qualified according to the SET and the Capital Market Supervisory Board regulations. As of December 31, 2021, the Audit Committee of the Company is comprised of the following non-executive directors

No.	Names of Members of Audit Committee	Positions
1	Mr. Sripop Sarasas	Chairman of Audit Committee
2	Mr. Saharat Benyakul	Member of Audit Committee
3	Mr. Somboon Kitiyansub	Member of Audit Committee

Mr. Sripop Sarasas is a member of the Audit Committee who has sufficient knowledge and experience to review the reliability of the financial statements. In this regards, Mr.Pairoch Chantasilp is the secretary of the Audit Committee.

The scope of authority, duties and responsibilities of the audit committee

- Policy and Compliance

1. The audit committee is required to review and maintain compliance with the rules and regulations of the SET securities law and the law relating to the business of the Company.

- Financial

1. review that the Company's reports and disclose the correct and credible financial report and to cooperate with the external auditor and the management in preparing financial report which are in compliance with the prescribed period by the SET, laws and other applicable government authorities;
2. consider, select and nominate an independent auditor and to propose such auditor's remuneration, as well as to attend a non-management meeting with such auditor at least once a year; and including to attend a meeting with the auditor without any management personnel in that meeting at least once a year. While also, able to propose to remove the auditor if he/ she is found to be unable to perform his/ her duty, lack of responsibility or engaged in any illegal action.
3. provide an independent and proper procedure for the employees to report evidence relating to unreasonable financial details.

- Internal Control, Internal Audit and Risk Management

1. review the internal control and internal audit system and ensure that they are suitable and efficient and together with the internal and independent external auditors and, to assess the internal audit unit's independence;
2. review evidence from internal investigations where there are suspicions that corruption has occurred or the existence of unreasonable flaws in the internal control procedure and to report these to the Board of Directors;

3. investigate the evidence where there is suspicion of violations of law or regulations of the SET, which materially affect or may materially affect the financial condition and the business operation of the Company;
4. hire or procure a professional specialist to assist in the inspection and investigation, according to the Company's regulations, in cases where there are suspicions of transactions or acts which may materially affect the financial condition and operating results;
5. approve the appointment, transfer, dismissal and evaluation of the performance of the chief of internal audit, if the Company establishes an internal audit unit. If the Company hires an internal audit company, the Audit Committee shall approve the hiring and propose the remuneration;
6. review organizational risk management and recommend an efficient and suitable risk management approach relating to business operations; and
7. review risk management reports, track potential risks and report on the adequacy of the internal control system and risk management to the Board of Directors.

● Conflict of Interest Management

The audit committee is required to review related party transactions, or any transactions that may lead to conflicts of interest, and ensure that they are done in compliance with laws and the regulations of the SET and are reasonable and beneficial to the Company

● Other

1. prepare and disclose in the annual report, the audit committee's report, which must include information mandated by the SET regulations and related regulations;
2. annually review the Audit Committee charter to ensure that it contains the minimum scope of operational requirements for the Audit Committee as prescribed by the regulations of the SET and to also ensure that it includes adequate support to the Audit Committee's operation, such as the hiring of a professional specialist to opine on the specific subjects which require specialized expertise. If the Audit Committee is of the opinion that the Audit Committee charter needs to be amended to be in compliance with the rules and regulations, the Audit Committee shall seek the approval of the Board of Director; and
3. to perform any other act as assigned by the Board of Directors.

The Audit Committee is accountable to the boards of directors of the Company. The office term of the chairman of the Audit Committee is three years.

4. Nomination and Remuneration Committee

The Nomination and Compensation Committee consists of at least three directors who does not participate in management of “the Company” and are independent directors in majority. The Chairman of the Nomination and Compensation Committee must be independent director. As of December 31st, 2021; the Nomination and Compensation Committee consisted of three independent directors as follows.

No.	Names of Members of Nomination and Remuneration committee	Positions
1	Mr. Sripop Sarasas	Chairman of the Nomination and Remuneration committee
2	Mr. Somboon Kitiyansub	Member of the Nomination and Remuneration committee
3	Mrs. Ariya Prasarttong-Osoth	Member of the Nomination and Remuneration committee

Mr. Sripop Sarasas is the Chairman of the Nomination and Remuneration committee who is knowledgeable and has sufficient experience for the position with Ms. Tresarun Sitakalin, the Corporate Secretary, as the secretary for the Nomination and Remuneration committee.



The scope of authority, duties and responsibilities of the Nomination and Compensation committee

● Human Resources

With respect to the Directors

1. Specify appropriate qualifications of the Directors, procedures, and criteria in nominating the Directors. Also, filter the list of candidates to be appointed as the Company's directors to propose for the shareholders' approval.
2. Consider forms and rules concerning the payment of remuneration of directors and sub-committees to propose for the shareholders' approval. These must be done with clear, transparent, fair, and following the responsibility and the result of work in a way that is able to appeal and keep such qualified and potential directors with "the Company".

With respect to Chief Executive Officer and President

1. Specify appropriate qualifications, procedures and criteria in nominating the Chief Executive Officer and the President, including filter the list of candidates to be appointed as the Company's directors to propose for the shareholders' approval.
2. Consider forms and rules concerning the payment of remuneration of the Chief Executive Officer and the President to propose for the shareholders' approval. These must be done with clear, transparent, fair, and following the responsibility and the result of work
3. Set rules and procedures for the evaluation of performances and results of the performances of Chief Executive Officer and the President for the Company's directors to approve.

With respect to Organizational Structure, Salary Adjustment and Executive Succession Plan

1. Evaluate results of the performances of Chief Executive Officer and the President following criteria approved by the Company's directors and propose the pay scale and the criteria for the annual salary adjustment in accordance with the evaluation for the Company's directors to approve.
2. Set the succession planning for the positions of Chief Executive Officer and President for the Company's directors to approve.

● Others

1. Prepare a report of the Nomination and Remuneration Committee and include it in a section of the Company's annual report.
2. Review the rules of the Nomination and Remuneration Committee annually. In case it's necessary to adjust any contents to be in line with rules, regulations, and the relevance to the current situation, the Nomination and Remuneration Committee must propose them to the Company's Directors.
3. Conduct any other duties assigned by the Company's Directors.

The Nomination and Remuneration Committee reports directly to the Company's Directors. The Chairman and the members of the Nomination and Remuneration Committee's term in the positions is dependent to the term of the Company's Directors.

5. Corporate Governance Committee

The Corporate Governance Committee consists of at least three directors who does not participate in management of “the Company” and are independent directors in majority. The Chairman of the Corporate Governance Committee must be independent director. The Corporate Governance Committee consisted of two independent directors and a Company’s Director who isn’t involved as a management, or the total of three persons as follows.

No.	Name of The Corporate Governance Committee	Positions
1	Mr. Somboon Kitiyansub	Chairman of the Corporate Governance committee
2	Mrs. Ariya Prasarttong-Osoth	Member of the Corporate Governance committee
3	Mr. Saharatna Benyakul	Member of the Corporate Governance committee

Mr. Somboon Kitiyansub is the Chairman of the Corporate Governance committee who is knowledgeable and has sufficient experience for the position with Mr. Danusorn Chucherdwattanasak, Assistant Corporate Secretary, as the secretary for the Corporate Governance committee.

The scope of authority, duties and responsibilities of the Nomination and Compensation committee

● Policy and Governance

1. Stipulate the corporate governance policy and direction of appropriate practice including ethical rules and business integrity pursuant to the rule of law, criteria, regulations, business direction, standard, and restrictions to be in line with those of the offices in charge of governing the listed companies for examples, the Stock Exchange of Thailand, The Securities and Exchange Commission, Thailand and of any institutes or organizations widely recognized in both Thailand and internationally for good Corporate Governance. This is to support, and strategize business towards a successful goal of the Company upon commercial and social sustainability. This includes the revision of policy, business direction, and regulations to be up-to-date and current for an efficient implementation.
2. Supervise, follow up, and evaluate the business to ensure that the Company and its personnel including the stakeholders practice or run the business according to the policy and the direction or all regulations as well as giving advice or opinions to improve or alleviate the work in accordance with the corporate governance.

● Human Resources

Consider and approve as well as giving opinions or advices on the performance evaluation of the Company's Directors, the Chief Executive Officer, and the Vice President – Corporate Governance.

● Others

1. Promote the knowledge dissemination, understanding and confidence in the corporate governance system to the employees of the company and the subsidiaries.
2. Support, advise, and recommend the Company in preparing to be evaluated or placed in ranking of the corporate governance.
3. Prepare a report of the Corporate Governance Committee and include it in a section of the Company's annual report.
4. Review the rules of the Corporate Governance Committee annually. In case it's necessary to adjust any contents to be in line with rules, regulations, and the relevance to the current situation, the Corporate Governance Committee must propose them to the Company's Directors.
5. Conduct any other duties assigned by the Company's Directors.

The Corporate Governance Committee reports directly to the Company's Directors. The Chairman and the members of the Corporate Governance Committee's term in the positions is dependent to the term of the Company's Directors.

Executive Officers

As of December 31, 2021, our executive officers consist of 15 members as follows:

No.	Names of Executive Officers	Positions
1	Mr. Puttipong Prasarttong-Osoth	Chief Executive Officer President Senior Vice President - Commercial Vice President - Human Resources
2	Mr. Pradit Theekakul	Executive Vice President - Corporate Administration and Business Development Acting Vice President - Administration Senior Director - Office of Chief Executive Officer
3	Mr. Anawat Leelawatwatana	Senior Vice President - Finance and Accounting Vice President – Finance Vice President - Accounting
4	Mr. Chirstophe Clarenc	Senior Vice President - Maintenance & Engineering
5	Mr.Nijjapat Piyapant	Vice President – Airport
6	Mr.Pairoch Chantasilp	Vice President - Internal Audit
7	AM.Dechit Chareonwong	Senior Vice President - Operations Vice President – Flight Operations
8	Ms.Aninya Nateprapai	Vice President - Business Development
9	Ms.Chanthip Thongkanya	Vice President-Office of President Director-Corporate Quality
10	Ms. Poonsuk Teerawanichphol	Vice President - Management Accounting
11	Mr.Tongsook Chompoonuch	Vice President - Maintenance
12	Ms.Tresarun Sitakalin	Vice President - Corporate Secretary
13	Ms. Amornrat Kongsawat	Vice President - Network and Product Development
14	Mr. Chulin Kocharoen	Vice President – Sales Acting Vice President - Marketing
15	Ms.Siriporn Noochan	Acting Vice President - Ground and Cargo Operations

Scope of Authorities, Duties and Responsibilities of Chief Executive Officer

Scope of Authorities, Duties and Responsibilities of Chief Executive Officer can be outlined as follows:

● Policies and Governance

1. Jointly with the Executive Committee, supervise the determination of vision, business direction, policies, and strategies of the Company
2. Communicate vision, business direction, policies, and strategies of the Company as approved by the Board of Directors to senior executives of the Company as the outline in preparing work plans and managing business of each unit.
3. Ensure that the Company put in place business plan, annual budget plan, investment plan and Corporate Social Responsibility plan, of the Company to be in line with laid down policies and strategies. Consider such plans as propose for the Executive Committee's consideration.
4. Supervise the Company's operation to be line with the specified plans, including laws, rules and regulations of the relevant authority agencies and rules and the Articles of Association of the Company in order to achieve the targeted performances, in terms of both monetary and non-monetary.
5. Supervise the management of the Company to be transparent.

● Financial

1. Approve expenses incurred according to the business approved by the Board of Directors, the Executive Committee and according to the authorization.

● Internal Control, Internal Audit and Risk Management

1. Ensure that the Company has an appropriate operational system for internal control according to guidelines assigned from the Executive Committee and/or the Audit Committee.
2. Ensure that the Company has an appropriate system for the management and control of risks according to guidelines assigned from the Executive Committee and/or the Audit Committee.

● Human Resources

Supervise the management of human resources of the Company in general.

● Communication with the Shareholders

1. Acting as the Company's representative in communicating with the shareholders.
2. Encourage the Board of Directors in providing regular and appropriate communication channels with the shareholders. Provide transparent disclosure according to standards.

- **Relationship with Third Parties**

Acting as the Company's representative in relation to public relation, particularly building networking and promoting the Company's good image nationally and internationally.

- **Others**

Perform other duties as assigned by the Executive Committee

The Executive Committee or the authorized persons by the Executive Committee shall not approve any transaction in which oneself or persons who may have the conflict of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) may have interest or other benefits or may have conflict of interest with the Company or subsidiaries, except for the approval of transactions in accordance with policies and rules as approved by the shareholders or the Board of Directors.

Scope of Authorities, Duties and Responsibilities of President

Scope of authorities, duties and responsibilities of President can be laid out as follows:

1. Determine vision, mission, objectives, goals of the Company in determining the business direction in order to create a clear outline for everyone in the Company to comply systematically, and in the same direction.
2. Ensure that the Company conducts its business with integrity on the basis of rules, regulations and laws concerning transparency, and that the operation is accountable and fair to the shareholders, customers and all related parties.
3. Monitor and supervise results of operation and business performance and report to the Board of Directors and shareholders in order to estimate the tendency and determine the business direction.
4. Set policies in order to set managerial capability of the management for the preparation of the Company's personnel development, with an aim to the Company's survival and sustainable growth.
5. Determine long-term growth course to be ready for changes that might occur from economic environment and competitors to enhance the Company's effectiveness and potential in competing.
6. Manage command, control and monitor the performance of the supervisees.
7. Manage the business under ethics and good governance, while being responsible to society and environment in both short-term and long-term, which will lead to sustainable development.
8. Perform other duties as assigned by the Board of Directors.

The President or the authorized persons by the President shall not approve any transaction in which oneself or persons who may have the conflict of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) may have interest or other benefits or may have conflict of interest with the Company or subsidiaries, except for the approval of transactions in accordance with policies and rules as approved by the shareholders or the Board of Directors.

● Table of Authority

The Company's Board of Directors determined that certain transactions such as the annual investment budget, the proposal of annual expense budget, the approval of interim urgently required projects or assets exceeding THB 100.0 million, the approval of out-of-budget expenses exceeding THB100.0 million, the procurement, purchase and long term lease of aircraft and entering into agreements or transactions with related party on terms out of the ordinary course and the investment in business or securities for value of more than THB500,000,000, require approval from the Board of Directors.

Our executive directors are required to present to our Board of Directors, any investments in securities of entities which are connected or related to the Company or its directors or management, and any director(s) related to such entities will not attend or vote.

● Nomination and Appointment of the Board of Directors and Senior Executive Officers

1. Independent Directors

Qualifications of Independent Directors shall be as prescribed by the relevant Notification of the Capital Market Supervisory Board which can be summarized as follows:

1. Holding not exceeding 1% of the total shares with voting rights of the Company, its parent company, its subsidiary company, its associated company, or person who may have conflict of interest or controlling person of the Company, inclusive of the shares held by any related person of such independent director (related person shall mean person pursuant to Section 258 of the Securities and Exchange Act.);
2. Not being, nor having been, a director who participates in the management, an employee, staff member or advisor who receives a regular salary, or a controlling person of the Company, its parent company, its subsidiary company, its associated company, its subsidiary company at the same level, major shareholder or controlling person of the Company, unless the holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application to the Securities and Exchange Commission. However, such prohibition shall not apply in the case where such independent director has been a government official or consultant of the government sector, which is a major shareholder, or controlling person of the Company.
3. Not being a person who has a relationship by blood or registration under laws, as father, mother, spouse, sibling, and child, including spouse of child, of its executive officers, its major shareholder, its controlling person or the person who will be nominated to take up the position of director or executive officer or controlling person of the Company or its subsidiary;
4. Not having, or not having had, any business relationship with the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company in a manner which may obstruct his independent judgment. Additionally, not being or not having been a substantial shareholder or controlling person of a person who has a business relationship with the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company, unless such business relationship has been discontinued for at least two years before the date of submission of the application to the Securities and Exchange Commission.

5. Not being, or not having been, an auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder, controlling person of the Company, major shareholder or controlling person or the partner of the audit company for which the auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company has worked therein, unless such holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application to the SEC;
6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company, and not being major shareholder or controlling person or the partner of such professional service provider, unless such business relationship has been discontinued for at least two years before the date of submission of the application to the SEC;
7. Not being a director nominated to be a representative of a director of the Company, major shareholder or shareholder who are related persons to the major shareholder;
8. Not undertaking any business which has the same nature as and is in competition with the business of the Company or its subsidiary company or not being a partner of the partnership or a director who participates in the management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding 1% of the total shares with voting right of other companies which undertakes business of the same nature as and is in competition with the business of the Company or its subsidiary company; and
9. Having no other qualifications causing any inability to express independent judgment in respect of the Company's business operation.

2. Directors and Executive Officers of the Company

The Nominating & Remuneration Committee shall set a criteria for selection of directors and executives of the Company pursuant to policies on Good Corporate Governance as specified by the Stock Exchange of Thailand with transparency as per the Corporate Governance principle.

If there is a vacancy or a need for additional member in the Board of Directors, the Nominating & Remuneration Committee shall convene to jointly propose nominees to request an appointment for the vacant or additional position to the Board of Director Committee by considering the appropriate knowledge, capabilities and business-related experiences that will be beneficial for the Company. The selected directors for the Company shall meet all the legal requirements according to Section 68 of the Public Company Limited B.E. 2535 (as amended) and the Notification of the Securities and Exchange Commission, and shall not fall within prohibited characteristic under the Securities and Exchange Act and relevant regulations. After the Board of Directors' Meeting comes to a decision, the selected nominee will be proposed to the shareholders' meeting for consideration (in a case-to-case basis).

The composition, appointment and withdrawal of the Board of Directors of the Company shall be as prescribed by the Article of Association which can be summarized as follows:

1. The Board of Directors of the Company shall consist of at least five directors to conduct the business of the Company. Not less than one half of all directors shall have residence in the Kingdom of Thailand.
2. The appointment of a director shall be made by a majority vote at the shareholders' meeting in accordance with the following conditions and procedures:
 - (1) One ("1") share represents one ("1") vote. Each shareholder shall exercise all of his voting rights to elect one or several persons as a director or directors, but the shareholder cannot divide his or her votes to any nominated director in any number;
 - (2) Each shareholder shall vote to elect directors on an individual basis;
 - (3) The persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be appointed. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding chairman shall have an additional casting vote
3. At every Annual General Meeting, one-third of the total number of the directors shall vacate the office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office. The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the director who has been in office for the longest term shall retire. The retiring directors are eligible for re-election.
4. Any director wishing to resign from the director's position shall submit a resignation letter to the Company. The resignation shall take effect upon the date on which the resignation letter reaches the Company.
5. The shareholders' meeting may pass a resolution to remove any director prior to retirement by rotation, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote, and the shares held by them shall not, in total, be less than one half the number of the shares held by the shareholders attending the meeting and having the right to vote.

3. Audit Committee

The Company's Board of Directors shall appoint at least three members of Audit Committee from independent directors whose qualifications meet the requirements per the Notification of the Capital Market Supervisory Board and the Stock exchange of Thailand. A member of the Audit Committee will have to be qualified pursuant to requirements per the Notification of the Capital Market Supervisory Board including the followings

1. Not being a director authorized by the Board of Directors to make any decision in the business operation of the Company, its parent company, its subsidiary company, its affiliate company, its subsidiary company at the same level, major shareholder or person who may have conflict of interest of the Company;
2. Not being a director of a parent company, its subsidiary company or its subsidiary company at the same level which is a listed company;
3. Having sufficient knowledge and experience to conduct the duty as an Audit Committee member;
4. Must not be an Audit Committee member of a listed companies which in the same business or industry with the Company, and shall not be an Audit Committee member in other listed companies in the Stock Exchange of Thailand more than 5 companies, which may result in lack of performance in some companies.

At least one member of the Audit Committee must have sufficient knowledge and experience to review the reliability of the financial statements of the Company.

● Supervision of Subsidiaries and Associated Companies

The Company will supervise the operation of subsidiaries and associated companies as follows

1. Appoint the Company's director or executives who have qualifications and experience suitable for that particular business which approved by the Company's Board of Directors to represent the Company on the Board of Directors of the subsidiaries and associated companies. Duties of such representative is in determining the policy and supervise the operation of business of the subsidiaries and associated companies as assigned by the Company's Board of Directors.
2. Procure the subsidiaries to set the policies on entering into transactions between the subsidiaries and connected persons, and policies on the entering into acquisition and disposition of assets to be in compliance with relevant laws, regulations, notifications, rules, circulars by the Securities and Exchange Commission.
3. Procure the subsidiaries to prepare financial report to show financial status and operation performance on the basis of correct, complete, and sufficient accounting information pursuant to generally acceptable accounting standard, as well as report on related party transaction between subsidiaries and persons who may have conflict of interest, including acquisition and disposition of assets of such subsidiaries, and report to the Company's Board of Directors' at least four times a year.
4. Procure the subsidiaries which perform core business to set up an Internal Audit Unit or internal auditor from outsource to prepare work plan for conducting internal audit of such subsidiaries annually, and audit as per annual work plan which is approved by the Company's Audit Committee. The Company shall procure the subsidiaries to have report of monitoring and suggestion relating to internal control system on its sufficiency, and to procure that its employees, executives and directors of the subsidiaries have performed in accordance with internal control policy and report to the Board of Directors of the subsidiaries regularly.

● The Use of Internal Information

The Company has set the policy and procedure for the directors and executives in using the inside information that has not been made public for personal interest as follows:

1. Educate the directors and executives regarding their duties in reporting the Securities Holding Reports for themselves, their spouses, and their minor children to the Securities and Exchange Commission as prescribed in Article 59, and the penalty as prescribed in Article 275 of the Securities and Exchange Act, along with the Acquisition or Disposal of Securities Report for themselves, their spouses, and their minor children to the Securities and Exchange Commission as prescribed in Article 246, and the penalty as prescribed in Article 298 of the Securities and Exchange Act
2. The directors and executives of the Company, along with their spouses, and their minor children shall prepare and disclose the Securities Holding Reports and the Acquisition or Disposal of Securities Report of the Company's securities to the Securities and Exchange Commission as prescribed in Article 59, and the penalty as prescribed in Article 275 of the Securities and Exchange Act, and copies of such reports shall be submitted to the Company on the same day as submitted to the Securities and Exchange Commission

3. Directors, executives and employees of the Company and its subsidiaries, who have an access of any material inside information that can affect price of stocks, shall take precaution in trading of the Company's securities within 30 days before the financial statements or such inside information are disclosed to the public and within 24 hours after the said information is made available to the public. The person related to the information shall not disclose the information to the third party before the information is disclosed to the Stock Exchange of Thailand.
4. Directors, executives and employees of the Company shall not use any inside information received from their positions, that can affect price of the Company's securities and has not been disclosed to the public, for trading, or offering to buy or sell, or persuade others to buy or sell, or to trade other shares or securities (if any) of the Company, directly or indirectly, which may cause any damage to the Company directly or indirectly, regardless for their own interests or for others', nor shall they disclose the said information to others for compensations or nothing.

- **Auditor Fee**

In the fiscal year ending December 31, 2021, the Company has paid the audit fee to Rungnapa Lertsuwankul from EY Office Limited for the audit of the financial statement in the amount of Baht 3.2 million excluding other service fees.

The Meetings of the Board of Directors

- **Board of Director's Meetings In 2021**

The Company set up a monthly meeting on the fourth Thursday for the Directors. The meeting schedule is announced annually and informed to each Director in advance prior each meeting. This, however, doesn't include any special agenda meetings.

In 2021, the Company set up 7 meetings of the Board of Directors and sub-committees with the details as follows:

Names of Directors	Board of directors	Audit Committee	Nomination & Compensation Committee	Corporate Governance Committee	Annual General Meeting of Shareholders 2021 ⁽¹⁾
	(Total 11 Directors) Total 7 times / year	(Total 3 Directors) Total 4 times / year	(Total 3 Directors) Total 1 times / year	(Total 3 Directors) Total 1 times / year	(Total 10 Directors) Total 1 times / year
1. Air Chief Marshal Kaset Rochananil	7/7	-	-	-	1/1
2. Mr. Puttipong Prasarttong-Osoth	7/7	-	-	-	0/1
3. Mr. Prasert Prasarttong-Osoth ⁽²⁾	5/7	-	-	-	-
4. Pol.Gen. Visanu Prasarttong-Osoth	6/7	-	-	-	1/1
5. Mr. Pradit Theekakul	7/7	-	-	-	1/1
6. Mr. Sripop Sarasas	7/7	4/4	1/1	-	1/1
7. Mr. Saharatna Benyakul	7/7	4/4	-	1/1	0/1
8. Mrs. Narumol Noi-am	7/7	-	-	-	0/1
9. Mrs. Ariya Prasarttong-Osoth	7/7	-	1/1	1/1	0/1
10. Mr. Anawat Leelawatwatana	7/7	-	-	-	0/1
11. Mr. Somboon Kittiyansub	7/7	4/4	1/1	1/1	0/1

Remark:

(1) The 2021 Annual General Meeting of Shareholders was held on April 19th, 2021

(2) Mr Prasert Prasarttong-Osoth was appointed on Member of Executive Committee April 19th, 2021

● The Performance Evaluation for the Directors

The Company has a policy for the Directors and the Sub Committee to evaluate their performances at least once every year. This policy is aimed to enable them to review their past works, issues and any obstacles during the past year, while also increase their work efficiency in accordance to the good corporate governance principle.

The evaluation is carried out in the following dimensions namely 1) Structure and Qualifications of the Directors 2) Role, Task, and Responsibility 3) The Directors' Performance during Meetings and on Duty 4) The Directors' Self-Development and The Executive Development.

The evaluation procedures for the Directors and the Sub Committee are as follows.

1. The Company's Secretary will distribute the Director's Performance Evaluation Form for all Directors to fill out as they must evaluate their annual performance as both the Committee and the Sub Committee. Upon completion, they must turn around the form back to the Company's Secretary.
2. The evaluation scores will be analyzed basing on their annual performance. The evaluation conclusion will subsequently be reported back to them to consider as to how to achieve the aforementioned goals.

● The Corporate Secretary

The Company's Board of Directors appointed Ms. Tresarun Sitakalin as the Company's Corporate Secretary since January 28th, 2016, The Corporate Secretary's main duties and responsibilities are as follows:

1. Provide advice and recommendations to the Board of Directors in ensuring that its duties and responsibilities are in compliance with laws and regulations of the companies listed on Stock Exchange of Thailand, the Securities and Exchange Commission and relevant regulators.
2. Provide orientation sessions for new directors to explain the nature of the business, operating results, corporate plans, major investment projects, roles and responsibilities of the directors according to the corporate governance principles for companies listed on the Stock Exchange of Thailand and government regulators.
3. Annually inform the Board of Directors of the assessments, roles and responsibilities of the Board of Directors as advised by the Thai Institute of Directors and State Enterprise Policy Office.
4. Communicate information between the Company's and subsidiaries' directors in an effective manner and in compliance with the laws and regulations of the Stock Exchange of Thailand, the Capital Market Committee, the Securities and Exchange Commission, as well as relevant regulations and resolutions of the shareholders' meetings.
5. Coordinate and collect information from the management covering finance, budget, risk management, internal control, internal audit and report to the Board of Directors every quarter.
6. Prepare and compile personnel records of directors.
7. Retain complete records of policies and regulations of the Company that have been approved by the Board of Directors along with supporting documents and minutes for the Board Meetings.
8. Prepare and keep the shareholders' letters of invitation, supporting documents, and minutes of meetings with complete information within the timeframe of the law.
9. Maintain conflict of interest reports submitted by directors and executives.
10. Supervise and be responsible for the preparation and maintenance of annual statements (Form 56-1) and annual reports (Form 56-2).
11. Ensure that information is disclosed and reported to the regulatory agencies.
12. Support the directors in proceeding in line with good corporate governance practices of listed companies according to Good Corporate Governance Guidelines for Listed Companies (2012) of the Stock Exchange of Thailand and ASEAN CG Scoreboard. This includes director training courses, annual self-assessment of the Board of Directors and reporting assessments to the Board of Directors to acknowledge and consider for further implementation of the operating development plan.
13. Carry out other missions as assigned by the Board of Directors.

- Compensation of Directors and Executive Officers

1. Monetary Compensation

- Remuneration of Directors

In 2021, the total remuneration paid to our 11 directors was THB 6.86 million, which was paid in the form of meeting allowance and annual returns with the following details:

Names of Board of Directors and Positions	Remuneration	Allowance					Total Remuneration As Directors in 2021 (Million Baht)
		Board of Directors	Committee Executive	Committee Corporate	Governance Committee	Nomination & Remuneration Committee	
1. Air Chief Marshal Kaset Rochananil Chairman / Independent Director	-	660,000.00	-	-	-	-	0.66
2. Mr. Prasert Prasarttong-Osoth Director / Member of Executive Director	-	180,000.00	-	315,000.00	-	-	0.50
3. Mr. Sripop Sarasas Director / Independent Director / Chairman of The Audit Committee / Chairman of Nomination and Remuneration	-	330,000.00	195,000.00	-	-	45,000.00	0.57
4. Mr. Saharatna Benyakul Director / Independent Director / Member of Audit Committee / Member of Corporate Governance Committee	-	330,000.00	130,000.00	-	22,500.00	-	0.48
5. Mr. Somboon Kittiyansub Director / Independent Director / Chairman of Corporate Governance Committee / Member of Nomination and Remuneration / Member of The Audit Committee	-	330,000.00	130,000.00	-	33,750.00	30,000.00	0.52
6. Pol.Gen.Visanu Prasarttong-Osoth Director	-	270,000.00	-	-	-	-	0.27
7. Mrs. Narumol Noi-am Director	-	330,000.00	-	-	-	-	0.33
8. Mrs. Ariya Prasarttong-Osoth Director / Member of Corporate Governance Committee / Member of Nomination and Remuneration	-	330,000.00	-	-	22,500.00	30,000.00	0.38
9. Mr. Anawat Leelawatwatana Director / Member of Executive Director	-	330,000.00	-	540,000.00	-	-	0.87

Names of Board of Directors and Positions	Remuneration	Allowance					Total Remuneration As Directors in 2021 (Million Baht)
		Board of Directors	Committee Executive	Committee Corporate	Governance Committee	Nomination & Remuneration Committee	
10. Mr. Puttipong Prasarttong-Osoth Vice Chairman / Chairman of Executive Director / Chief Executive Officer / President	-	330,000.00	-	1,080,000.00	-	-	1.41
11. Mr. Pradit Theekakul Director / Member of Executive Director	-	330,000.00	-	540,000.00	-	-	0.87
Total	-	3,750,000.00	455,000.00	2,475,000.00	78,750.00	105,000.00	6.86
Remark: Mr. Prasert Prasarttong-Osoth was appointed on Member of Executive Committee April 19 th , 2021							6,863,750.00

- Remuneration of Executive Officers

In 2021, the total remuneration paid to the chairman of the Executive Committee, the President and our 18 executive officers of was approximately THB 114.05 million, which was paid in the form of salary, bonus and other remunerations.

2. Non-monetary Remuneration

Other benefits provided to the Company's directors are detailed and conditioned as follows:

1. A director is entitled to benefit of the medical treatment expense in the amount for each director not exceeding THB 1,000,000 per year and in total not exceeding THB 2,000,000 during his term.
2. A Director and one follower are entitled to the Company's airplane tickets for not exceeding 24 airplane tickets per year.
3. When flight schedule is available, a director is entitled to use the Company's aircrafts of not exceeding 100 hours per year for the activities of the Company and/or of the Board of Directors and/or the directors and such activities are beneficial to the Company; or promote the image of the Company or promote the Company's business; or for public interest, corporate social responsibility and other special missions.
4. The Company shall provide the Directors and Officers Liabilities Insurance for the benefits of the directors and managements of the Company

Annual Change of the Directors and management's holding ⁽¹⁾

Name	Shares volume on 11/6/2020	Shares volume on 11/3/2021	Change of shares volume
1. Air Chief Marshal Kaset Rochananil	700,000	700,000	-
2. Mr. Puttipong Prasarttong-Osoth	523,387,900	425,387,900	98,000,000
3. Mr. Prasert Prasarttong-Osoth	238,942,000	336,942,000	98,000,000
4. Pol.Gen.Visanu Prasattongosoth	300,000	300,000	-
5. Mr.Sripop Sarasas	-	-	-
6. Mrs. Narumol Noi-am	350,000	350,000	-
7. Mr. Pradit Theekakul	9,000,000	9,000,000	-
8. Mr. Anawat Leelawatwatana	293,000	212,000	81,000
9. Mr. Saharat Benyakul	-	-	-
10. Mrs. Ariya Prasarttong-Osoth	243,440,900	243,440,900	-
11. Mr.Somboon Kittiyansub	-	-	-
12. AM.Dechit Chareonwong	-	-	-
13. Mr.Christophe Clarenc	36,900	36,900	-
14. Mr.Nijjapat Piyapant	5,000	5,000	-
15. Ms.Tresarun Sitakalin	31,500	21,500	10,000
16. Ms. Aninya Nateprapai	2,600	4,800	2,200
17. Mrs.Chanthip Thongkanya	-	-	-
18. Ms. Poonsuk Teerawanichphol	-	-	-
19. Mr.Tongsook Chompoonuch	-	15,000	15,000
20. Mr. Pairoch Chantasilp	-	-	-
21. Ms.Amornrat Kongsawat	9,800	9,800	-
22. Mr.Chulin Kocharoen	-	-	-
23. Ms. Siriporn Noochan	-	-	-

Remarks:

(1) This table shows shares volume comparison on the book closing day in preparation of the 2020 and 2021 annual reports.



Capital Structure

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Shareholder

As of Mar 11th, 2021, the company's top ten shareholders are:

Names of Shareholders	As of Mar 11 th , 2021	
	Number of shares	%
1. Puttipong Prasarttong-Osoth	425,387,900	20.26
2. Prasert Prasarttong-Osoth	336,942,000	16.04
3. Ariya Prasarttong-Osoth	243,440,900	11.59
4. Poramaporn Prasarttong-Osoth	136,250,000	6.49
5. Bangkok Bank Public Company Limited	105,000,000	5.00
6. Thai NVDR Co., Ltd	81,418,718	3.88
7. Somruthai Prasarttong-Osoth	77,542,900	3.69
8. Sahakol Estate Co., Ltd. ⁽¹⁾	63,934,400	3.04
9. Bualuang Long-term Equity Fund	57,918,100	2.76
10. Bangkok Airways Public Company Limited	40,000,000	1.90

Remark:

(1) Sahakol Estate Co., Ltd. Is a wholly owned company by Prasarttong-Osoth family.

Dividend Policies of the Company and Subsidiaries

The board of directors of the Company or the subsidiaries may consider the dividend payment to the shareholders as per the following policies

1. Dividend Policies of the Company

The Company has a policy to pay dividends at the rate of not less than 50.0% of the Company's separate net profits after deducting corporate income tax and other reserve funds as required by law and our Articles of Association. However, our dividend payment policy may be subject to changes, depending on the business expansion and our demand in use of funds in each year, as necessary and suitable, as our board of directors deems appropriate, subject to our shareholders' approval. For the payment of interim dividends, our board of directors may approve to pay the interim dividends from time to time when our board of directors views that the Company has sufficient net profits to do so.

2. Dividend Policies of Subsidiaries

Dividend payments by each of our subsidiaries is subject to shareholders' approval in accordance with such subsidiary's respective board of directors' recommendation. The following factors are taken into account when considering dividend payment: the results of operation, liquidity, cash flows and financial status of each subsidiary, conditions and limitations of the dividend payment as provided in the relevant loan agreements, debentures or other related agreements with which each subsidiary must comply, future business plans, investment capital requirement and other factors as deemed appropriate by such subsidiary's board of directors.

Anti-Corruption Policy

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The Company has always conducted its business by adhering to Good Corporate Governance, business ethics, and laws. Also, the Company has communicated, publicized for acknowledgment and understanding of not to demand, or agree to receive money, items, or any other benefits, including not to act in the way which may give rise to such actions, either for the benefits of the Company, oneself or others; and these have been prescribed in the Company's Code of Conduct as fundamental guidelines for our employees.

Additionally, the Company emphasizes the significance of anti-corruption; whereby the Company's Board of Directors' meeting No. 5/2014 held on May 22, 2014 has approved the Anti-Corruption Policy so that the Company's guidelines of avoiding and opposing corruption issues are more explicit. In this regard, the Company's directors, executives, employees, including the Company's subsidiaries and the businesses over which the Company has controlling power will not or support any corruption behaviors in whatever forms and will strictly comply with fundamental guidelines in Anti-Corruption Policy, including cooperate with the internal audit investigation with an aim to avoid and correct corruption behaviors which may arise internally.

The Company has established the following guidelines for preventing corruption:

1. Define the principles for giving or receiving gifts or entertainment as part of the Company's Code of Conduct. Employees must not offer, demand, receive, or agree to receive money, items, meals, entertainment, or any other benefits which may give rise to the suspicion of bribery and corruption behavior. Gifts received should be modest, and should not be cash or cash equivalents. Employees must always be aware that all actions and non-actions must take into consideration transparency, fairness, and accountability.
2. Set out regulations on procurement, and objectives for entering into transactions, entering into agreements, and disbursement; whereby each step requires definitive supporting documentation, as well as specify approval limits and authorization approvals for each level
3. Arrange to put in place an internal audit system to cover finance, accounting, recording information, and other aspects of accounting and finance to ensure that financial transactions are entered into for approved purposes, and that business is conducted with transparency.
4. Communicate the values of Good Corporate Governance, as well as the Anti-Corruption Policy, to work units within the Company, its subsidiaries, and the businesses over which the Company has controlling power via various channels such as employee training, the Company's internal communication channels, such as the Company's website or intranet, to inform the relevant parties to ensure further compliance.

5. The Audit Committee has the duty to audit and review transactions of the Company to ensure that the Company has sufficient good corporate governance in line with the relevant policies and requirements. If the Audit Committee has found or has any question about any transaction or action which may affect the Company's transparency in its business operation, the Audit Committee may independently report such a transaction or action to the Board of Directors and/or the President (as the case may be as it deems appropriate) in order for the issue to be addressed timely and appropriately.
6. Establish whistleblower channels for reporting to or filing complaints with the Audit Committee in the event that encounter situations which may constitute dishonest behavior or misconduct by individuals, as well as the Company. Whistleblowers can raise their concerns or file complaints, and submit details and evidence by mail to the following persons at Bangkok Airways Public Company Limited, No. 99 Mu 14, Vibhavadirangsit Road, ChomPhon, Chatuchak, Bangkok 10900, based on the type of issue as follows:

Issue	Recipient
<ul style="list-style-type: none"> Violations of the law, dishonest behavior, violations of the work rules and Code of Conduct 	<ul style="list-style-type: none"> The President or the highest-ranking officer of the Human Resources Department
<ul style="list-style-type: none"> Matters which affect the reputation and image of the Company 	<ul style="list-style-type: none"> The President
<ul style="list-style-type: none"> Non-compliance with the Code of Conduct by Directors 	<ul style="list-style-type: none"> The Chairman, the Chairman of the Audit Committee, or the Company Secretary
<ul style="list-style-type: none"> Irregularities regarding financial transactions 	<ul style="list-style-type: none"> The Chairman of the Audit Committee

7. In order to prevent any potential adverse impact on whistleblowers, the Company has put in place mechanisms to protect them by establishing a confidentiality policy regarding their identity. Therefore, if information regarding whistleblowers is disclosed, persons who are responsible for such information shall be subject to disciplinary action in accordance with the Company's Work Rules.

Audit Committee Report

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Attention: Shareholders, Bangkok Airways Public Company Limited

Audit Committee of Bangkok Airways Public Company Limited (the Company) has been appointed by Board of Directors of the Company, consisting of independent directors with expertise in finance, accounting, laws and administration.

Audit Committee has performed duties independently to review financial reports and internal control systems, risk management and reviewed all other pertaining information apart from financial report and participated in supervision of subsidiaries via review of internal control system. The objectives of the Committee are to control management, ensure compliance with Company policies, correctness and transparency of transactions in accordance to the law and announcement of the Stock Exchange of Thailand, taking into account role and scope of work as stated in Audit Committee Charter.

Bangkok Airways Public Company Limited has always been aware of the importance of Risk Assessment and Adequacy of Internal Control System. The Company is determined to ensure that the business is conducted with transparency and ethics to benefit each group of stakeholders in accordance to Corporate Good Governance principle.

The Company Audit Committee with three committee members arranged four meetings in 2021, details as follows:

Number	Name	Position	Appointed year	Attendance
1	Mr. Sripop Sarasas	Chairman, Audit Committee	2014	4
2	Mr. Saharatna Benyakul	Audit Committee	2015	4
3	Mr. Somboon Kittiyansub	Audit Committee	2019	4

Audit Committee has performed duties according to scope of responsibilities stated in Audit Committee Charter, in consistence with regulations of the Stock Exchange of Thailand. The summary of performance in 2021 is as follows:

1. Reviewed financial report and financial budget on quarterly basis and annual basis, jointly with Management Committee, Internal Audit Division and auditor, discussed findings and recommendations on completeness and correctness of financial budget, adequacy of disclosure, improvement of significant accounting transactions and estimate accounting including significant issues from the audit that may affect financial status and operation under the Covid-19 pandemic situation and any other important issues to ensure that financial report of Bangkok Airways Public Company Limited is correct, credible and complies with generally accepted accounting standard.
2. Reviewed performance by auditor and considered appointment of auditor. Audit Committee arranged exclusive meeting the auditor without an interference of Management Committee, to freely discuss issues such as receipt of information, cooperation, obstacles and problems in the audit, and to be able to clearly the plan and scope of work of auditor. The Committee considered and endorsed appointment of EY Office Company Limited, with competency, independency and experience in auditing the Company business, as auditor of Bangkok Airways Public Company Limited in 2022.

3. Considered related party transactions or other transactions that may cause conflict of interest to ensure compliance with regulations of the Stock Exchange of Thailand. The Committee requested explanations from management whenever in doubt of significance difference from previous year to reassure that the Company has operated according to normal business condition, fully and correctly complied with the law.
4. Considered and approved Internal Audit Plan 2021. The Committee reviewed and supervised internal audit work, made adjustment to utilize technological support, increased data analysis from remote area to check and analyze abnormal transactions and reduced duplication of work, built confidence to enable employees to perform duties independently and reduced work hours. The Committee held a quarterly meeting with Internal Audit Division and auditor to review performance as suggested in Internal Audit Assessment Report, from Internal Audit Division, auditor and other regulators, to ensure effective improvement of drawback in work process. Internal and external auditors were able to perform their duties independently, adjusted to agile audit, to ensure that internal audit process, under crisis situation, is concise, clear and timely.
5. Reviewed significant risk management, conforming to corporate Risk Management Plan 2021, in order to conduct quarterly assessment of adequacy and efficiency of annual risk management system. Audit Committee has an understanding of significant risk to the Company and conducted the review to ensure existence of a process for management of risks including risks due to the pandemic and emerging risks. The Committee reviewed risk management framework and recommended necessary improvement. For example, if an infection should occur internally within the Company, there is a back-up operation plan to ensure risk management framework is conducted efficiently and effectively.
6. Maintained the quality of Audit Committee by review of scope of responsibility of Audit Committee and Internal Audit Division, considered and approved Audit Committee Charter and Audit Charter, overall assessment of Audit Committee and self assessment by each member of Audit Committee pursuant to guideline stipulated by the Stock Exchange of Thailand.
7. Strictly reviewed compliance with Corporate Good Governance policy, principle and guideline stipulated by the Securities and Exchange Commission, law relating to Covid-19 pandemic issued by Ministry of Public Health, including government policies and other related laws, to ensure transparency of performance by the Company and to enhance shareholders and investors confidence.
8. Supported establishment of Data Governance System and placed priority on Cyber Security Risk Management by arrangement of training courses to enable employees to gain necessary knowledge and understanding.

In conclusion, Audit Committee performed its duties fully, according to scope of assigned responsibilities, applied knowledge and skills cautiously and expressed opinion honestly and independently for best interest of all stakeholders. In the opinion of the Committee, the Company produced financial statements in consistence with financial reporting standard, pursuant to generally accepted accounting principle, with sufficient disclosure, efficient Internal Control System and Risk Management, abiding by rules of law and relevant regulations in accordance to corporate good governance principle.



(Mr. Sripop Sarasas)

Chairman, Audit Committee

Bangkok Airways Public Company Limited

Corporate Governance Committee Report

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Attention: Shareholders, Bangkok Airways Public Company Limited

Corporate Governance Committee of Bangkok Airways Public Company Limited consists of three non-executive directors, chaired by an independent director.

In 2021, Corporate Governance Committee carried out duties to set governance policy and practical guideline, in order to support, supervise and ensure performance by staff and operation of the business complies with corporate good governance principles, as summarized below:

- Reviewed, checked, advised and monitored performance pursuant to continual Corporate Good Governance Plan, with objective and target to support international corporate good governance principles. The Committee also improved and developed guideline to promote and support actual performance in consistence with corporate good governance principle.
- Reviewed, improved measures and advised working group pursuant to Personal Data Protection Act B.E. 2562, originally effective on 31 May 2021, but due COVID-19 pandemic situation, a royal decree was issued to postpone effective date to 31 May 2022, in order to ensure operation of the business complies and consistence with international standard for protection of personal data and Information Security related law and the Company able to operate business fully and correctly within the frame of the law and related regulations, which would mitigate risks from actions considered as violation of above mentioned law and regulation. The Committee also advised Information Security working group on actions to be taken and how to manage the situation, set preventive measure against reoccurrence of cyber attack to ensure that the Company has a defense system against reoccurrence of the same situation in the future.

- Considered evaluation result according to corporate good governance practice and Corporate Governance Survey of Thai Listed Companies Project 2021, organized by Thai Institute of Directors Association. The evaluation result and recommendations were analyzed to determine framework and guideline and proposed to the Board for consideration.

Corporate Governance Committee maintained its commitment to perform duties under restrictions of impact from COVID-19 pandemic, which continued to affect operation of the Company business, with emphasis on using suitable communication channels to hold meetings, discussions and to communicate. The Committee also arranged systematic checks, supervision, performance evaluation and operation of the business to support performance of duties by the Board with a view to ensure efficiency of operation, and performed duties to implement operation of Company business according to the policy and Corporate Good Governance Principle pursuant to international standard to ensure continual development and sustainable growth of the business.



(Mr. Somboon Kittiyansub)

Chairman Corporate Governance Committee
Bangkok Airways Public Company Limited

Nomination and Remuneration Committee Report

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Attention: Shareholders, Bangkok Airways Public Company Limited

In 2021 Nomination and Remuneration Committee performed duties under restriction of COVID-19 pandemic, with emphasis on holding meetings, discussions and communication through appropriate channels. Significant actions taken relating to nomination and remuneration can be summarized as follows:

- (a) Recruited and proposed appointment of directors to replace those retired by rotation. Candidates were considered according to their qualifications, knowledge and skills, experience and expertise in commercial aviation and related business, with business vision, positive attitude and determination on organizational development as they contribute to operation of sustainable business, in consistence with environment of aviation industry, significant impact of COVID-19 pandemic and competitive environment of commercial aviation business.
- (b) Recruited and proposed appointment of new directors through selection of individuals with knowledge, experience and expertise in civil aviation and related business, business vision, positive attitude and determination on overall organizational development, all of which contribute to operation of company business.
- (c) Determined remuneration for Board of Directors and sub committees by consideration of suitability to role and responsibilities, result of performance, together with overall operation result, environment of company business and other significant factors effective to the Company, commercial aviation business or overall economic situation. Then compared with other companies in the same type of industry with reference to evaluation result of the Board according to factors specified in annual evaluation form, to ensure the remuneration is suitable, transparent and verifiable. Remuneration for the Board and senior management is disclosed in this edition of annual report.
- (d) Conducted annual evaluation of performance of Chief Executive Officer and the President in 2021, with recommendations for development and improvement of performance in 2021.

Regarding Annual Shareholders Meeting 2022, Board of Directors of Bangkok Airways Public Company Limited provided opportunities for shareholders to propose names of individual to be selected and appointed as directors but no shareholders proposed any name to be included in the nomination process.



(Mr. Sripop Sarasas)

Chairman Nomination and Remuneration Committee
Bangkok Airways Public Company Limited.

Employees

● Overview

As of December 31st, 2021, the Company had 2,168 employees divided by function as follows:

By Gender



Female **1,042**



Male **1,126**

By age (year)

Position	22-30 Year	31-40 Year	41-50 Year	51-60 year	Over 60 year
Number of employees December 31, 2021	349	993	641	172	12
Total 2,168					

By Level

Position	Officer	Supervisor	Manager	Director	VP	S/E VP	CEO
Number of employees December 31, 2021	998	592	517	45	11	4	1
Total 2,168							

The company must hire highly-skilled, dedicated and efficient pilots, engineers and other personnel. Our growth plans will require us to hire, train and retain a significant number of new employees in the future. We recognize the need to ensure continuity in our management in order to maintain our edge over our competitors. Our directors believe that our continued success depends, among other the factors, on the support and dedication of our management personnel. We have put in place human resource strategies, which include competitive compensation, fit-for-purpose recruitment and a succession plan.

The Company strives on creating motivation to keep the employees to stay with the Company by offering appropriate remuneration through work evaluation. This includes heightening their skills through trainings. The Company encourages to attend meetings and trainings constantly in order to be equipped with relevant skills and calibers. Also, on-job trainings is another important approach to pass on knowledge from the experienced employees to the new recruits or those of entry levels. Investing in human resource helps increase the caliber of employees. These skill development will gradually prepare the mid and entry levels employees to be able to handle the responsibilities of the high-levelled executives in the future.

- **The Provident Fund**

The Company set up a Provident Fund on 1 January 1999 with Siam Commercial Asset Management Company Limited, to promote long term saving for employees and to provide security for employees and their families in cases such as termination of employment, retirement or death. The Fund also provided motivation for employees to continue to work in the Company for a long time, creating a bond between themselves which helped them to perform their duties more efficiently. On 14 December 2000, the Company appointed Mutual Fund Public Company Limited which later changed the name to MFC Asset Management Public Company Limited, to manage the Company's Provident Fund. The Company contributes 3-8% of the employees' salaries into the Fund and employees pay the fund to accumulate at the rate of 3-15% of their salaries.

However, due to COVID-19 pandemic which continued to effect the economy, the Ministry of Finance issued an announcement to allow employees and employers of companies located in areas where there is an economic crisis, a public disaster, or an event that affects the economy to discontinue or suspend contribution toward Provident fund (Announcement No. 3.). Therefore the Company suspended contribution towards Provident fund from June 2020 to the present.

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The Internal Control

Bangkok Airways Public Company Limited (the Company) is determined to develop Internal Control and Risk Management Process to ensure that the process would help the Company to achieve its goal and create added value for the organization, shareholders and stakeholders. The Company set plans and measures to mitigate risks that may occur internally and externally and set measures to manage emergency when operation is interrupted. These measures are consistently monitored and reviewed by management to ensure risks are reduced to an acceptable level and that the Company can continue to operate.

The three members of Audit Committee considered Evaluation of Adequacy of Internal Control System , answered questions raised by management and related divisions in compliance with guideline of the Committee of Sponsoring Organizations of the Treadway Commission. Evaluation of Internal Control can be summarized as follows:

● Control Environment

Due to the effect of Covid-19 pandemic on business and changing consumer behaviors, it was necessary for the Company to revise its business plan in order to survive through the crisis taking into account building new environment, finding new partners to cooperate in development of goods and services for benefit of customers to sustain the business. The Company realized the significance of Risk Management process and prepared for what would happened post Covid-19 by requesting management and employees to adjust themselves, their mind set and operation process in consistence with normal work process; create mutual understanding between all employees to be prepared to manage crisis and to realize that changes are the norm in the future. The whole

organization must be ready to cope with whatever will happen in the future, to focus on vision, idea and have the courage to create new growth opportunities from the crisis.

The Company reviewed and realized the significance of the term “Organizational Stakeholders” regarding the relationship or co-existence between the organization and its environment such as customers, employees, business partners, the community, environment and society. In order for the organization to achieve long term and sustainable success, it is necessary to create a relationship and balanced co-existence for all parties concerned to ensure flexibility when situation changes.

● Risk Management

The Company realized the significance of risk management and business continuity under crisis. Business Continuity Management is a tool that enabled the Company to be prepared to manage risk when it happens.

The Company reviewed and adjusted business direction as suitable to the situation, in terms of income generating channel, reduced expenses, investment plan, efficient management of assets on hand including concise Business Continuity Plan to maintain financial stability so that the Company will be able to continue operation of business as target.

For risk management, the Company assigned employees in each department to participate in risk analysis, audit and assessment and work together in setting Risk Prevention and Control Plan as suitable to the assignment. Training courses were arranged for employees to gain knowledge and understanding of the correct meaning of risk to ensure risk management plan is efficient,

effective and consistence with corporate target and strategies.

During the past year the Company monitored the situation, made assessment of risk and set suitable management guideline by setting Business Continuity Management Plan, Emergency Management Plan to run the business during crisis. All requirements, rules and regulations related to operation of business were monitored in order to improve performance to comply with the requirements, health measures were set to reduce future spread of disease for example

- Risk management and Control Measure for health of employees and customers
- Risk management and control measure for changed behavior of consumers
- Risk management and control measure for Technology change and cyber security.

● Control Activities

Management and all employees in the Company recognized their role in creating and maintain robust internal control system to protect or mitigate damages or failings that may arise and able to successfully meet internal control objectives. Control activities can be found in all levels and in each unit in the Company such as policy and procedures, approval and delegation of authority, validation and verification, performance tests, security review, restrict access to resources and segregation of duties. In this regard, middle management is responsible not only to consider whether or not control activities are consistent with risk management process but also to ensure that each employee is involved in checking whether or not control activities are implemented correctly in order to support building effective Internal Control System and consistent

understanding by every one concerned, with focus on creating Business Resilience and Mitigation of Damages under 3 E principles:

- Economy: Economical use of existing resources, maximize benefit or the ability to reduce costs but still able to meet prescribed objectives.
- Efficiency: To ensure best results are produced from existing resources
- Effectiveness : To achieve objectives of the project and target that has been set

To enable all divisions in the organization to support development of risk management and continuity management, with ability to identify quick solution to problems and develop fast work process.

● Information and Communication

The Company has sufficiently implemented the work on Information and Communication in its business operation including the business management that's based on both internal and external data analysis. The Company has improved the overall Control Procedure and the safety of the Information System in accordance with the ISO 27001 as a framework towards the international standard. For the personal information protection, The Company has leveraged the standard pursuant to the Data Privacy Law and the relevant benchmark particularly on the General Data Protection Regulation – Europe (EU-GDPR). The Company is determined to develop Information Technology

System and Communication through Enterprise Data Management and put into practice, in line with changing situation, taking into account changes in working style, innovation transfer and constant cyber security risks

The Company has opened a channel of Whistle Blower for both inside and outside individuals of The Company to be able to report any corruption activity under the Anti-Corruption Policy; also for complaints and suggestions from the outsiders such as customers, business partners, or shareholders, to help increase efficiency within The Company's internal operation.

● Monitoring Activities

The Company realizes the importance of the Internal Control's evaluation. There're reviews of the Internal Control System by the Internal Audit on a regular basis. The Company also includes the Monitoring Activities in the work plan because of constant change in the business situation. Therefore, the improvement of process and in designing the Internal Control System to cope with the change of situation along with sufficient Monitoring Activities will enable The Company to manage the risk in a timely fashion. This also helps

boost confidence to the shareholders and all stakeholders. In case of any shortcoming being found, The Company has an instruction for an immediate action to amend it with a report to the Audit Committee on a quarterly basis. The Company aims to enhance the understanding of all personnel to be able to follow and assess the risk in The Company's business operation. At workshops, they will analyze the potential corporate risk assessment in order to plan on proper action to correct the situation.



2. Head of Internal Controls and Head of Corporate Governance of The Company

Currently, Mr. Pairoj Chantasil is the Head of Internal Controls was appointed on September 1st, 2018 and total of 5 staff inclusive of himself. The team is split into three units as follows.

1. **Internal Audit** is tasked for auditing, evaluating and ensuring the sufficiency of the Internal Control System including the corporate management in order to achieve the corporate objective.
2. **Risk and Compliance** is tasked for identifying, sequencing, and risk management supervising to ensure all procedures are carried out in accordance to the corporate objective.
3. **IT Audit** is tasked for auditing and evaluating the IT system to ensure that all information is safe, correctly linked with the database, and limited with information accessibility pursuant to the corporate standard.





Connected Transaction

In 2021, Gourmet Primo Co.,Ltd. (GP), SA Services Co.,Ltd. (SA), BFS Cargo DMK Co.,Ltd. (DMK), Bangkok Air Catering Samui Co.,Ltd. (BACUSM), Bangkok Air Catering Chiang Mai Co.,Ltd. (BACCNX), Bangkok Air Catering Don Muang Co.,Ltd. (BACDMK) and Bangkok Airways Ground Services Co.,Ltd. (PGGS) have no connected transaction.

Opinion from Audit Committee:

Connected Transactions consist of normal business transaction, normal business support transaction, short term rental or lease of immovable property transaction, and items related to assets or services transaction were conducted with normal course of business at market terms and conditions. In the securities investment, Company and subsidiaries must be conducted under Company's securities investment policy.

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
1. Paradise Shopping Co.,Ltd. Relationship • Common shareholders and directors	• Expenses	4,001	BA paid for merchandises. Type of Connected Transaction Normal business support transaction
	• Trade account receivable	344,949	BA received payment for rental payment. Type of Connected Transaction
	• Revenue	335,641	Short term rental or lease of immovable property transaction
	• Deposit	446,360	
	• Revenue	16,472	MOR received merchandises payment. Type of Connected Transaction Normal business transaction
	• Trade account payable	95,097	MOR paid for merchandises. Type of Connected Transaction
2. Samui Accom Co.,Ltd. Relationship • Common shareholders and directors	• Expenses	3,900	BA paid for passenger and baggage services. Type of Connected Transaction Normal business support transaction
	• Trade account receivable	131,512	BA received rental and parking lots payment. Type of Connected Transaction
	• Revenue	436,843	Short term rental or lease of immovable property transaction
	• Deposit	252,000	

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
3. Dhammachart Na Thai Co.,Ltd. Relationship <ul style="list-style-type: none"> Common directors Close relatives of director is shareholder and director 	<ul style="list-style-type: none"> Trade account receivable 	800	BA received cargo services payment. Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Revenue 	2,635	
	<ul style="list-style-type: none"> Expenses 	7,950	BAC paid for merchandises. Type of Connected Transaction Normal business transaction
4. Bangkok Travel Club Co.,Ltd. Relationship <ul style="list-style-type: none"> Common shareholders and directors 	<ul style="list-style-type: none"> Trade account receivable 	113,656	BA received rental payment. Type of Connected Transaction Short term rental or lease of immovable property transaction
	<ul style="list-style-type: none"> Revenue 	320,263	
	<ul style="list-style-type: none"> Deposit 	346,400	
5. Natural Rice Co.,Ltd. Relationship <ul style="list-style-type: none"> Close relatives of director is shareholder and director 	<ul style="list-style-type: none"> Trade account receivable 	2,220	BA received cargo services payment. Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Revenue 	1,743	
6. Bangkok Air Tour (1988) Co.,Ltd. Relationship <ul style="list-style-type: none"> Common shareholders and directors 	<ul style="list-style-type: none"> Trade account receivable 	161,678	BA received air ticket payment. Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Revenue 	1,047,055	
	<ul style="list-style-type: none"> Deposit 	789,985	
	<ul style="list-style-type: none"> Trade account payable 	533,985	BA paid for air ticket, visa application and insurance. Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Expenses 	689,007	
	<ul style="list-style-type: none"> Expenses 	170,800	BAC paid for air ticket. Type of Connected Transaction Normal business support transaction
7. Samui Palm Beach Resort Co.,Ltd. Type of Connected Transaction <ul style="list-style-type: none"> Common shareholders and directors 	<ul style="list-style-type: none"> Trade account payable 	1,212,200	BA paid for accommodation services. Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Expenses 	2,496,542	
	<ul style="list-style-type: none"> Revenue 	17,000	BA received rental payment. Type of Connected Transaction Short term rental or lease of immovable property transaction
	<ul style="list-style-type: none"> Deposit 	180,000	

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
8. Sukhothai Property Co.,Ltd. Relationship • Common shareholders and directors	• Trade account payable • Expenses	23,800 116,193	BA paid for accommodation services. Type of Connected Transaction Normal business support transaction
	• Trade account payable • Expenses	22,130 537,294	BA paid for accommodation services. Type of Connected Transaction Normal business support transaction
9. Thai Petroleum Services Co.,Ltd Relationship • Common shareholders and directors	• Trade account receivable	1,096	BA received rental and service charge payment. Type of Connected Transaction
	• Revenue • Deposit	121,661 66,200	Short term rental or lease of immovable property transaction
10. Sabai Sabai Sukhothai Co.,Ltd. Relationship • Common shareholders and directors	• Expenses	22,240	BA paid for accommodation services. Type of Connected Transaction Normal business support transaction
	• Trade account payable • Expenses	168,059 6,192,562	BATC paid for accommodation services. Type of Connected Transaction Normal business support transaction
11. Bangkok Dusit Medical Services Pcl. - BDMS Relationship • Common shareholders and directors	• Revenue • Other revenue	1,425,000 1,804	BA received chartered flight services payment. Type of Connected Transaction Normal business transaction
	• Trade account payable • Expenses	137,438 2,553,891	BA paid for medical services. Type of Connected Transaction Normal business support transaction
	• Investment • Dividend income	19,053,629,870 662,734,952	Long term investment recored as available for sale securities. Type of Connected Transaction Items related to assets or seviceis transaction
	• Investment • Dividend income	4,715,000,000 164,000,000	Long term investment recored as available for sale securities. Type of Connected Transaction Items related to assets or seviceis transaction
	• Trade account receivable • Revenue	12,073,778 124,327,186	BACGH received catering services payment. Type of Connected Transaction Normal business transaction
	• Trade account payable • Expenses • Deposit	532,286 7,870,555 835,036	BACGH paid for rental and service charge. Type of Connected Transaction Normal business support transaction

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
12. Bangkok Hospital Samui Co.,Ltd. – BSH Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Trade account receivable 	33,025	BA received air tickets and other services payment.
	<ul style="list-style-type: none"> Revenue Other revenue 	99,630 7,206	Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Expenses 	459,003	BA paid for medical services. Type of Connected Transaction Normal business support transaction
13. Bangkok Hospital Chiang Mai Co.,Ltd - BCM Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Expenses 	4,200	BA paid for medical services. Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Trade account receivable Revenue 	38,155 148,518	BACGH received catering services payment. Type of Connected Transaction Normal business transaction
14. Bangkok Hospital Phuket Co.,Ltd. - BPH Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Expenses 	4,950	BA paid for medical services. Type of Connected Transaction Normal business support transaction
15. Bangkok Hospital Phuket Co., Ltd. - BPK Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Expenses 	7,000	BA paid for medical services. Type of Connected Transaction Normal business support transaction
16. Paolo Medic Co.,Ltd. - PLP Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Trade account payable Expenses 	306,770 648,441	BA paid for medical services. Type of Connected Transaction Normal business support transaction
17. Save Drug Center Co.,Ltd. – Save Drug Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Trade account payable Expenses 	64,001 169,592	BA paid for drug and first aid kits. Type of Connected Transaction Normal business support transaction

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
18. National Healthcare Systems Co.,Ltd. – N-Health Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Trade account receivable 	34,687	BA received cargo services payment.
	<ul style="list-style-type: none"> Revenue 	214,730	Type of Connected Transaction Normal business transaction
	<ul style="list-style-type: none"> Expenses 	20,697	BA paid for Automated External Defibrillator (AED). Type of Connected Transaction Normal business support transaction
19. Bangkok Helicopter services Co.,Ltd. – B-Cop Relationship <ul style="list-style-type: none"> Subsidiary of BDMS Common directors 	<ul style="list-style-type: none"> Trade account receivable 	273,920	BA received management and helicopter maintenance services payment.
	<ul style="list-style-type: none"> Revenue 	3,086,767	Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Revenue 	23,925	BATC received training courses payment. Type of Connected Transaction Normal business support transaction
20. Aeronautical Radio of Thailand Co.,Ltd. - AEROTHAI Relationship <ul style="list-style-type: none"> State enterprise under the Ministry of Transport and Communications To provide air traffic control and aeronautical communication services for airline operations The Ministry of Finance is a major shareholder Common directors 	<ul style="list-style-type: none"> Investment 	3,936,300	Long term investment recorded as other investments. Type of Connected Transaction Items related to assets or services transaction
	<ul style="list-style-type: none"> Trade account payable 	12,706,501	BA paid for aeronautical services and related services.
	<ul style="list-style-type: none"> Expenses 	63,218,080	Type of Connected Transaction
	<ul style="list-style-type: none"> Deposit 	72,000	Normal business support transaction
	<ul style="list-style-type: none"> Trade account receivable 	8,559	BA received air tickets payment.
	<ul style="list-style-type: none"> Revenue 	118,130	Type of Connected Transaction
	<ul style="list-style-type: none"> Other revenue 	7,386	Normal business transaction
	<ul style="list-style-type: none"> Trade account payable 	11,618	BATC paid for aeronautical services and related services.
	<ul style="list-style-type: none"> Expenses 	193,859	Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Trade account payable 	12,840	BFS Ground paid for aeronautical services and related services.
	<ul style="list-style-type: none"> Expenses 	5,310,560	Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Trade account payable 	42,051	BAC paid for aeronautical services and related services.
	<ul style="list-style-type: none"> Expenses 	471,600	Type of Connected Transaction Normal business support transaction
	<ul style="list-style-type: none"> Trade account payable 	22,042	BACHKT paid for aeronautical services and related services.
	<ul style="list-style-type: none"> Expenses 	188,700	Type of Connected Transaction Normal business support transaction

Name of Connected Person	Connected Transaction	Value as of 2021 (Baht)	Description of Connected Transaction
21. Bangkok Aviation Fuel Services Pcl. - BAFS Relationship • Common directors	• Investment	1,625,293,500	Long term investment recorded as available for sale securities. Type of Connected Transaction Items related to assets or services transaction
	• Revenue • Trade account receivable • Rental deposit • Deposit	163,590 14,541 32,000 3,000	BA received communication equipments and utilities payment. Type of Connected Transaction Normal business support transaction
	• Rental expenses • Deposit	1,118,426 186,404	BA paid for rental and service charge payment. Type of Connected Transaction Short term rental or lease of immovable property transaction
22. Fuel Pipeline Transportation Co.,Ltd. - FPT Relationship • Subsidiary of BAFS • Common directors	• Investment	499,115,348	Long term investment recorded as other investments. Type of Connected Transaction Items related to assets or services transaction



Report and consolidated financial statements

Bangkok Airways Public Company Limited and its subsidiaries
31 December 2021

Independent Auditor's Report

To the Shareholders of Bangkok Airways Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Bangkok Airways Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bangkok Airways Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Airways Public Company Limited and its subsidiaries and of Bangkok Airways Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

I draw attention to the following matters.

1. As discussed in Note 1.2 to the consolidated financial statements, the new COVID-19 variant is more widespread, resulting in impacts on the aviation, tourism industries, including the Group's business activities due to control measures on passenger flights. These events have directly affected the Group in terms of passenger fares as well as sales and service income, resulting in the Group incurring operating loss and total current liabilities significantly exceeding total current assets. These circumstances are significantly impacting the Group's financial position, operating results, and cash flows, including compliance with debt covenants under long-term loans agreements and aircraft lease agreements at present and future. In this regard, the Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

At present, the Group has investments in equity instruments of listed companies that are readily convertible into working capital, available lines of credit and other financial support from financial institutions. In addition, it is implementing various measures related to sourcing additional funds, operation and management of the business, revision of business plans in response to changes in the current situation, and operating plans to reduce costs and relevant expenses, in order to manage the liquidity and cash flows of the Group. Furthermore, the policy to reopen the country to international tourists including the progress of vaccine development and the immunisation of the global population, the management is confident that implementation of these measures will enable the Group to continue as a going concern. The financial statements has, therefore, been prepared on a going concern basis. However, the success of the implementation of these measures, as well as all financing plans and operating plans to manage liquidity, depends on various material internal and external factors about which there are significant uncertainties, which may raise doubt about the Group's ability to continue as a going concern.

2. As discussed in Note 21 to the consolidated financial statements in relation to long-term lease liabilities from related party, on 27 May 2021 Meeting of the Board of Directors of the Company No. 3/2021 approved the Company proposing to terminate the long-term lease agreement and related agreements relating to the Samui Airport leasehold made with Samui Airport Property Fund (Leasehold) ("the Fund"), with proposing to pay compensation of Baht 18,050 million for the termination of these agreements.

Subsequently on 14 July 2021, the Extraordinary General Meeting of Unitholders resolved to approve the termination of the Long Term Lease Agreements, Sublease Agreements, System Services Agreement and Agreements relating to Samui Airport (“Lease Agreements”), as proposed by the Company, and also approve to dissolve the Fund and delist the investment units from the Stock Exchange of Thailand.

Following the vote at the Extraordinary General Meeting of Unitholders of the Fund, the Company and the Fund entered into the Memorandum on the Termination of the Agreements for Investment and Procurement of Interest for Operation of Samui Airport. On 27 July 2021, the Company and the Fund proceeded to register the termination of the lease agreements and take other steps required to render the termination legally enforceable. The Company paid compensation for the Termination of the Agreement of Baht 18,050 million to the Fund to settle long-term lease liabilities from related party. The net loss of the lease agreement termination was presented as part of the statement of comprehensive income for the year ended 31 December 2021 amounting to Baht 5,435 million (the separate financial statements: Baht 6,259 million).

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report, including in relation to

these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Impairment assessment of property, plant and equipment and right-of-use assets

As disclosed in Note 14 and 15.1 to the consolidated financial statements, the Group had property, plant and equipment and right-of-use assets for operation. In determining the impairment loss of property, plant and equipment and right-of-use assets, management is required to exercise significant judgements with respect to identification of cash generating units and expected recoverable amount of those assets. There is therefore a risk of recognising insufficient impairment loss and overstating the values of property, plant and equipment and right-of-use assets. I have therefore considered the impairment assessment of property, plant and equipment and right-of-use assets to be a key audit matter.

The following significant audit procedures were performed in respect of above matter.

- Enquiring of the management and considering the reasonableness of policy on determine the estimated useful lives of property, plant and equipment and right-of-use assets, together with the revisions of estimated useful lives of assets.
- Gaining an understanding of the management's consideration of the cash generating units whether it is consistent with asset utilisation and recoverable amount calculation.
- Considering and testing the significant assumptions applied by the Group's management in preparing cash flow projection from those operating assets in order to evaluate the exercise of management judgement.
- Considering the scope and objectives of the fair value measurement performed by the independent appraiser, and evaluating the techniques and models as specified in the appraisal report, applied by the independent appraiser to measure the fair value, and also reviewing the necessary information and key assumptions used in the measurement of fair value.
- Reviewing the disclosures made in respect of the impairment amount of these assets.

Revenue recognition of passenger fare

As disclosed in Note 4.1 to the consolidated financial statements with respect to revenue recognition, passenger fare is the most significant amount in the statement of comprehensive income. In addition, the Company's passenger fare has been directly impacted by a competitive market environment, fuel prices, economic conditions and other external factors. I therefore considered the revenue recognition of passenger fare to be a key audit matter and have focused on the audit of occurrence and timing of revenue recognition.

The following significant audit procedures were performed in respect to above matter.

- Assessing and testing the Company's IT system and its internal controls with respect to the ticket reservation and recognition of passenger fare revenue when passengers travel to the route they have reserved by making enquiry of responsible executives, gaining an understanding of the controls and selecting samples to test the operation of the designed controls.
- Applying a sampling method to select the ticket reservation transactions and check them against payment information and external reports obtained from financial institutions.

- Applying a sampling method to select and check the flight data recorded in the revenue report against the flight schedule, including entries in corresponding ledgers, to validate the accuracy and completeness of passenger fare occurring during the year and near the end of the accounting period.
- Applying a sampling method to select and send confirmation of the flight data recorded in the revenue report against external reports obtained from Airport Authorities to ensure the existence of revenue.
- Selecting samples of the recorded adjustment transactions to check them against documents relating to passenger fare.
- Performing substantive analytical procedures and analytical procedures on disaggregated data to detect possible irregularities in passenger fare transactions throughout the accounting period.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

EY Office Limited

Bangkok: 24 February 2022

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Statement of financial position

Bangkok Airways Public Company Limited and its subsidiaries as at 31 December 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Assets					
Current assets					
• Cash and cash equivalents	7	2,125,934,543	2,181,116,771	1,458,554,130	1,694,253,979
• Trade and other receivables	6, 8	372,558,468	400,706,672	175,320,984	144,019,354
• Inventories	9	438,484,715	476,618,307	350,074,426	378,584,587
• Prepaid expenses		64,802,921	95,734,073	53,399,977	78,458,469
• Reimbursable maintenance expenses		14,330,049	15,557,614	14,330,049	15,557,614
• Other current assets		89,608,988	87,050,569	54,872,361	38,592,317
Total current assets		3,105,719,684	3,256,784,006	2,106,551,927	2,349,466,320
Non-current assets					
• Other non-current financial assets	10	25,965,023,276	23,424,118,757	21,250,023,276	19,177,058,931
• Investments in subsidiaries	11	-	-	4,734,471,937	4,336,046,479
• Investments in associates	12	2,226,250,520	4,881,216,177	2,254,404,500	5,651,408,941
• Long-term loan to and interest receivable from related party	6	-	-	210,565,380	105,329,041
• Investment properties	13	363,874,988	238,345,070	608,316,970	487,878,613
• Property, plant and equipment	14	8,927,241,420	9,776,845,685	7,216,333,439	7,769,936,317
• Right-of-use assets	15.1	6,966,401,852	7,762,521,311	6,567,486,384	7,199,302,137
• Intangible assets	16	382,497,122	482,761,263	146,531,205	196,939,581
• Deferred tax assets	31.1	26,321,097	33,375,273	-	-
• Deposits	6	491,532,042	529,010,277	479,203,652	517,142,128
• Other non-current assets	17	484,236,648	216,598,346	433,098,015	171,830,400
Total non-current assets		45,833,378,965	47,344,792,159	43,900,434,758	45,612,872,568
Total assets		48,939,098,649	50,601,576,165	46,006,986,685	47,962,338,888

The accompanying notes are an integral part of the financial statements.

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
• Short-term loans from financial institutions	18	917,000,000	1,105,000,000	720,000,000	670,000,000
• Trade and other payables	6, 19	967,361,598	1,119,047,642	743,170,977	933,796,248
• Dividend payables		2,592,399	2,600,831	2,592,399	2,600,831
• Current portion of long-term loans	20	15,616,969,876	916,856,019	15,139,310,973	108,619,118
• Current portion of long-term loan from related party	6	1,000,000,000	-	1,000,000,000	-
• Current portion of lease liabilities	15.1	3,229,531,634	4,240,685,649	3,139,891,114	4,119,659,246
• Current portion of long-term lease liabilities from related party	21	-	47,500,000	-	47,500,000
• Unearned income		375,844,903	571,603,116	367,608,788	570,287,924
• Other current financial liabilities	40.1	-	1,089,047,114	-	1,089,047,114
• Other current liabilities	6, 22	1,694,173,270	1,585,089,561	1,496,630,494	1,422,109,374
Total current liabilities		23,803,473,680	10,677,429,932	22,609,204,745	8,963,619,855
Non-current liabilities					
• Long-term loans - net of current portion	20	4,540,079,345	2,046,395,905	3,613,871,307	1,669,326,645
• Long-term loan from related party	6	-	1,000,000,000	-	1,000,000,000
• Lease liabilities - net of current portion	15.1	2,128,618,939	2,359,178,133	1,742,748,863	1,863,257,564
• Long-term lease liabilities from related party - net of current portion	21	-	9,622,984,988	-	9,622,984,988
• Provision for long-term employee benefits	23	853,552,213	798,460,861	727,316,270	672,076,690
• Deferred tax liabilities	31.1	4,311,021,948	3,955,614,669	3,561,516,126	3,302,934,044
• Other non-current financial liabilities	40.1	128,286,135	522,285,967	120,545,090	507,466,163
• Provision for transaction under equity method of investments in subsidiaries	11	-	-	409,684,499	-
• Other non-current liabilities		12,131,412	13,632,541	-	-
Total non-current liabilities		11,973,689,992	20,318,553,064	10,175,682,155	18,638,046,094
Total liabilities		35,777,163,672	30,995,982,996	32,784,886,900	27,601,665,949

The accompanying notes are an integral part of the financial statements.

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital					
• Registered 2,100,000,000 ordinary shares of Baht 1 each		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
• Issued and paid-up 2,100,000,000 ordinary shares of Baht 1 each		2,100,000,000	2,100,000,000	2,100,000,000	2,100,000,000
• Premium on ordinary shares		9,319,655,848	9,319,481,872	9,319,655,848	9,319,481,872
• Discount on changes in shareholding in subsidiaries		(211,165,781)	(211,165,781)	(211,165,781)	(211,165,781)
• Retained earnings (Deficit)					
Appropriated					
Statutory reserve	24	210,000,000	210,000,000	210,000,000	210,000,000
Others	25	464,935,952	491,556,177	464,935,952	491,556,177
Unappropriated		(14,597,232,965)	(6,091,420,999)	(14,573,456,586)	(5,322,055,960)
• Treasury stocks	25	(464,935,952)	(491,556,177)	(464,935,952)	(491,556,177)
• Other components of shareholders' equity		16,377,066,304	14,264,412,808	16,377,066,304	14,264,412,808
• Equity attributable to owners of the Company		13,198,323,406	19,591,307,900	13,222,099,785	20,360,672,939
• Non-controlling interests of the subsidiaries		(36,388,429)	14,285,269	-	-
Total shareholders' equity		13,161,934,977	19,605,593,169	13,222,099,785	20,360,672,939
Total liabilities and shareholders' equity		48,939,098,649	50,601,576,165	46,006,986,685	47,962,338,888

The accompanying notes are an integral part of the financial statements.

Directors

Directors

Statement of comprehensive income

Bangkok Airways Public Company Limited and its subsidiaries for the year ended 31 December 2021

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss					
Revenues					
• Passenger fare	6	1,190,605,673	5,589,273,407	1,190,608,973	5,589,468,992
• Sales and service income	6	1,476,884,248	1,849,230,044	-	-
• Freight		6,327,837	50,344,260	6,329,348	50,698,652
• Passenger service charge		43,075,853	177,258,783	43,075,853	177,258,783
• Dividend income	6	826,806,952	375,109,347	1,198,387,851	932,164,108
• Gain on exchange	27	-	226,988,612	-	221,584,576
• Gain on derivatives	27	529,363,704	-	529,363,704	-
• Other income	6, 14, 21	1,595,416,105	1,948,111,652	1,667,013,049	1,996,393,842
Total revenues		5,668,480,372	10,216,316,105	4,634,778,778	8,967,568,953
Expenses					
• Cost of sales and services	6	6,115,335,979	10,857,352,029	4,818,651,374	9,083,959,957
• Selling and distribution expenses		281,641,301	505,062,425	253,016,476	483,940,019
• Administrative expenses	6	1,269,306,674	1,879,195,288	794,759,407	1,328,265,450
• Loss on exchange	27	473,450,684	-	475,472,421	-
• Loss on derivatives	27	-	1,644,581,679	-	1,644,581,679
• Goodwill written-off		-	26,247,681	-	-
• Other expenses		5,335,634	1,756,175	-	-
Total expenses		8,145,070,272	14,914,195,277	6,341,899,678	12,540,747,105
Net loss of the lease agreement	12.2, 21				
• Dividend income - the Fund		-	-	2,599,673,862	-
• Share of profit from investment in associate - the Fund		2,056,226,960	-	-	-
• Net loss on lease agreement termination		(7,490,904,800)	-	(8,858,817,086)	-
Net		(5,434,677,840)	-	(6,259,143,224)	-

The accompanying notes are an integral part of the financial statements.

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Operating loss		(7,911,267,740)	(4,697,879,172)	(7,966,264,124)	(3,573,178,152)
• Share of loss from investments in subsidiaries	11.2	-	-	(293,980,521)	(567,429,250)
• Share of profit from investments in associates	12.2	453,155,656	554,554,156	-	-
• Finance income	6, 28	6,527,069	33,182,470	7,143,308	30,569,760
• Finance cost	6, 29	(1,264,783,237)	(1,117,284,287)	(1,187,373,897)	(1,042,618,938)
Loss before income tax revenues (expenses)		(8,716,368,252)	(5,227,426,833)	(9,440,475,234)	(5,152,656,580)
• Income tax revenues (expenses)	31.2	116,520,768	(100,395,241)	145,024,286	(67,352,335)
Loss for the year		(8,599,847,484)	(5,327,822,074)	(9,295,450,948)	(5,220,008,915)
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
• Share of other comprehensive income from investments in subsidiaries	11.2	-	-	3,703,315	(2,540,052)
• Gain (loss) on cash flow hedges		92,593,316	(52,295,671)	85,514,560	(48,768,062)
• Less: Income tax effect	31.3	(2,963,960)	3,482,002	-	2,776,432
Other comprehensive income to be reclassified					
• to profit or loss in subsequent periods - net of income tax		89,629,356	(48,813,669)	89,217,875	(48,531,682)

The accompanying notes are an integral part of the financial statements.

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Other comprehensive income not to be reclassified					
• Share of other comprehensive income from investments in subsidiaries	11.2	-	-	379,393,123	(822,081,499)
• Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income		2,529,294,809	(5,629,389,476)	2,057,794,809	(4,594,139,476)
• Less: Income tax effect	31.3	(505,858,962)	1,125,877,895	(411,558,962)	918,827,895
• Actuarial gain (loss) on defined benefits plan	23	21,036,514	(116,877,826)	18,263,788	(126,611,953)
• Less: Income tax effect	31.3	(3,581,585)	11,261,302	(3,027,040)	13,010,644
Other comprehensive income not to be reclassified					
• to profit or loss in subsequent periods - net of income tax		2,040,890,776	(4,609,128,105)	2,040,865,718	(4,610,994,389)
Other comprehensive income for the year		2,130,520,132	(4,657,941,774)	2,130,083,593	(4,659,526,071)
Total comprehensive income for the year		(6,469,327,352)	(9,985,763,848)	(7,165,367,355)	(9,879,534,986)
Loss attributable to					
• Equity holders of the Company		(8,549,862,288)	(5,283,181,795)	(9,295,450,948)	(5,220,008,915)
• Non-controlling interests of the subsidiaries		(49,985,196)	(44,640,279)		
		(8,599,847,484)	(5,327,822,074)		
Total comprehensive income attributable to					
• Equity holders of the Company		(6,419,778,695)	(9,942,707,869)	(7,165,367,355)	(9,879,534,986)
• Non-controlling interests of the subsidiaries		(49,548,657)	(43,055,979)		
		(6,469,327,352)	(9,985,763,848)		
Basic earnings per share	33				
• Basic earnings per share					
- Loss attributable to equity holders of the Company		(4.15)	(2.56)	(4.51)	(2.53)
Weighted average number of ordinary shares (shares) of Baht 1 each		2,060,477,161	2,060,000,000	2,060,477,161	2,060,000,000

The accompanying notes are an integral part of the financial statements.

Separate financial statements													
	Note	Retained earnings (Deficit)					Other components of shareholders' equity						
		Issued and paid-up share capital	Premium on ordinary shares	Discount on changes in shareholding in subsidiaries	Appropriated		Treasury stock	Other comprehensive income			Total other components of shareholders' equity	Total shareholders' equity	
					Statutory reserve	Others		Unappropriated	Share of other comprehensive income from investments in subsidiaries	Fair value reserve			Cash flow hedge reserve
Balance as at 1 January 2020		2,100,000,000	9,319,481,872	(211,165,781)	210,000,000	491,556,177	211,436,259	(491,556,177)	3,697,667,221	15,229,132,440	(110,344,086)	18,816,455,575	30,446,207,925
• Loss for the year			-	-	-	-	(5,220,008,915)	-	-	-	-	-	(5,220,008,915)
• Other comprehensive income for the year			-	-	-	-	(107,483,304)	-	(830,739,556)	(3,675,311,581)	(45,991,630)	(4,552,042,767)	(4,659,526,071)
• Total comprehensive income for the year			-	-	-	-	(5,327,492,219)	-	(830,739,556)	(3,675,311,581)	(45,991,630)	(4,552,042,767)	(9,879,534,986)
• Dividend paid	36		-	-	-	-	(206,000,000)	-	-	-	-	-	(206,000,000)
Balance as at 31 December 2020		2,100,000,000	9,319,481,872	(211,165,781)	210,000,000	491,556,177	(5,322,055,960)	(491,556,177)	2,866,927,665	11,553,820,859	(156,335,716)	14,264,412,808	20,360,672,939
Balance as at 1 January 2021		2,100,000,000	9,319,481,872	(211,165,781)	210,000,000	491,556,177	(5,322,055,960)	(491,556,177)	2,866,927,665	11,553,820,859	(156,335,716)	14,264,412,808	20,360,672,939
• Loss for the year			-	-	-	-	(9,295,450,948)	-	-	-	-	-	(9,295,450,948)
• Other comprehensive income for the year			-	-	-	-	17,430,097	-	380,903,089	1,646,235,847	85,514,560	2,112,653,496	2,130,083,593
• Total comprehensive income for the year			-	-	-	-	(9,278,020,851)	-	380,903,089	1,646,235,847	85,514,560	2,112,653,496	(7,165,367,355)
• Treasury stock sold	25		173,976	-	-	(26,620,225)	26,620,225	26,620,225	-	-	-	-	26,794,201
Balance as at 31 December 2021		2,100,000,000	9,319,655,848	(211,165,781)	210,000,000	464,935,952	(14,573,466,586)	(464,935,952)	3,247,830,754	13,200,056,706	(70,821,156)	16,377,066,304	13,222,099,785

The accompanying notes are an integral part of the financial statements.

Statement of cash flows

Bangkok Airways Public Company Limited and its subsidiaries for the year ended 31 December 2021

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Cash flows from operating activities					
Loss before tax		(8,716,368,252)	(5,227,426,833)	(9,440,475,234)	(5,152,656,580)
Net loss of the lease agreement termination of the Fund	21	5,434,677,840	-	6,259,143,224	-
Loss before net loss of the lease agreement termination of the Fund		(3,281,690,412)	(5,227,426,833)	(3,181,332,010)	(5,152,656,580)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities					
• Depreciation and amortisation		2,342,281,355	2,842,552,866	1,943,851,441	2,455,286,333
• Gain on terminated lease contracts		(457,543)	(3,401,735)	(667,521)	(1,329,333)
• Allowance for expected credit losses		11,621,442	16,038,230	7,855,616	6,414,378
• Reduction of inventory to net realisable value (reversal)		1,749,787	373,074	(44,136)	(54,176)
• Loss (gain) on sales of equipment		(1,648,087)	(5,268,810)	4,555,606	(8,757,026)
• Share of loss from investments in subsidiaries		-	-	293,980,521	567,429,250
• Share of profit from investments in associates		(453,155,656)	(554,554,156)	-	-
• Provision for long-term employee benefits		105,865,278	108,451,098	80,452,366	81,205,653
• Reversal of provision for long-term employee benefits		(11,204,482)	(245,695,588)	-	(113,942,630)
• Unrealised loss (gain) on exchange		447,204,937	(80,951,684)	446,650,813	(80,706,533)
• Unrealised loss (gain) on derivatives		(530,083,050)	934,964,074	(530,083,050)	934,964,074
• Impairment loss on equipment (reversal)		(56,362,532)	148,470,562	(129,251,797)	148,470,562
• Impairment loss on right-of-use assets (reversal)		(672,472,456)	1,004,417,263	(672,472,456)	1,004,417,263
• Reversal of long-term lease liabilities from related party		-	(1,629,395,036)	-	(1,629,395,036)
• Goodwill written-off		-	26,247,681	-	-
• Dividend income		(826,806,952)	(375,109,347)	(1,198,387,851)	(932,164,108)
• Finance income		(6,527,069)	(33,182,470)	(7,143,308)	(30,569,760)
• Finance cost		1,264,783,237	1,117,284,287	1,187,373,897	1,042,618,938
Loss from operating activities before changes in operating assets and liabilities		(1,666,902,203)	(1,956,186,524)	(1,754,661,869)	(1,708,768,731)
Operating assets (increase) decrease					
• Trade and other receivables		18,050,593	1,121,807,520	(37,323,081)	802,049,027
• Inventories		36,383,805	32,707,549	28,554,295	15,915,944
• Other current assets		36,822,873	866,488,913	17,256,533	822,020,159
• Other non-current assets		77,048,313	117,990,994	91,611,538	113,175,297
Operating liabilities decrease					
• Trade and other payables		(161,009,154)	(1,884,905,424)	(199,089,408)	(2,028,094,379)
• Other current liabilities		(207,231,075)	(2,068,570,483)	(248,717,004)	(1,824,947,387)
• Long-term employee benefits paid		(18,532,931)	(137,776,868)	(6,948,998)	(124,692,701)
• Other non-current liabilities		(1,501,129)	(48,685,078)	-	-
Cash flows used in operating activities		(1,886,870,908)	(3,957,129,401)	(2,109,317,994)	(3,933,342,771)
• Corporate income tax paid	21	(286,957,602)	(311,365,565)	(272,247,249)	(239,842,543)
Net cash flows from (used in) operating activities		(2,173,828,510)	(4,268,494,966)	(2,381,565,243)	(4,173,185,314)

The accompanying notes are an integral part of the financial statements.

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Cash flows from investing activities					
Increase in restricted bank deposits		(4,227,417)	-	(7,787,243)	-
Decrease in fixed deposits		-	4,046,141,552	-	4,000,000,000
Cash paid for acquisition of investment in associate		-	(2,025,000,000)	-	(2,025,000,000)
Cash paid for acquisition of property, plant and equipment		(79,724,392)	(634,406,972)	(43,155,242)	(428,393,644)
Cash paid for acquisition of intangible assets		(496,550)	(29,550,919)	(100,000)	(25,029,136)
Cash paid for derivatives		(558,964,064)	-	(558,964,064)	-
Cash paid for loan to related party		-	-	(100,000,000)	-
Cash received from finance income		6,555,014	52,286,856	1,906,969	45,059,349
Dividend income from investments in subsidiaries		-	-	100,374,959	176,246,693
Dividend income from investments in associates		535,580,899	618,554,761	535,580,899	618,554,761
Dividend income from investment in associate - the Fund	21	2,599,673,862	-	2,599,673,862	-
Dividend income from investments in equity instruments		826,806,952	375,109,347	662,806,952	313,609,347
Cash received from sales of equipment		13,248,492	15,466,037	3,081,637	12,496,676
Cash received from capital distribution of investment in associate	21	2,686,744,279	-	2,686,744,279	-
Cash received from sales of investments in equity instruments		725,400	609,200	725,400	609,200
Net cash flows from investing activities		6,025,922,475	2,419,209,862	5,880,888,408	2,688,153,246
Cash flows from financing activities					
Increase (decrease) in short-term loans from financial institutions		(188,000,000)	1,055,000,000	50,000,000	670,000,000
Increase in long-term loan from related party		-	1,000,000,000	-	1,000,000,000
Cash received from long-term loans		17,240,000,000	85,889,985	17,000,000,000	-
Repayment of long-term loans		(135,918,781)	(105,233,152)	(114,479,561)	(78,014,434)
Repayment of long-term lease liabilities from related party		-	(31,099,105)	-	(31,099,105)
Payment of principal portion of lease liabilities		(1,732,804,547)	(1,819,857,993)	(1,643,595,020)	(1,751,452,798)
Cash paid for long-term lease agreement termination from related party	21	(18,050,000,000)	-	(18,050,000,000)	-
Cash paid for finance cost		(1,066,213,593)	(1,225,719,235)	(1,003,734,202)	(1,144,887,063)
Cash received from sales of treasury stock		26,794,201	-	26,794,201	-
Cash received from share capital - non-controlling interests of the subsidiaries		-	2,450,000	-	-
Dividend paid		(8,432)	(203,399,169)	(8,432)	(203,399,169)
Dividend paid to non-controlling interests of the subsidiaries		(1,125,041)	(753,307)	-	-
Net cash flows used in financing activities		(3,907,276,193)	(1,242,721,976)	(3,735,023,014)	(1,538,852,569)
Net decrease in cash and cash equivalents		(55,182,228)	(3,092,007,080)	(235,699,849)	(3,023,884,637)
Cash and cash equivalents at beginning of the year		2,181,116,771	5,273,123,851	1,694,253,979	4,718,138,616
Cash and cash equivalents at end of the year (Note 7)		2,125,934,543	2,181,116,771	1,458,554,130	1,694,253,979

The accompanying notes are an integral part of the financial statements.

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Supplemental cash flow information:					
Non-cash items					
• Increase (decrease) in dividend payables		(8,432)	2,600,831	(8,432)	2,600,831
• Increase (decrease) in payable from acquisition of assets		766,727	(45,596,890)	133,416	(2,869,507)
• Increase in right-of-use assets from lease liabilities		11,546,554	31,909,573	10,178,926	27,757,732
• Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		2,023,435,847	(4,503,511,581)	1,646,235,847	(4,503,511,085)

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Bangkok Airways Public Company Limited and its subsidiaries for the year ended 31 December 2021

1. General information

1.1 The Company's general information

Bangkok Airways Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the provision of air transportation and airport services. The registered office of the Company is at 99 Moo 14, Vibhavadirangsit Road, Chom Phon, Chatuchak, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The new COVID-19 variant is more widespread, resulting in impacts on the aviation, tourism industries, including the Group's business activities due to control measures on passenger flights. These events have directly affected the Group in terms of passenger fares as well as sales and service income, resulting in the Group incurring operating loss and total current liabilities significantly exceeding total current assets. These circumstances are significantly impacting the Group's financial position, operating results, and cash flows, including compliance with debt covenants under long-term loans agreements and aircraft lease agreements at present and future. In this regard, the Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

At present, the Group has investments in equity instruments of listed companies that are readily convertible into working capital, available lines of credit and other financial support from financial institutions. In addition, it is implementing various measures related to sourcing additional funds, operation and management of the business, revision of business plans in response to changes in the current situation, and operating plans to reduce costs and relevant expenses, in order to manage the liquidity and cash flows of the Group. Furthermore, the policy to reopen the country to international tourists including the progress of vaccine development and the immunisation of the global population, the management is confident that implementation of these measures will enable the Group to continue as a going concern. The financial statements has, therefore, been prepared on a going concern basis. However, the success of the implementation of these measures, as well as all financing plans and operating plans to manage liquidity, depends on various material internal and external factors about which there are significant uncertainties, which may raise doubt about the Group's ability to continue as a going concern.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Bangkok Airways Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (%)	2020 (%)
Held by the Company				
Bangkok Air Catering Co., Ltd.	Catering services	Thailand	90.00	90.00
Bangkok Airways Ground Services Co., Ltd.	Ground services	Thailand	99.99	99.99
Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.	Ground services	Thailand	98.88	98.88
Bangkok Airways Holding Co., Ltd.	Holding	Thailand	99.99	99.99

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (%)	2020 (%)
Held by subsidiary companies				
BAC Gourmet House Co., Ltd. (99.99% held by Bangkok Air Catering Co., Ltd.)	Restaurant	Thailand	89.99	89.99
Bangkok Air Catering Phuket Co., Ltd. (99.96% held by Bangkok Air Catering Co., Ltd.)	Catering services	Thailand	89.96	89.96
Bangkok Air Catering Samui Co., Ltd. (99.99% held by Bangkok Air Catering Co., Ltd.)	Catering services	Thailand	89.99	89.99
Bangkok Air Catering Chiang Mai Co., Ltd. (99.99% held by Bangkok Air Catering Co., Ltd.)	Catering services	Thailand	89.99	89.99
Bangkok Air Catering Don Mueang Co., Ltd. (70.00% held by Bangkok Air Catering Co., Ltd. and 30.00% held by Gourmet Primo Co., Ltd.)	Catering services	Thailand	92.99	92.99
SA Services Co., Ltd. (99.99% held by Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.)	Ground services	Thailand	98.87	98.87
BFS Cargo DMK Co., Ltd. (51.00% held by Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.)	Cargo	Thailand	50.43	50.43
Gourmet Primo Co., Ltd. (99.99% held by Bangkok Airways Holding Co., Ltd.)	Produce and process food for distribution	Thailand	99.98	99.98
More Than Free Co., Ltd. (100.00% held by Bangkok Airways Holding Co., Ltd.)	Distribution of souvenirs in duty free shop and rendering management services	Thailand	99.99	99.99
Bangkokair Aviation Training Center Co., Ltd. (100.00% held by Bangkok Airways Holding Co., Ltd.)	Aviation training business	Thailand	99.99	99.99

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that has significant affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the equity method and investments in associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

However, the Group has adopted the temporary exemptions from applying specific hedge accounting requirements in accordance with TFRS 9, Financial Instruments, and TFRS 7, Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The adoption of these temporary exemptions does not have any significant impact on the Group's financial statements.

Furthermore, the Group elected to adopt the amendments to TFRS 16, Leases, relating to COVID-19-related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Group applies the practical expedient to all rent concessions that meet the above conditions. The adoption of this practical expedient does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenues and expenses recognition

Passenger revenues

Revenue from ticket sales is recognised as revenue in profit or loss when transportation is provided.

Customer loyalty programmes

The Company operates a loyalty programme which allows customers to accumulate points when customers purchase tickets from the Company. The points can be redeemed for air tickets, hotel accommodations or gifts under conditions set by the Company.

The value of air tickets sales and redemption costs are allocated to the points issued, at the fair value of the points, and gradually recognised as revenue when the points are redeemed and the Company fulfills its contractual obligation to supply rewards.

Service rendered

Revenue from providing service to passengers, freight and passenger service charge is recognised in profit or loss when the services are provided.

Revenue from changing air ticket

Revenue from changing air ticket is recognised as revenue when transportation is provided.

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Inventories are valued at the lower of cost (under the first in - first out method) or net realisable value.

Spare parts, supplies and air tickets are valued at cost (under the moving average method) and constituted part of expenses whenever consumed.

4.4 Reimbursable maintenance expenses

Reimbursable maintenance expenses are prepayment maintenance reserve fund which the Company pay to the lessor at the rate specified in the agreement. The Company can reimburse when sending the aircraft to maintenance in accordance with maintenance plan with the conditions stipulated in the agreements.

4.5 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries are accounted for in the separate financial statements using the equity method.

Investments in associates are accounted for in the separate financial statements using the cost method.

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives:

- Office and shops for rent 20 years
- Right-of-use assets for rent 3 - 20 years

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land for rent.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

- | | | |
|---------------------------------------|--------|-------|
| • Buildings and improvements | 5 - 20 | years |
| • Airport and improvements | 20 | years |
| • Aircrafts | 20 | years |
| • Aircraft parts and ground equipment | 3 - 20 | years |
| • Furniture, fixtures and equipment | 3 - 10 | years |
| • Motor vehicles | 5 | years |

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite useful lives are amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Useful lives

- | | | |
|---------------------------------|--------|-------|
| • Right to operate the business | 20 | years |
| • Computer software | 5 - 10 | years |

4.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

• Land	2 - 26	years
• Buildings and improvements	2 - 54	years
• Aircrafts	2 - 20	years
• Aircraft parts and ground equipment	3	years
• Furniture, fixtures and equipment	2 - 5	years
• Motor vehicles	2 - 5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment properties or other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Treasury stock

Treasury stock is stated at cost and presented as a deduction from shareholders' equity in the statement of financial position. Gains on disposal of treasury stock are determined by reference to its carrying amount and are taken to premium on treasury stock, losses on disposal of treasury stock are determined by reference to its carrying amount and are taken to premium on treasury stock and retained earnings, consecutively.

The weighted average method is used for computation of the unit cost of treasury stock.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, which the Group has adopted hedge accounting for interest rate swap agreements and cross currency and interest rate swap agreements.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 180 days past due and considers a financial asset as credit impaired or default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Derivatives and hedge accounting

The Group uses derivatives, such as fuel price swap agreements, equity swap agreements, interest rate swap agreements and cross currency and swaps agreements to hedge its fluctuation in fuel price, returns on investment in equity instrument, interest rate and foreign currency risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedge is classified as:

Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is ‘an economic relationship’ between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that is appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment taking into consideration terms and conditions of the arrangement.

Lease classification - The Group as lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property plant and equipment, investment property, right-of-use assets / Depreciation

In determining depreciation of plant and equipment, investment property and right-of-use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment, investment property and right-of-use assets and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment, investment property and right-of-use assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of non-financial assets, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to equipment and right-of-use assets recognised by the Group. The key assumptions used to determine the recoverable amount, including a sensitivity analysis, are disclosed and further explained in Note 14 and 15.1.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and recorded provision for litigation as at the end of reporting period.

6. Related party transactions

The relationships between the Company and the related companies are presented below.

List of related companies	Relationship
Bangkok Air Catering Co., Ltd.	Subsidiary
Bangkok Airways Ground Services Co., Ltd.	Subsidiary
Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.	Subsidiary
Bangkok Airways Holding Co., Ltd.	Subsidiary
BAC Gourmet House Co., Ltd.	Subsidiary (held by a subsidiary)
Bangkok Air Catering Phuket Co., Ltd.	Subsidiary (held by a subsidiary)
Bangkok Air Catering Samui Co., Ltd.	Subsidiary (held by a subsidiary)
Bangkok Air Catering Chiang Mai Co., Ltd.	Subsidiary (held by a subsidiary)
Bangkok Air Catering Don Mueang Co., Ltd.	Subsidiary (held by a subsidiary)
SA Services Co., Ltd.	Subsidiary (held by a subsidiary)
BFS Cargo DMK Co., Ltd.	Subsidiary (held by a subsidiary)
Gourmet Primo Co., Ltd.	Subsidiary (held by a subsidiary)
More Than Free Co., Ltd.	Subsidiary (held by a subsidiary)
Bangkokair Aviation Training Center Co., Ltd.	Subsidiary (held by a subsidiary)
WFS-PG Cargo Co., Ltd.	Associate
Samui Airport Property Fund (Leasehold)	Associate
U-tapao International Aviation Co., Ltd.	Associate
Aeronautical Radio of Thailand Ltd.	Common directors
Save Drug Center Co., Ltd.	Common directors
National Healthcare Systems Co., Ltd.	Common directors
BDMS Training Co., Ltd.	Common directors
Paolo Medic Co., Ltd.	Common directors
Bangkok Pattaya Hospital Co., Ltd.	Common directors
Bangkok Phuket Hospital Co., Ltd.	Common directors
BDMS Wellness Clinic Co., Ltd.	Common directors
SRPP Ltd.	Common shareholders and/or directors
Bangkok Dusit Medical Services Plc.	Common shareholders and/or directors
Bangkok Helicopter Services Co., Ltd.	Common shareholders and/or directors
Thai Petroleum Service Corp., Ltd.	Common shareholders and/or directors
Paradise Shopping Co., Ltd.	Common shareholders and/or directors

List of related companies	Relationship
Samui Accom Co., Ltd.	Common shareholders and/or directors
Sukhothai Property Co., Ltd.	Common shareholders and/or directors
Dhammachart Na Thai Co., Ltd.	Common shareholders and/or directors
Bangkok Travel Club Co., Ltd.	Common shareholders and/or directors
Bangkok Airtour (1988) Co., Ltd.	Common shareholders and/or directors
Samui Palm Beach Resort Co., Ltd.	Common shareholders and/or directors
Sabai Sabai Sukhothai Co., Ltd.	Common shareholders and/or directors
Bangkok Aviation Fuel Services Plc.	Common shareholders and/or directors
Natural Rice Co., Ltd.	Common shareholders
Bangkok Samui Hospital Co., Ltd.	The director's relative is a shareholder and director

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Unit : Million Baht

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2021	2020	2021	2020	
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Permission fee income	-	-	9	38	Contract price
Concession lounge service income	-	-	5	25	Contract price
Rental income	-	-	8	20	Contract price
Dividend income	-	-	100	176	As declared
Utilities income	-	-	1	2	Agreed upon
Interest income	-	-	5	4	Contract price
Catering service expenses	-	-	28	139	Contract price
Ground service expenses	-	-	65	193	Contract price
Shipping service expenses	-	-	-	1	Contract price
Food and beverage expenses	-	-	1	14	Agreed upon
Rental expenses	-	-	-	4	Contract price
Employee expenses	-	-	2	1	Agreed upon
Flight cancellation and delay compensation	-	-	-	1	Agreed upon
Transactions with associates					
Ground service income	2	2	-	-	Agreed upon
Collection fee income	2	1	-	-	Contract price
Dividend income	-	-	3,135	619	As declared
Rental and service income	1	-	1	-	Contract price
Interest expenses	28	-	28	-	Contract price
Finance cost	616	691	616	691	Contract price
Shipping service expenses	4	8	4	8	Contract price

Unit : Million Baht

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2021	2020	2021	2020	
Transactions with related companies					
Passenger income	1	10	1	10	Authorised price
Permission fee income	1	3	1	3	Contract price
Catering service income	123	115	-	-	Contract price
Ground service income	1	1	-	-	Agreed upon
Rental income	-	6	-	6	Contract price
Charter flight income	1	3	1	3	Contract price
Dividend income	827	375	663	314	As declared
Consulting income	5	3	3	3	Contract price
Utilities income	-	1	-	1	Agreed upon
Ground service expenses	-	232	-	223	Contract price
Management expenses	-	101	-	101	Contract price
Security expenses	-	34	-	33	Contract price
Rental expenses	6	8	4	6	Contract price
Employee expenses	3	4	3	4	Agreed upon
Medical expenses	4	5	3	3	Market price
Aeronautical radio expenses	65	185	59	170	Market price
Raw materials and supplies expenses	2	-	-	-	Agreed upon
Shipping service expenses	-	2	-	2	Contract price
Other service expenses	1	13	1	11	Agreed upon
Finance cost	-	3	-	3	Contract price
Flight cancellation and delay compensation	1	-	1	-	Agreed upon
Utilities and service expenses	5	4	-	-	Agreed upon

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related companies are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade and other receivables - related parties (Note 8)				
Subsidiaries (eliminated from the consolidated financial statements)	-	-	10,143	14,840
Associates	56,370	850	55,526	5
Related companies	14,862	11,312	938	1,185
Total trade and other receivables - related parties	71,232	12,162	66,607	16,030
Deposits - related parties				
Associates	-	47,500	-	47,500
Related companies	1,093	3,484	258	1,149
Total deposits - related parties	1,093	50,984	258	48,649
Trade and other payables - related parties (Note 19)				
Subsidiaries (eliminated from the consolidated financial statements)	-	-	38,148	53,062
Associates	11,362	10,444	2,964	215
Related companies	17,985	40,896	15,018	38,047
Total trade and other payables - related parties	29,347	51,340	56,130	91,324
Deposits - related parties (presented as other current liabilities)				
Subsidiaries (eliminated from the consolidated financial statements)	-	-	2,849	2,593
Associates	-	289	-	289
Related companies	2,231	3,704	2,231	3,704
Total deposits - related parties	2,231	3,993	5,080	6,586

Long-term loans to and interest receivables from related parties

As at 31 December 2021 and 2020, the balance of long-term loan to and interest receivables between the Company and related parties and the movements of such long-term loans to and interest receivables are as follows:

Unit : Thousand Baht

Long-term loans to and interest receivable	Related by	Separate financial statements			
		Balance as at 31 December 2020	Increase during the year	Decrease during the year	Balance as at 31 December 2021
Gourmet Primo Co., Ltd.	Subsidiary	105,329	4,250	-	109,579
Bangkok Air Catering Co., Ltd.	Subsidiary	-	100,986	-	100,986
Total		105,329	105,236	-	210,565

The above long-term loan carries interest at the rate of MLR-1 per annum and is due during from September to October 2026.

Loan from related party

As at 31 December 2021 and 2020, the balance of loan between the Company and related party and the movements of such loan are as follows:

Unit : Thousand Baht

Loan from	Related by	Consolidated financial statements			
		Balance as at 31 December 2020	Increase during the year	Decrease during the year	Balance as at 31 December 2021
U-tapao International Aviation Co., Ltd.	Associate	1,000,000	-	-	1,000,000
Total		1,000,000	-	-	1,000,000

The above non-collateral long-term loan carries interest at the rate of 1.25 percent per annum and due at call.

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 37.4 to the consolidated financial statements.

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payment to its directors and management as below.

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	149	180	89	107
Post-employment benefits	9	11	7	9
Total	158	191	96	116

7. Cash and cash equivalents

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	47,543	46,359	44,908	41,833
Bank deposits	2,078,392	2,134,758	1,413,646	1,652,421
Total	2,125,935	2,181,117	1,458,554	1,694,254

As at 31 December 2021, bank deposits in savings accounts and fixed deposits carried interests between 0.1% and 1.1% per annum (2020: between 0.1% and 1.1% per annum) (Separate financial statements: between 0.1% and 1.1% per annum) (2020: between 0.1% and 1.1% per annum)) and Baht 0.6 million of cash is cash on hand of stations located abroad (2020: Baht 0.5 million).

8. Trade and other receivables

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	14,892	2,205	5,676	9,016
Past due				
• Up to 3 months	290	9,917	1,880	3,774
• 3 - 6 months	280	40	1,608	2,412
• 6 - 12 months	428	-	3,834	1,656
• Over 12 months	-	-	2,645	-
Total	15,890	22,786	15,643	16,858
Less: Allowance for expected credit losses	(184)	-	(4,562)	(828)
Total trade receivables - related parties, net	15,706	12,162	11,081	16,030
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	260,652	218,386	101,340	28,881
Past due				
• Up to 3 months	32,726	75,826	6,203	58,180
• 3 - 6 months	995	10,133	344	7,196
• 6 - 12 months	2,568	58,663	916	10,691
• Over 12 months	73,425	41,216	32,492	25,396
Total	370,366	404,224	141,295	130,344
Less: Allowance for expected credit losses	(72,245)	(55,692)	(34,683)	(30,562)
Total trade receivables - unrelated parties, net	298,121	348,532	106,612	99,782
Total trade receivables - net	313,827	360,694	117,693	115,812
Other receivables				
Other receivables - related parties	55,526	-	55,526	-
Other receivables - unrelated parties	12,275	54,199	11,172	37,277
Less: Allowance for expected credit losses	(9,070)	(14,186)	(9,070)	(9,070)
Total other receivables - net	58,731	40,013	57,628	28,207
Total trade and other receivables - net	372,558	400,707	175,321	144,019

The normal credit term is 10 to 90 days.

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	69,878	53,840	40,460	34,046
Provision for expected credit losses	11,621	16,038	7,855	6,414
Ending balance	81,499	69,878	48,315	40,460

9. Inventories

Unit : Thousand Baht

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Spare parts	367,419	394,250	(39,145)	(39,189)	328,274	355,061
Duty free goods	3,289	4,305	(1,981)	-	1,308	4,305
Foods and kitchen utensils	42,807	46,969	-	-	42,807	46,969
Air tickets	28	28	-	-	28	28
Others	68,273	72,647	(2,205)	(2,392)	66,068	70,255
Total	481,816	518,199	(43,331)	(41,581)	438,485	476,618

Unit : Thousand Baht

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Spare parts	367,419	394,250	(39,145)	(39,189)	328,274	355,061
Foods and kitchen utensils	13,113	14,030	-	-	13,113	14,030
Air tickets	28	28	-	-	28	28
Others	8,659	9,466	-	-	8,659	9,466
Total	389,219	417,774	(39,145)	(39,189)	350,074	378,585

10. Other non-current financial assets

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments	25,398,172	22,911,782	20,683,172	18,668,282
Non-listed equity instruments	550,956	508,777	550,956	508,777
Total equity instruments designated at FVOCI - net	25,949,128	23,420,559	21,234,128	19,177,059
<u>Financial assets at amortised cost</u>				
Restricted bank deposits	7,787	3,560	7,787	-
<u>Derivative assets</u>				
Cross currency and interest rate swaps	8,108	-	8,108	-
Total other non-current financial assets - net	25,965,023	23,424,119	21,250,023	19,177,059

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature. The Group's investment policies focus on investments in attractive companies, that management has already determined will generate appropriate returns, the fair value of investments may be negatively affected by the local and global economic slowdown and financial recession. This downside may have a significant impact on the stock prices.

In addition, in the year 2021, the Group received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 827 million (2020: Baht 375 million) (Separate financial statements: Baht 663 million (2020: Baht 314 million)).

As at 31 December 2021, certain investments in listed equity instruments with market value amounting to Baht 15,553 million (2020: Baht 3,424 million) are used as collateral for short-term loans from financial institutions as described in Note 18 to the consolidated financial statements and long-term loans as described in 20 to the consolidated financial statements.

11. Investments in subsidiaries

11.1 Details of investments in subsidiaries as presented in separate financial statements

Unit: Thousand Baht								
Company's name	Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method	
	2021	2020	2021 (%)	2020 (%)	2021	2020	2021	2020
Bangkok Air Catering Co., Ltd.	500,000	500,000	90.00	90.00	579,469	579,469	-	48,902
Bangkok Airways Ground Services Co., Ltd.	250	250	99.99	99.99	250	250	-	7,437
Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.	670,000	670,000	98.88	98.88	739,924	739,924	790,536	678,839
Bangkok Airways Holding Co., Ltd.	1,001,000	1,001,000	99.99	99.99	1,000,999	1,000,999	3,943,936	3,600,868
Total					2,320,642	2,320,642	4,734,472	4,336,046

The Company presents the negative investment value based on equity method as “Provision for transaction under equity method of investments in subsidiaries” was detailed as follows

Unit: Thousand Baht

Company's name	Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method	
	2021	2020	2021 (%)	2020 (%)	2021	2020	2021	2020
Bangkok Air Catering Co., Ltd.	500,000	500,000	90.00	90.00	579,469	579,469	405,930	-
Bangkok Airways Ground Services Co., Ltd.	250	250	99.99	99.99	250	250	3,754	-
Total					579,719	579,719	409,684	-

11.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in subsidiaries in the separate financial statements as follows:

Unit: Thousand Baht

Company's name	Share of profit (loss) from investments in subsidiaries		Share of other comprehensive income from investments in subsidiaries		Dividend received during the year	
	2021	2020	2021	2020	2021	2020
Bangkok Air Catering Co., Ltd.	(458,537)	(379,965)	3,705	15,528	-	-
Bangkok Airways Ground Services Co., Ltd.	(10,191)	4,808	-	-	1,000	109,997
Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.	208,879	(88,628)	2,191	(12,440)	99,373	66,250
Bangkok Airways Holding Co., Ltd.	(34,132)	(103,644)	377,200	(827,710)	-	-
Total	(293,981)	(567,429)	383,096	(824,622)	100,373	176,247

12. Investments in associates

12.1 Details of associates

Unit : Thousand Baht

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2021 (%)	2020 (%)	2021	2020	2021	2020
WFS - PG Cargo Co., Ltd.	Cargo	Thailand	49.00	49.00	147,000	147,000	199,251	201,834
Samui Airport Property Fund (Leasehold)	Property Fund	Thailand	30.03	30.03	82,405	3,479,409	82,405	2,661,511
U-tapao International Aviation Co., Ltd.	Airport Operations	Thailand	45.00	45.00	2,025,000	2,025,000	1,944,595	2,017,871
Total					2,254,405	5,651,409	2,226,251	4,881,216

Unit : Thousand Baht

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on equity method	
			2021 (%)	2020 (%)	2021	2020	2021	2020	2021	2020
WFS - PG Cargo Co., Ltd.	Cargo	Thailand	49.00	49.00	147,000	147,000	-	-	147,000	147,000
Samui Airport Property Fund (Leasehold)	Property Fund	Thailand	30.03	30.03	792,665	3,479,409	(710,260)	-	82,405	3,479,409
U-tapao International Aviation Co., Ltd.	Airport Operations	Thailand	45.00	45.00	2,025,000	2,025,000	-	-	2,025,000	2,025,000
Total					2,964,665	5,651,409	(710,260)	-	2,254,405	5,651,409

12.2 Share of profit (loss) and dividend received

During the years, the Company has recognised its share of profit (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in associates		Dividend received	
	2021	2020	2021	2020
WFS - PG Cargo Co., Ltd.	453,117	352,027	455,700	367,500
Samui Airport Property Fund (Leasehold)	73,315	209,656	79,881	251,055
U-tapao International Aviation Co., Ltd.	(73,276)	(7,129)	-	-
Total	453,156	554,554	535,581	618,555
Samui Airport Property Fund (Leasehold) (relating to lease agreement termination) (Note 21)	2,056,227	-	2,599,674	-
Total lease agreement termination of the Fund	2,056,227	-	2,599,674	-

During the current year, the Company received capital distribution of investment of Baht 2,687 million from Samui Airport Property Fund (Leasehold) arising from lease agreement termination as discussed in Note 21 to the consolidated financial statements.

12.3 Fair value of investments in an associate

During the current year, Samui Airport Property Fund (Leasehold) (“the Fund”) registered dissolution and delisting the investment units from the Stock Exchange of Thailand as discussed in Note 21 to the consolidated financial statements (2020: fair value of investment in listed associate in the Stock Exchange of Thailand amounting to Baht 3,623 million).

12.4 Summarised financial information about material associates

Summarised information about financial position

Unit : Million Baht

	WFS - PG Cargo Co., Ltd.		Samui Airport Property Fund (Leasehold)		U-tapao International Aviation Co., Ltd.	
	2021	2020	2021 *	2020	2021	2020
Current assets	558	434	274	127	3,560	2,378
Non-current assets	760	840	-	11,079	1,252	2,106
Current liabilities	(557)	(483)	-	(18)	(482)	-
Non-current liabilities	(345)	(372)	-	(48)	(8)	-
Net assets	416	419	274	11,140	4,322	4,484
Shareholding percentage (%)	49.00	49.00	30.03	30.03	45.00	45.00
Share of net assets	204	205	82	3,345	1,945	2,018
Elimination entries and other adjustments	(5)	(3)	-	(683)	-	-
Carrying amounts of associates based on equity method	199	202	82	2,662	1,945	2,018

Summarised information about comprehensive income

Unit : Million Baht

	WFS - PG Cargo Co., Ltd.		Samui Airport Property Fund (Leasehold)		U-tapao International Aviation Co., Ltd.	
	2021	2020	2021 *	2020	2021	2020
Revenue	2,142	1,813	326	762	27	13
Profit (loss)	928	718	7,004	698	(163)	(16)
Total comprehensive income	928	718	7,004	698	(163)	(16)

* Management's accounts

13. Investment properties

Unit : Thousand Baht

	Consolidated financial statements				Separate financial statements			
	Land for rent	Office and shops for rent	Land, office and right-of-use assets for rent	Total	Land for rent	Office and shops for rent	Land, office and right-of-use assets for rent	Total
31 December 2021								
Cost	151,764	404,409	6,312	562,485	364,141	500,293	14,291	878,725
Less: Accumulated depreciation	-	(196,810)	(1,800)	(198,610)	-	(268,013)	(2,395)	(270,408)
Net book value	151,764	207,599	4,512	363,875	364,141	232,280	11,896	608,317
31 December 2020								
Cost	10,526	404,409	-	414,935	222,903	500,293	7,979	731,175
Less: Accumulated depreciation	-	(176,590)	-	(176,590)	-	(242,999)	(297)	(243,296)
Net book value	10,526	227,819	-	238,345	222,903	257,294	7,682	487,879

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	238,345	258,566	487,879	505,211
Transfers - net book value	145,750	-	145,750	7,979
Depreciation charged for the year	(20,220)	(20,221)	(25,312)	(25,311)
Net book value at end of year	363,875	238,345	608,317	487,879

The additional information of the investment properties as at 31 December 2021 and 2020 is stated below:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Fair value	615,070	423,273	992,052	803,170

The fair values of the land, office and shops for rent have been determined based on valuations performed by an accredited independent valuer on the basis of income approach and market prices and, for certain land, the valuation prices from The Treasury Department.

As at 31 December 2021, the Company has pledged investment properties with net book value approximately Baht 44 million as collateral for long-term loans from financial institutions as discussed in Note 20 to the consolidated financial statements (2020: Baht 11 million as collateral for long-term lease liabilities from related party as discussed in Note 21 to the consolidated financial statements).

During 2021, the Company transferred lands for rent at net book value of Baht 146 million to investment property as a result of the land and building lease agreements with an associate. Such agreements determine that the lessee can repair and improve the buildings from the lessee's own expenses. When the repair and improvement of the building is completed, ownership of the building will be transferred to the lessor on the transferred date, and those repair and improvement expenditure will be treated as rental payment to the lessor for compensation of such land and building leases. Subsequently, on 1 January 2022, the Company receives the building from the associate at the fair value of Baht 74 million.

14. Property, plant and equipment

Movements of property, plant and equipment as at 31 December 2021 and 2020 are summarised as the following.

Unit : Thousand Baht

[illegible]

Separate financial statements

	Land	Building and improvements	Airport and improvements	Aircrafts	Aircraft parts and ground equipment	Furniture, fixture and equipment	Vehicles	Construction in progress	Total
Cost									
1 January 2020	2,388,389	1,507,062	1,163,582	5,027,621	2,198,353	914,323	280,049	129,844	13,609,223
Purchase	257,900	-	140	-	63,626	9,398	-	94,460	425,524
Disposal	(3,251)	(2,530)	-	-	-	(3,669)	(7,468)	-	(16,918)
Transfer in (out)	-	3,258	2,832	-	-	3,161	-	(9,251)	-
31 December 2020	2,643,038	1,507,790	1,166,554	5,027,621	2,261,979	923,213	272,581	215,053	14,017,829
Purchase	-	-	-	-	38,744	3,230	-	1,315	43,289
Disposal	-	(13,578)	-	-	-	(33,658)	(18,792)	-	(66,028)
Transfer	(141,238)	-	-	-	-	-	-	-	(141,238)
Transfer in (out)	-	14,864	58,321	-	-	2,425	-	(75,610)	-
31 December 2021	2,501,800	1,509,076	1,224,875	5,027,621	2,300,723	895,210	253,789	140,758	13,853,852
Accumulated depreciation									
1 January 2020	-	992,366	749,498	1,275,338	1,469,195	728,435	246,312	-	5,461,144
Depreciation for the year	-	71,383	41,864	236,188	215,603	71,914	14,505	-	651,457
Depreciation - disposal	-	(2,156)	-	-	-	(3,555)	(7,468)	-	(13,179)
31 December 2020	-	1,061,593	791,362	1,511,526	1,684,798	796,794	253,349	-	6,099,422
Depreciation for the year	-	68,697	41,226	236,038	189,035	51,750	9,741	-	596,487
Depreciation - disposal	-	(5,944)	-	-	-	(33,654)	(18,792)	-	(58,390)
31 December 2021	-	1,124,346	832,588	1,747,564	1,873,833	814,890	244,298	-	6,637,519
Allowance for impairment loss									
1 January 2020	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	148,471	-	-	-	-	148,471
31 December 2020	-	-	-	148,471	-	-	-	-	148,471
Decrease during the year	-	-	-	(19,219)	-	-	-	-	(19,219)
Reverse allowance for impairment	-	-	-	(129,252)	-	-	-	-	(129,252)
31 December 2021	-	-	-	-	-	-	-	-	-
Net book value									
31 December 2020	2,643,038	446,197	375,192	3,367,624	577,181	126,419	19,232	215,053	7,769,936
31 December 2021	2,501,800	384,730	392,287	3,280,057	426,890	80,320	9,491	140,758	7,216,333
Depreciation for the years									
2020 (Baht 583 million included in cost of sales and services, and the balance in selling, distribution and administrative expenses)									651,457
2021 (Baht 535 million included in cost of sales and services, and the balance in selling, distribution and administrative expenses)									596,487

As at 31 December 2021, the Group has certain property and equipment which have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 3,877 million (2020: Baht 3,366 million (Separate financial statements: Baht 2,995 million (2020: Baht 2,574 million)).

As at 31 December 2021, the Group has mortgaged its land and buildings, including Samui Airport and its facilities, with net book value approximately Baht 1,794 million and registered business collateral for 4 ATR aircrafts to secure loan facilities of the subsidiaries and as collateral against long-term loans from financial institutions as discussed in Note 20 to the consolidated financial statements (2020: 4 ATR aircrafts to secure long-term loans as discussed in Note 20 to the consolidated financial statements, and Samui Airport including its facilities were used as collateral for compliance with the terms and conditions in the lease and services from facilities agreements with a Property Fund as discussed in Note 21 to the consolidated financial statements).

The Group assessed impairment of property, plant, and equipment, including relating right-of-use assets as described in Note 15.1 to the consolidated financial statements by comparing net book value and recoverable amount of such cash generating units. Such recoverable amount is the greater of an asset's fair value less costs to sell, or its value in use. The Group's recoverable amount is determined by the asset's fair value calculated by an independent appraiser using the market approach. The fair value reflects actual sales price between buyers and sellers, under the current market condition or depreciated replacement cost that is calculated from estimated reconstruction cost of property at valuation date less incurring depreciation by consideration of the condition's components, physical appearance at present, and economic depreciation, less costs to sell assess by the Group's management.

Key assumption in calculation of fair value of assets by the independent valuer is presented below:

Unit : Million Baht			
	Consolidated and Separate financial statements		Effect on fair value when the rate of assumption increases
	2021	2020	
Unit price	238 - 479	150 - 450	Increase in fair value
Monthly lease rate per aircraft	2 - 4	2 - 4	Increase in fair value

Regarding to the result of the assessment in 2020, the Company recognised impairment losses of aircrafts including right-of-use of aircraft amounting to Baht 148 million and Baht 1,004 million, respectively, as described in Note 15.1 to the consolidated financial statements and presented in "other income" in statement of comprehensive income.

Subsequently, in the year 2021, the Group revised the assessment of impairment of property, plant, and equipment, including relating right-of-use assets as described in Note 15.1 to the consolidated financial statements by considering discounted recoverable amount to present value as described above. As a result, the Group reversed impairment loss (net of impairment loss of building and improvements, and furniture and fixture of the subsidiary amounting to Baht 73 million) amounting to Baht 56 million, and Baht 672 million, respectively, and presented in "other income" in statement of comprehensive income (Separate financial statements: Baht 129 million, and Baht 672 million, respectively).

15. Lease agreements

15.1 The Group as a lessee

The Group has lease contracts for various items of lands, office building, aircrafts and equipment used in their operations. Leases generally determine monthly rental payment, and have lease terms between 2 - 12 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2021 and 2020 are summarised below:

Unit : Thousand Baht

	Consolidated financial statement						
	Land	Buildings	Aircraft	Aircraft parts and ground equipment	Furnitures and fixtures	Motor vehicles	Total
1 January 2020	89,939	806,251	9,572,396	59,102	20,654	101,955	10,650,297
Additions	1,370	14,053	-	-	-	16,487	31,910
Decrease from terminated lease contracts - net book value at termination date	-	(56,023)	-	-	-	(4,607)	(60,630)
Depreciation for the year	(9,441)	(116,885)	(1,611,905)	(17,742)	(7,093)	(31,499)	(1,794,565)
Discount	(242)	(55,474)	(3,501)	-	-	(857)	(60,074)
Increase of allowance for impairment during the year	-	-	(1,004,417)	-	-	-	(1,004,417)
31 December 2020	81,626	591,922	6,952,573	41,360	13,561	81,479	7,762,521
Additions	8,647	472	-	-	404	2,023	11,546
Decrease from terminated lease contracts - net book value at termination date	-	(6,049)	(11,214)	-	(565)	(1,743)	(19,571)
Increase (decrease) from lease contract amendment	-	(60,536)	(7,980)	142	-	-	(68,374)
Transfers - net book value	(4,512)	-	-	-	-	-	(4,512)
Depreciation for the year	(8,982)	(105,241)	(1,547,374)	(18,246)	(7,970)	(31,812)	(1,719,625)
Decrease of allowance for impairment during the year	-	-	331,945	-	-	-	331,945
Reversal of allowance for impairment during the year	-	-	672,472	-	-	-	672,472
31 December 2021	76,779	420,568	6,390,422	23,256	5,430	49,947	6,966,402

Unit : Thousand Baht

	Separate financial statement						
	Land	Buildings	Aircraft	Aircraft parts and ground equipment	Furnitures and fixtures	Motor vehicles	Total
1 January 2020	81,960	155,668	9,572,396	59,102	18,680	90,963	9,978,769
Additions	1,370	12,376	-	-	-	14,012	27,758
Decrease from terminated lease contracts - net book value at termination date	-	(56,023)	-	-	-	(2,273)	(58,296)
Depreciation for the year	(9,143)	(51,093)	(1,611,905)	(17,742)	(6,373)	(28,168)	(1,724,424)
Discount	(242)	(15,488)	(3,501)	-	-	(857)	(20,088)
Increase of allowance for impairment during the year	-	-	(1,004,417)	-	-	-	(1,004,417)
31 December 2020	73,945	45,440	6,952,573	41,360	12,307	73,677	7,199,302
Additions	8,647	471	-	-	-	1,060	10,178
Decrease from terminated lease contracts - net book value at termination date	-	(87)	(11,214)	-	-	(53)	(11,354)
Increase (decrease) from lease contract amendment	-	-	(7,980)	142	-	-	(7,838)
Transfers - net book value	(4,512)	-	-	-	-	-	(4,512)
Depreciation for the year	(8,685)	(11,809)	(1,547,375)	(18,246)	(7,339)	(29,253)	(1,622,707)
Decrease of allowance for impairment during the year	-	-	331,945	-	-	-	331,945
Reversal of allowance for impairment	-	-	672,472	-	-	-	672,472
31 December 2021	69,395	34,015	6,390,421	23,256	4,968	45,431	6,567,486

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties which is presented in Note 13 to the consolidated financial statements.

As at 31 December 2021 and 2020, 9 aircrafts of the Company are under conditional sale agreements. The Company treats these conditional sale agreements as leases and treats the seller per the agreements as the lessor of the aircraft. The lessor of the aircraft has subleased them from the owners.

The Aircraft Lease Agreement of 9 aircrafts specifies the conditions and the right of the lessor to buy the aircraft from the owner. However, if the lessors do not comply with the Aircraft Lease Agreement of such 9 aircrafts, the owner has the right to take back the aircrafts, and in that event the Company would not be able to utilise or take ownership of the aircrafts, even if the Company has made the agreed payments to the lessor. Under the Aircraft Lease Agreement, the Company will take ownership of the aircraft when it pays the last installment to the lessor and the owner of the aircraft transfers ownership to the lessor.

The Group assessed impairment of right-of-use assets by comparing book value and recoverable amount of such cash generating units. Such recoverable amount is the greater of an asset's fair value less costs to sell, or its value in use. The Group's recoverable amount is determined by the asset's fair value calculated by an independent appraiser using the market approach. The fair value reflects actual rent price between buyers and sellers, under the current market condition which is assumed that both lessor and lessee are knowledgeable, willing to exchange and acting at "arm's length", discounted by interest rate reflecting lessee's credit risk and less costs to sell assessed by the Company's management. The description in relation to the impairment assessment of right-of-use asset is described in Note 14 to the consolidated financial statements.

b) Lease liabilities

Unit : Thousand Baht				
	Consolidated financial statement		Separate financial statement	
	2021	2020	2021	2020
Lease payments	5,702,661	7,075,864	5,182,666	6,395,896
Less: Deferred interest expenses	(344,510)	(476,000)	(300,026)	(412,979)
Total	5,358,151	6,599,864	4,882,640	5,982,917
Less: Portion due within one year	(3,229,532)	(4,240,686)	(3,139,891)	(4,119,659)
Lease liabilities - net of current portion	2,128,619	2,359,178	1,742,749	1,863,258

Movement of lease liabilities for the year ended 31 December 2021 and 2020 are summarised below:

Unit : Thousand Baht

	Consolidated financial statement		Separate financial statement	
	2021	2020	2021	2020
Balance at beginning of year	6,599,864	8,544,592	5,982,917	7,812,409
Additions	11,546	31,910	10,178	27,758
Accretion of interest	163,970	305,867	143,172	282,989
Repayments	(1,896,773)	(2,125,571)	(1,786,765)	(2,034,441)
Decrease from terminated lease contracts	(20,030)	(64,032)	(12,022)	(59,624)
Decrease from amended lease contracts	(53,424)	(67,679)	(7,838)	(20,951)
Unrealised loss (gain) on exchange	552,998	(25,223)	552,998	(25,223)
Balance at end of year	5,358,151	6,599,864	4,882,640	5,982,917

The Company entered into interest rate swap agreements and cross currency and interest rate swap agreements to hedge interest rate risk and exchange rate risk for liabilities under aircraft lease agreements as described in Note 40.1 to the consolidated financial statements.

As at 31 December 2021, the Company was unable to maintain financial ratio as prescribed in the aircraft lease agreements, as a result, the Company has classified liabilities under aircraft lease agreements of Baht 2,364 million (2020: Baht 2,500 million) as current portion of lease liabilities presented under current liabilities in the statement of financial position.

Based on the above mentioned, as at 31 December 2021 and 2020, the Group's present value of future minimum lease payments by payment period is as the follows

Unit : Thousand Baht

	Consolidated financial statement 2021			
	Less than 1 year	1 - 5 year	Over 5 year	Total
Future minimum lease payments	3,479,862	2,168,747	54,052	5,702,661
Deferred interest expenses	(250,330)	(82,012)	(12,168)	(344,510)
Present value of future minimum lease payments	3,229,532	2,086,735	41,884	5,358,151

Unit : Thousand Baht

	Separate financial statement 2021			
	Less than 1 year	1 - 5 year	Over 5 year	Total
Future minimum lease payments	3,374,148	1,754,466	54,052	5,182,666
Deferred interest expenses	(234,257)	(53,601)	(12,168)	(300,026)
Present value of future minimum lease payments	3,139,891	1,700,865	41,884	4,882,640

Unit : Thousand Baht

	Consolidated financial statement 2020			
	Less than 1 year	1 - 5 year	Over 5 year	Total
Future minimum lease payments	4,598,634	2,343,673	133,557	7,075,864
Deferred interest expenses	(357,948)	(103,148)	(14,904)	(476,000)
Present value of future minimum lease payments	4,240,686	2,240,525	118,653	6,599,864

Unit : Thousand Baht

	Separate financial statement 2020			
	Less than 1 year	1 - 5 year	Over 5 year	Total
Future minimum lease payments	4,457,561	1,879,542	58,793	6,395,896
Deferred interest expenses	(337,902)	(61,233)	(13,844)	(412,979)
Present value of future minimum lease payments	4,119,659	1,818,309	44,949	5,982,917

However, the Company's management believe that failure to maintain financial ratio according to financial covenant in finance lease of aircraft agreement was resulted from COVID-19 situation. The classification of lease liabilities under normal circumstance can be presented below.

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current portion of lease liabilities	865,753	1,740,236	776,112	1,619,209
Lease liabilities, net of current portion	4,492,398	4,859,628	4,106,528	4,363,708

Analysis of the maturity profile of lease payment disclosed in Note 40.2 to the consolidated financial statements under Liquidity risk section.

c) Expenses relating to leases that are recognised in profit or loss

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	1,387,680	1,794,565	1,290,762	1,724,424
Interest expense on lease liabilities	163,970	298,859	143,172	282,860
Expense relating to short-term leases and low-value assets	86,894	56,852	73,094	31,431
Expense relating to share of revenue from operational right agreement	96,563	131,601	-	-
Expense relating to variable lease payments that do not depend on an index or a rate	-	24,056	-	21,922
Loss (reversal) on impairment of right-of-use	(672,472)	1,004,417	(672,472)	1,004,417

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 1,987 million (2020: Baht 1,850 million) (Separate financial statements: Baht 1,860 million (2020: Baht 1,774 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that did not depend on an index or a rate.

15.2 Group as a lessor

The Group leases out the investment properties portfolio consisting of land, buildings and improvements as operating leases (see Note 13 to the consolidated financial statements) of the lease terms are between 3 and 10 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2021 and 2020 as follows:

Unit : Million Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Within 1 year	17	29	17	29
Over 1 and up to 5 years	41	53	41	53
Over 5 years	-	5	-	5
Total	58	87	58	87

During 2021, the Group has sub-lease income amounting to Baht 29 million (2020: Baht 29 million) (Separate financial statements: Baht 29 million (2020: Baht 31 million)).

16. Intangible assets

Two subsidiary companies have signed contracts with Airports of Thailand Public Company Limited (“AOT”) (which has sole right to operate Suvarnabhumi Airport), in order to engage in various projects at the Airport for 20 years from the day it opened officially (from 28 September 2006 to 27 September 2026). The subsidiaries have to pay annual benefits to AOT, in amounts not less than the minimum compensation rates set for each year, throughout the period of the right to operate the business.

Company	Project	Period
Bangkok Air Catering Co., Ltd.	Catering	20 years
Worldwide Flight Services Bangkok	Ground service equipment and	
Air Ground Handling Co., Ltd.	maintenance facilities	20 years

The subsidiaries recognised rights in buildings and other components of each project which are transferred to the Ministry of Finance as operating right.

The net book values of intangible assets as at 31 December 2021 and 2020 are presented below.

Unit : Thousand Baht					
	Consolidated financial statements			Separate financial statements	
	Right to operate the business	Computer software	Total	Computer software	Total
As at 31 December 2021:					
Cost	938,196	589,797	1,527,993	552,556	552,556
Less: Accumulated amortisation	(710,658)	(434,838)	(1,145,496)	(406,025)	(406,025)
Net book value	227,538	154,959	382,497	146,531	146,531
As at 31 December 2020:					
Cost	938,196	589,301	1,527,497	552,457	552,457
Less: Accumulated amortisation	(662,900)	(381,836)	(1,044,736)	(355,517)	(355,517)
Net book value	275,296	207,465	482,761	196,940	196,940

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	482,761	557,709	196,940	225,891
Acquisition of computer software	496	29,551	99	25,029
Amortisation	(100,760)	(104,499)	(50,508)	(53,980)
Net book value at end of year	382,497	482,761	146,531	196,940

17. Other non-current assets

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Withholding tax	467,727	214,191	430,810	169,543
Others	16,510	2,407	2,287	2,287
Total	484,237	216,598	433,098	171,830

The withholding tax is in refunding process of the Revenue Department. However, the refundable amounts are depended on the result of the tax assessment.

18. Short-term loans from financial institutions

Unit : Thousand Baht

	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020	2021	2020
Short-term loans from financial institutions	3.0, 4.0, 5.0 MMR, MRR MLR and MLR-1.5	3.0, 4.0 MLR-1.5 and MLR-1.9	917,000	1,105,000	720,000	670,000
Total			917,000	1,105,000	720,000	670,000

On 27 May 2021, the Board of Directors' Meeting No. 3/2021 passed a resolution for entering into a debt settlement agreement (promissory note) ("Debt settlement agreement") with a local bank with the credit facilities of Baht 1,120 million for the purpose of working capital of the Company.

As at 31 December 2021, such short-term loans of the Company are secured by pledging investments in equity instruments of listed company with a fair value of Baht 1,866 million (2020: Nil). Subsidiaries have short-term loans from financial institutions which are secured by guarantees provided by the subsidiaries as described in Note 37.4 to the consolidated financial statements and will be matured within 3 months from the issue dates.

As at 31 December 2021, the short-term credit facilities of the Group which have not yet been drawdown amounted to Baht 2,373 million (2020: Baht 1,460 million).

19. Trade and other payables

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - related parties	28,380	41,822	55,598	82,277
Trade payables - unrelated parties	567,281	585,836	388,205	428,019
Other payables - related parties	967	9,518	532	9,047
Other payables - unrelated parties	367,829	479,734	298,660	414,410
Other payables for purchase of assets	2,905	2,138	176	43
Total trade and other payables	967,362	1,119,048	743,171	933,796

20. Long-term loans

Unit : Thousand Baht

Loan	Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2021	2020	2021	2020
The Company						
1	LIBOR+1.625	Monthly installments as from January 2019 with the last installment in June 2031	1,363,954	1,312,676	1,363,954	1,312,676
2	THBFIX+1.65	Monthly installments as from June 2019 with the last installment in May 2031	442,856	465,270	442,856	465,270
3*	Year 1 - 5: 3.25 Year 6 onward: Prime rate - 2	Monthly installments as from June 2024 with the last installment in March 2028	2,000,674	-	2,000,674	-
4*	Year 1 - 2: MLR - 1.8 Year 3 onward: MLR - 1.3	Monthly installments as from October 2023 with the last installment in October 2028	2,000,607	-	2,000,607	-
5*	Year 1 - 3: MLR - 1 Year 3 -6: MLR - 0.5 Year 7 onward: MLR	Quarterly installments as from March 2024 with the last installment in December 2033	13,001,230	-	13,001,230	-
The Subsidiaries						
6	MLR-1.5	Semi-annually installments as from December 2018 with the last installment in December 2023	3,800	3,800	-	-
7	4.0, MLR-1.5	Semi-annually installments as from December 2018 with the last installment in December 2023	19,820	19,820	-	-
8	Year 1-3: 4.0 Year 4 onward: MLR-1.5	Quarterly installments as from April 2018 with the last installment in January 2027	48,620	48,620	-	-
9	4.0, MLR-1.5	Semi-annually installments as from February 2019 with the last installment in August 2023	206,000	206,000	-	-
10	MLR-1.5	Semi-annually installments as from June 2019 with the last installment in December 2023	100,000	100,000	-	-

Unit : Thousand Baht

Loan	Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2021	2020	2021	2020
11	4.0	Quarterly installments as from November 2017 with the last installment in August 2023	16,790	20,790	-	-
12	Year 1-3: MLR-2.25 Year 4 onward: MLR-2.125	Monthly installments as from February 2019 with the last installment in November 2028	248,800	248,800	-	-
13	THBFIX 6 months+1.5	Semi-annually installments as from June 2018 with the last installment in December 2024	150,000	150,000	-	-
14	THBFIX 6 months+1.65	Semi-annually installments as from September 2020 with the last installment in September 2026	250,000	250,000	-	-
15	MLR	Monthly installments as from February 2018 with the last installment in January 2025	2,972	3,586	-	-
16	MLR-2.2	Semi-annually installments as from November 2020 with the last installment in February 2025	42,220	51,420	-	-
17	MLR-2.225	Semi-annually installments as from September 2020 with the last installment in September 2025	55,500	60,000	-	-
18	MLR-2.1	Semi-annually installments as from October 2021 with the last installment in April 2025	19,345	22,470	-	-
19*	MLR	2 installments from October 2022 with the last installment in April 2023	150,000	-	-	-
20*	2.0	Semi-annually installments as from October 2022 with the last installment in March 2023	50,000	-	-	-
21*	Year 1 - 2: 2.0 Year 3 onward: 7.0	Semi-annually installment in June 2025 with the last installment in December 2026	40,000	-	-	-
Total			20,213,188	2,963,252	18,809,321	1,777,946
Less: Deferred finance charges			(56,139)	-	(56,139)	-
Long-term loans, net			20,157,049	2,963,252	18,753,182	1,777,946
Less: Current portion			(15,616,970)	(916,856)	(15,139,311)	(108,619)
Long-term loans, net of current portion			4,540,079	2,046,396	3,613,871	1,669,327

* The Group has been granted these loan facilities during the current year.

Movement of the long-term loans account during the years ended 31 December 2021 and 2020 is summarised below:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	2,963,252	2,983,623	1,777,946	1,856,988
Additional borrowings	17,240,000	85,890	17,000,000	-
Accretion of interests	2,251	-	2,251	-
Amortisation of finance charges	861	-	861	-
Repayments	(135,919)	(105,233)	(114,480)	(78,014)
Payments of finance charges	(57,000)	-	(57,000)	-
Unrealised loss (gain) on exchange	143,344	(1,028)	143,344	(1,028)
Ending balance	20,157,049	2,963,252	18,753,182	1,777,946

On 22 July 2021, the Board of Directors' Meeting No. 4/2021 passed a resolution for entering into a debt settlement agreement (promissory note) ("Debt settlement agreement") with a local bank with the credit facilities of Baht 18,050 million for the purpose of compensation for lease agreement termination as described in Note 21 to the consolidated financial statements. On 11 August 2021, the Company made a partial settlement amounting to Baht 5,050 million in accordance with the conditions specified in the agreement. Subsequently, on 23 December 2021, the Company was supported by the local bank to amend the conditions in the debt settlement agreement (promissory note) to long-term loan facilities as described in loan facility No. 5.

Such long-term loans are secured by listed equity instruments that mortgaged shares are not less than 368.5 million shares, or the fair value is not less than Baht 8,391.5 million. As at 31 December 2021, the market value of the secured listed equity instruments are Baht 13,687 million (2020: Nil) as described in Note 10 to the consolidated financial statements. The Company has registered business collateral to mortgage its land and buildings for 4 ATR aircrafts (2020: 4 ATR aircrafts) to secure loans as described in Note 14 to the consolidated financial statements, including guarantees for subsidiaries as described in Note 37.4 to the consolidated financial statements.

The loan agreements contain covenants as specified in the agreements that, among other things, require the Group to maintain certain debt to equity and debt service coverage ratios and defaults on any other debt obligations of the Company within 30 days from the date they are due according to the agreements. As at 31 December 2021, the subsidiaries was unable to maintain such debt to equity and debt service coverage ratios according to the agreements. The Group, therefore, classified long-term loans amounting to Baht 15,002 million (2020: Baht 537 million) (Separate financial statement: Baht 14,950 million (2020: Nil)) as current liabilities (the amount of long-term loans Baht 53 million of the subsidiary has been obtained the waiver letter from bank after 31 December 2021).

The subsidiary entered into interest rate swap agreements with the bank to hedge interest rate risk for its partial long-term loan from bank as described in Note 40.1 to the consolidated financial statements.

As at 31 December 2021, the Group has long-term credit facilities which have not yet been drawdown amounted to Baht 60 million (2020: Nil) (Separate financial statement: Nil (2020: Nil)).

21. Long-term lease liabilities from related party

Unit : Thousand Baht	
	Consolidated and separate financial statements
Balance as at 1 January 2021	9,670,485
Increase from compound interest	603,298
Less: Payment during the year	(372,339)
Less: Portion due within one year	(9,901,444)
Balance as at 31 December 2021	-

On 24 November 2006, the Company entered into an agreement to lease Samui Airport, together with its facilities, to Samui Airport Property Fund (Leasehold) (the Fund) for a period of 30 years (from 24 November 2006 to 23 November 2036) for Baht 9,300 million. The Company pledged the assets leased to the Fund, with a collateral value of Baht 20,900 million, to guarantee performance in accordance with the lease agreement. Under the terms of the agreement, the Group (Bangkok Airways Public Company Limited and/or its affiliates, and/or its subsidiaries) must hold not less than 25 percent of the number of units issued and offered for sale by the Fund for the period of 20 years (from 24 November 2006 to 23 November 2026).

On the same date, the Company entered into an agreement to sublease the Samui Airport from the Fund for a period of 3 years, renewable for 9 times of 3 years each, and another agreement under which the Company is to receive utilities system service at the Samui Airport from the Fund for a period of 30 years (from 24 November 2006 to 23 November 2036). Payments on these agreements are as follows:

Sublease	- Baht 26,125,000 per month
Utilities system service	
- Fixed	- Baht 21,375,000 per month
- Additional	- Vary based on number of departing passengers and number of arrival flights

The Company has to arrange for a bank guarantee to be issued by a commercial bank in Thailand and/or deposit cash as security in the bank account of the Fund and/or pledge of listed securities in the Stock Exchange of Thailand and/or other securities, such that their aggregate value is equal to 12 months of the sub-lease fee specified in Sub-Lease Agreement plus the fixed service fee specified in Utilities System Service Agreement. If listed securities and/or other securities are pledged, the collateral value is not to be less than 120 per cent of the pledged collateralised amount throughout the pledge period (as at 31 December 2020, the Company pledged equity instruments of listed company with a fair value of Baht 749 million as collateral).

On 27 May 2021, the Board of Directors' Meeting No. 3/2021 resolved to approve the Company proposing to terminate the long-term lease agreement and related agreements relating to Samui Airport leasehold with a related party ("the Fund") (the Company recorded as part of investment in associates as discussed in Note 12 to the consolidated financial statements), proposing to pay a compensation of Baht 18,050 million for the termination of the aforementioned agreements (collectively referred to as "the proposal to terminate the lease agreement"). Subsequently on 14 July 2021, the Extraordinary General Meeting of Unitholders of the Fund resolved to approve the termination of the Lease Agreements, as proposed by the Company, and also approved to dissolve the Fund and delist the investment units from the Stock Exchange of Thailand.

Following the vote at the Extraordinary General Meeting of Unitholders of the Fund, the Company and the Fund entered into the Memorandum on the Termination of the Agreements for Investment and Procurement of Interest for Operation of Samui Airport. On 27 July 2021, the Company and the Fund proceeded to register the termination of the lease agreement and take other steps required to render the termination legally enforceable. The Company paid compensation for the Terminations of the Agreements of Baht 18,050 million to the Fund to settle long-term lease liabilities from related party. The details of net loss of the lease agreement termination are summarised below.

Unit : Thousand Baht		
	Consolidated financial statements	Separate financial statements
Dividend income - the Fund	-	2,599,674
Share of profit from investment in associate - the Fund	2,056,227	-
Net loss on lease agreement termination	(7,490,905)	(8,858,817)
Net	(5,434,678)	(6,259,143)

The details of net cash flows of the lease agreement termination are summarised below.

Unit : Thousand Baht	
	Consolidated and separate financial statements
Cash flows from operating activity	
Withholding tax on dividend income	(259,967)
Net cash flows used in operating activity	
Cash flows from investing activities	(259,967)
Dividend income from investments in associate - the Fund	2,599,674
Cash received from capital distribution of investment in associate	2,686,744
Net cash flows from investing activities	
Cash flows from financing activity	5,286,418
Cash paid for long-term lease agreement termination from related party	(18,050,000)
Net cash flows used in financing activity	(18,050,000)
Net cash flows used in the lease agreement termination	(13,023,549)

22. Other current liabilities

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deposits	292,887	403,919	225,978	345,465
Airport tax payable	31,350	31,511	31,350	31,511
Maintenance reserve	1,149,723	946,056	1,149,723	946,056
Accrued expenses	111,267	98,079	13,525	30,936
Others	108,946	105,525	76,054	68,141
Total	1,694,173	1,585,090	1,496,630	1,422,109

23. Provision for long-term employee benefits

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year	798,461	956,604	672,077	702,894
Included in profit or loss:				
• Current service cost	96,865	99,810	72,741	74,428
• Interest cost	8,999	8,641	7,711	6,778
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
• Demographic assumptions changes	(35,554)	118,506	(41,335)	45,526
• Financial assumptions changes	(23,383)	5,251	(21,810)	(84,240)
• Experience adjustments	37,901	(6,879)	44,881	165,327
Reversal of provision from Voluntarily				
Early Retirement 2020 Program	(11,204)	(245,696)	-	(113,943)
Benefits paid during the year	(18,533)	(137,776)	(6,949)	(124,693)
Provision for long-term employee benefits at end of year	853,552	798,461	727,316	672,077

The Group expects to pay Baht 14.9 million (2020: Baht 23.2 million) of long-term employee benefits during the next year (Separate financial statements: Baht 8.0 million (2020: Baht 6.9 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 7 - 28 years (2020: 7 - 28 years) (Separate financial statements: 10 years (2020: 11 years)).

Significant actuarial assumptions are summarised below:

Unit : percent per annum				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	0.87 - 3.47	0.85 - 3.47	1.15	1.55
Salary increase rate	2.50 - 7.00	2.50 - 7.00	2.50	2.05
Turnover rate	0.00 - 31.00	0.00 - 31.00	4.00 - 8.00	4.00 - 8.00

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

Unit : Million Baht				
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(67)	85	(62)	73
Salary increase rate	74	(57)	61	(52)
Turnover rate	(71)	88	(66)	77

Unit : Million Baht				
	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(88)	64	(61)	73
Salary increase rate	51	(78)	60	(51)
Turnover rate	(93)	67	(65)	77

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

25. Treasury stock

On 23 September 2021, the Board of Directors' Meeting resolved to approve the Company disposing of treasury stocks amounting to 40 million shares from the first share repurchase program, from 8 October 2021 to 3 March 2022 on the Stock Exchange of Thailand.

The movements of the treasury stocks during 2021 are presented as follows.

	Number of shares (share)	Share repurchase (Thousand Baht)	Average price per share (Baht)
Treasury stocks as at 1 January 2021	40,000,000	491,556	12.29
Sales during the year	(2,166,200)	(26,620)	12.29
Treasury stocks as at 31 December 2021	37,833,800	464,936	12.29

	Number of shares (share)	Total value (Thousand Baht)	Average price per share (Baht)
Total sales of treasury stocks	2,166,200	26,794	12.37
Total purchases of treasury stocks	(2,166,200)	(26,620)	12.29
Difference between total sales of treasury stocks and total purchases of treasury stocks		174	

The Company recognised the difference between total sales of treasury stocks and total purchases of treasury stocks as “Premium on ordinary share” and reversed treasury stock reserve of Baht 27 million from “Appropriated retained earnings - others” to “Unappropriated retained earnings” in the statement of financial position.

As at 31 December 2021, the Company held the remaining treasury stocks of 38 million shares (2020: 40 million shares) which the market value was approximately Baht 367 million (2020: Baht 256 million). Such market value was calculated from the closing price in the Stock Exchange of Thailand as at last working day.

The Company set aside an amount from retained earnings equal to the cost of the treasury stocks to a separate reserve account with such reserve to remain outstanding until either the shares were sold or paid-up capital was reduced by the cancellation of any remaining unsold shares. As at 31 December 2021, the Company set aside approximately Baht 465 million (2020: Baht 492 million), with the Company recording the reversal as “Appropriated retained earnings - others” in the statement of financial position.

Currently, the Company sold all treasury stocks through the Stock Exchange of Thailand.

26. Revenue from contracts with customers

Sales and service revenue for the years 2021 and 2020 can be disaggregated by timing of revenue recognition and type by goods or services as follows:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Revenue recognised over time				
• Passenger fare	1,190,606	5,589,273	1,190,609	5,589,469
• Baggage fee and other service income	1,268,343	1,615,790	205,318	431,360
• Freight	6,328	50,344	6,329	50,699
• Passenger service charge	43,076	177,259	43,076	177,259
Revenue recognised at a point in time				
• Sales income	390,525	584,460	-	-
Total revenue from contracts with customers	2,898,878	8,017,126	1,445,332	6,248,787

Below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 34 to the consolidated financial statements relating to the segment information

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
External customers	2,716,894	7,666,107	1,239,809	5,817,219
Inter-segment	109,386	366,605	205	208
	2,826,280	8,032,712	1,240,014	5,817,427
Adjustments and eliminations	(109,386)	(366,605)	-	-
	2,716,894	7,666,107	1,240,014	5,817,427
Revenue that recorded as a part of other income	181,984	351,019	205,318	431,360
Total revenue from contracts with customers	2,898,878	8,017,126	1,445,332	6,248,787

27. Other income and other expenses

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Gain (loss) on derivatives	529,364	(956,774)	529,364	(956,774)
Loss on changes in fair value of ineffective cash flow hedges	-	(687,807)	-	(687,807)
Gain (loss) on exchange	(473,451)	226,989	(475,472)	221,585
Total	55,913	(1,417,592)	53,892	(1,422,996)

28. Finance income

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest income on bank deposits	2,747	28,461	660	25,857
Interest income on loans	-	-	5,236	4,487
Other finance income	3,780	4,721	1,247	226
Total	6,527	33,182	7,143	30,570

29. Finance cost

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	1,024,886	746,789	1,018,224	695,685
Interest expenses on lease liabilities	163,970	298,859	143,172	282,860
Other finance cost	75,927	71,636	25,978	64,074
Total	1,264,783	1,117,284	1,187,374	1,042,619

30. Expenses by nature

Significant expenses classified by nature are as follows:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salary and wages and other employee benefits	2,339,179	3,802,924	1,495,429	2,303,181
Depreciation	2,241,518	2,738,047	1,893,342	2,426,722
Amortisation expenses	100,760	104,499	50,508	53,980
Rental expenses from operating leases	86,894	80,908	73,094	53,353
Aircraft fuel expenses	320,413	1,397,303	320,413	1,397,303
Repair and maintenance expenses	863,161	1,771,092	789,666	1,706,082
Ground service expenses	97,114	553,744	162,563	553,744
Catering and passenger service expenses	62,494	470,336	91,853	470,336
Landing and parking expenses	31,303	113,826	31,303	113,826
Aeronautical radio expenses	69,625	214,553	59,867	200,011
Booking expenses	247,763	409,053	247,763	409,053
Insurance expenses	149,560	176,866	123,875	143,187
Raw materials and supplies used	166,615	256,155	-	-
Fuel expenses for ground service equipment	33,845	31,102	-	-
Expense relating to share of revenue from operational right agreement	96,563	131,601	-	-

31. Income tax

31.1 Deferred tax assets / liabilities

The components of deferred tax assets and deferred tax liabilities are as follows:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
• Allowance for diminution in value of inventories	8,125	8,149	7,829	7,838
• Accumulated depreciation - buildings and equipment	250	399	-	-
• Accrued expenses	4,508	4,637	-	-
• Provision for long-term employee benefits	140,456	93,489	120,605	69,062
• Loss on cash flow hedges	-	2,964	-	-
Total	153,339	109,638	128,434	76,900
Deferred tax liabilities				
• Unrealised gain on changes in fair value of investments	4,045,464	3,539,605	3,300,014	2,888,455
• Accrued income	-	-	689	976
• Leases	392,576	492,272	389,247	490,403
Total	4,438,040	4,031,877	3,689,950	3,379,834
Deferred tax assets - net	26,321	33,375	-	-
Deferred tax liabilities - net	4,311,022	3,955,614	3,561,516	3,302,934

As at 31 December 2021, the Group have unused tax losses totaling Baht 9,256 million (2020: Baht 4,760 million) (Separate financial statements; Baht 7,614 million (2020: Baht 4,238 million), on which deferred tax assets have not been recognised as the Group believe that future taxable profits may not be sufficient to allow utilisation of unused tax losses. Such unused tax losses will expire by 2026 (2020: by 2025).

31.2 Income tax expenses (revenues)

Income tax expenses (revenues) for the years ended 31 December 2021 and 2020 are made up as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
• Current corporate income tax charge	21,421	7,412	-	-
• Adjustment in respect of income tax of previous year	12,001	(88)	10,980	(362)
Deferred tax:				
• Relating to origination and reversal of temporary differences	(149,943)	93,071	(156,004)	67,714
Income tax expenses (revenues) reported in the statement of comprehensive income	(116,521)	100,395	(145,024)	67,352

The reconciliation between accounting profit (loss) and income tax expenses (revenues) is shown below.

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting loss before tax	(8,716,368)	(5,227,427)	(9,440,475)	(5,152,657)
Applicable tax rate	20%	20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(1,743,274)	(1,045,485)	(1,888,095)	(1,030,531)
Adjustment in respect of income tax of previous year	12,001	(88)	10,980	(362)
Effects of:				
Tax exempted revenue	(196,054)	(126,931)	(179,937)	(119,572)
Non-deductible expenses	2,325,862	1,770,407	2,385,541	1,739,259
Additional expense deductions allowed	(518,519)	(524,888)	(474,535)	(524,024)
Revenue treated under the Revenue Code	3,463	27,380	1,022	2,582
Total	1,614,752	1,145,968	1,732,091	1,098,245
Income tax expenses (revenues) reported in the statement of comprehensive income	(116,521)	100,395	(145,024)	67,352

31.3 Income tax relating to each component of other comprehensive income

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax relating to:				
• Gain (loss) on cash flow hedges	2,964	(3,482)	-	(2,776)
• Gain (loss) on changes in value of investments in equity designated at fair value	505,859	(1,125,878)	411,559	(918,828)
• Actuarial gain (loss) on defined benefits plan	3,582	(11,261)	3,027	(13,011)
Total	512,405	(1,140,621)	414,586	(934,615)

32. Promotional privileges

By virtue of the provisions of Investment Promotion Act, the Company was granted certain privileges by exemption from income tax for net income from promoted business for 5 - 8 years as follows:

Promotion certificate No. Air transportation operations	Description	Commencing date	Expiring date
1208(2)/2556	6 aircrafts with capacity of 832 seats	18 May 2013	17 May 2021
2604(2)/2555	12 aircrafts with capacity of 1,154 seats	17 February 2015	16 February 2023
61-0099-1-00-1-0	1 aircraft with capacity of 144 seats	16 July 2018	15 July 2023
61-1240-1-00-1-0	1 aircraft with capacity of 70 seats	16 December 2018	15 December 2023
61-0098-1-00-1-0	1 aircraft with capacity of 144 seats	19 January 2019	18 January 2024
61-1290-1-00-1-0	1 aircraft with capacity of 70 seats	3 January 2019	2 January 2024
61-1443-1-00-1-0	1 aircraft with capacity of 70 seats	8 April 2019	7 April 2024
62-0009-1-00-1-0	1 aircraft with capacity of 70 seats	20 May 2019	19 May 2024
62-0774-1-00-1-0	1 aircraft with capacity of 162 seats	Not yet have income in 2021	
63-0063-1-00-1-0	1 aircraft with capacity of 70 seats	Not yet have income in 2021	

As a promoted company, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

The Company's operating revenues for the years ended 31 December 2021 and 2020 divided between promoted and non-promoted operations, are summarised below.

Unit : Million Baht

	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Revenue						
Passenger fare	817	3,748	374	1,841	1,191	5,589
Others	751	351	5,300	3,294	6,051	3,645
Total revenue	1,568	4,099	5,674	5,135	7,242	9,234

33. Earnings per share

Basic earnings per share is calculated by dividing loss for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the year, net of treasury stocks held by the Company as described in Note 25 to the consolidated financial statements.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Loss for the years (Thousand Baht)	(8,549,862)	(5,283,182)	(9,295,451)	(5,220,009)
Weighted average number of ordinary shares (Thousand shares)	2,060,477	2,060,000	2,060,477	2,060,000
Basic earnings per share (Baht/share)	(4.15)	(2.56)	(4.51)	(2.53)

34. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its services, and there are the following three reportable segments:

- The airline segment, which sells tickets and provides services to passengers.
- The airport segment, which provides location services for passengers and airlines.
- The supporting airline business segment, which provides ground handling, cargo and catering services for airlines and customers.

Other segments are restaurants, duty free shop and aviation training business but these operating segments do not meet the quantitative thresholds as set out in the financial reporting standard.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group's financing activities which give rise to including finance costs, finance income and income taxes are managed on a Group basis and are not allocated to operating segments.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2021 and 2020.

Unit : Million Baht)

	Airline segment		Airport segment		Supporting airline business segments		Other segments		Elimination of inter-segment revenues		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	1,197	5,640	43	177	1,171	1,540	306	309	-	-	2,717	7,666
Inter-segment revenues	-	-	-	-	97	343	12	24	(109)	(367)	-	-
Total revenues	1,197	5,640	43	177	1,268	1,883	318	333	(109)	(367)	2,717	7,666
Segment operating profit (loss)	(3,230)	(2,710)	(250)	(194)	162	(240)	(80)	(47)	-	-	(3,398)	(3,191)
Unallocated income and expenses:												
• Dividend income											827	375
• Finance income											7	33
• Gain (loss) on exchange											(473)	227
• Other income											1,595	1,948
• Selling and distribution expenses											(282)	(505)
• Administrative expenses											(1,269)	(1,879)
• Gain (loss) on derivatives											529	(1,645)
• Written-off goodwill											-	(26)
• Other expenses											(5)	(2)
• Net loss from lease agreement termination of the fund											(5,435)	-
• Share of profit from investments in associates											453	554
• Finance costs											(1,265)	(1,117)
• Income tax revenues (expenses)											116	(100)
Non-controlling interests of the subsidiaries											50	45
Loss for the year attributable to equity holders of the Company											(8,550)	(5,283)

The basis of accounting for any transactions between reportable segment is consistent with that for third party transactions.

Inter-segment revenues are eliminated from the consolidated financial statements.

Transfer prices between business segments are as set out in Note 6 to the consolidated financial statements.

For the year 2021, 90 percent of total revenue from the airlines, airports and supporting airlines business segments of the Group was derived from domestic operations (2020: 78 percent).

For the years 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

35. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company and employees contribute to the fund monthly at the rate of 0 percent to 8 percent of basic salary (2020: 0 percent to 8 percent of basic salary). The fund, which is managed by MFC Assets Management Public Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During 2021, the Company did not contribute to the fund (2020: The Company recognised such contributions amounting to Baht 44 million as expenses).

Subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both subsidiaries and employees contribute to the fund monthly at the rate of 0 percent to 8 percent of basic salary (2020: 0 percent to 15 percent of basic salary). The funds, which are managed by Tisco Assets Management Public Co., Ltd. and MFC Assets Management Public Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to Baht 5 million (2020: Baht 28 million) were recognised as expenses.

36. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Interim dividend for the year 2020	Board of Directors' Meeting on 26 March 2021	206	0.10

37. Commitments and contingent liabilities

37.1 Capital commitments

As at 31 December 2021, the Group had capital commitments of Baht 64 million and SGD 0.46 million (2020: Baht 121 million and SGD 0.46 million) (Separate financial statements: Baht 63 million and SGD 0.46 million (2020: Baht 121 million and SGD 0.46 million)) mainly relating to acquisition of land and building improvement construction.

As at 31 December 2020, the Group had capital commitments of Baht 2.4 million and USD 0.45 million (Separate financial statements: Baht 2 million and USD 0.33 million) (2021: Nil) relating to acquisition of computer software, office equipment for operations and deposits.

37.2 Operation and service agreement commitments

The Group entered into ground service equipment and maintenance facilities, catering project, several service agreements, short-term lease agreements and leases of low-value assets. The terms of the agreements are generally between 1 to 20 years.

As at 31 December 2021 and 2020, the Group had future minimum payments required under non-cancellable agreements are as follows.

Unit : Million Baht				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Payable				
• In up to 1 year	404	544	255	179
• In over 1 year and up to 5 years	2,042	2,210	255	225
• In over 5 years	3	396	3	1

37.3 Letter of guarantees

As at 31 December 2021 and 2020, there were the following outstanding bank guarantees issued by the banks in respect of certain performance bonds required in the normal course of business of the Group.

	Consolidated financial statements		Separate financial statements	
	2021 (Million)	2020 (Million)	2021 (Million)	2020 (Million)
Letter of guarantees for land and building rental				
• Baht	89.08	62.96	37.94	28.83
• USD	0.77	0.03	0.77	0.03
Letter of guarantees for purchase of aircraft fuel				
• Baht	20.05	20.05	20.05	20.05
Letter of guarantees for the operational right contract				
• Baht	558.27	344.27	-	-
Letter of guarantees for payments due to creditors				
• Baht	33.56	33.86	-	-
• MYR	0.02	0.02	0.02	0.02
• SGD	0.25	0.25	0.25	0.25
• INR	-	29.20	-	29.20
Letter of guarantees for government agency projects				
• Baht	12.99	14.14	-	-
Other letter of guarantees				
• Baht	23.77	23.77	22.77	22.77
• USD	-	0.14	-	0.14
• MYR	1.00	1.00	1.00	1.00

37.4 Guarantees

37.4.1 As at 31 December 2021 and 2020, subsidiaries had the following contingent liabilities in respect of guarantees for short-term loans from financial institutions, long-term loans, bank overdraft facilities, letter of credit facilities, trust receipts and foreign currency forward contract facilities as follows.

Unit : Million Baht			
Guarantor	Guarantee	2021	2020
Bangkok Air Catering Co., Ltd.	BAC Gourmet House Co., Ltd.	133	110
Bangkok Air Catering Co., Ltd.	Bangkok Air Catering Samui Co., Ltd.	46	43
Bangkok Air Catering Co., Ltd.	Bangkok Air Catering Phuket Co., Ltd.	445	443
Bangkok Air Catering Co., Ltd.	Bangkok Air Catering Chiang Mai Co., Ltd.	315	325
Bangkok Air Catering Co., Ltd.	Bangkok Air Catering Don Mueang Co., Ltd.	91	91
Bangkok Airways Holding Co., Ltd.	Gourmet Primo Co., Ltd.	304	380
		1,334	1,392

37.4.2 The Company received an approval of credit facility of letter of guarantee from a commercial bank amounting to Baht 2,025 million. The Company used such credit facility to issue letter of guarantee for the joint venture (U-tapao International Aviation Company Limited) to guarantee compliance with the joint venture contract for the U-tapao International Airport and Eastern Airport City Development Project. In addition, the Company also provided the guarantee of not exceeding Baht 13,251 million to Eastern Economic Corridor Office for the damages exceeding the amount of bank guarantee above.

37.5 ther commitments

The Company and an entity (“counterparty”) entered into a swap transaction agreement whereby the Company was obliged to pay a fixed amount for the return on an investment in another company securities owned by the counterparty. During the current year, the swap agreement expired, the Company realised net of the transaction as part of profit or loss.

37.6 Letter of credit facilities

The Company entered into a credit facilities agreement, with the branch of a foreign financial institution, granting a revolving credit short-term facilities, guarantee facilities, and letter of credits amounting to Baht 20 million. The Company has to comply with all conditions as stipulated in the agreement. As at 31 December 2020, the undrawn portion of these credit facilities amounted to Baht 20 million (2020: Nil).

37.7 The impact of cybersecurity threats

On 23 August 2021, the Company was hit by a cybersecurity attack that resulted in unauthorised and unlawful access to its information systems. An initial investigation of the incident found that unlawful and unauthorised access to personal data may have occurred. Currently, the Company’s management has evaluated and believed that such threats do not have significant impacts to the financial position. The Company’s management has assessed and believed that such threats have no significant impact to the statement of financial position.

38. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

Unit : Million Baht

	Consolidated financial statements 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	25,398	-	551	25,949
Derivatives - Cross currency and interest swap agreements	-	8	-	8
Assets for which fair value are disclosed				
Investment properties	-	-	615	615
Liabilities measured at fair value				
Derivatives - Interest rate swap agreements	-	15	-	15
Derivatives - Cross currency and interest rate swap agreements	-	114	-	114

Unit : Million Baht

	Consolidated financial statements 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	22,912	-	509	23,421
Assets for which fair value is disclosed				
Investment in associate that is a listed company	3,623	-	-	3,623
Investment properties	-	-	423	423
Liabilities measured at fair value				
Derivatives - Equity swap agreement	-	1,089	-	1,089
Derivatives - Interest rate swap agreements	-	33	-	33
Derivatives - Cross currency and interest rate swap agreements	-	490	-	490

Unit : Million Baht

	Separate financial statements 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	20,683	-	551	21,234
Derivatives - Cross currency and interest rate swap agreement	-	8	-	8
Assets for which fair value is disclosed				
Investment properties	-	-	992	992
Liabilities measured at fair value				
Derivatives - Interest rate swap agreement	-	7	-	7
Derivatives - Cross currency and interest rate swap agreements	-	114	-	114

Unit : Million Baht

	Separate financial statements 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	18,668	-	509	19,177
Assets for which fair value are disclosed				
Investments in associate that is a listed company	3,623	-	-	3,623
Investment properties	-	-	803	803
Liabilities measured at fair value				
Derivatives - Equity swap agreement	-	1,089	-	1,089
Derivatives - Interest rate swap agreement	-	18	-	18
Derivatives - Cross currency and interest rate swap agreements	-	490	-	490

During the current year, there were no changes in methods and assumptions used by the Group to measure fair value of financial instruments and no transfers within the fair value hierarchy.

39. Financial instruments

39.1 Derivatives and hedge accounting

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets designated as hedging instruments				
Cross currency and interest rate swap agreements	8,108	-	8,108	-
Total derivative assets	8,108	-	8,108	-

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Equity swap agreement	-	1,089,047	-	1,089,047
Derivatives liabilities designated as hedging instruments				
Interest rate swap agreements	14,561	32,593	6,820	17,773
Cross currency and interest rate swap agreements	113,725	489,693	113,725	489,693
Total derivative liabilities	128,286	1,611,333	120,545	1,596,513

Derivatives designated as hedging instruments

Cash flow hedges

Interest rate risk

The Group had interest rate swap agreements which are designated as hedging instruments in cash flow hedges of liabilities arising from aircraft lease agreements and long-term loans. The Group entered into interest rate swap agreements with financial institution to exchange of a variable interest rate to fixed interest contract rate.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the floating rate aircraft lease agreements. To test the hedge effectiveness, the Group negotiated the terms of the derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable which are carried at floating interest rates.

Hedge ineffectiveness can arise from differences in the timing of cash flows of the hedged item and hedging instruments.

Foreign currency and interest rate risk

The Group had cross currency and interest rate swap agreements which are designated as hedging instruments in cash flow hedges of liabilities arising from aircraft lease agreements. These are defined as a combined hedge of currency risk and interest rate risk.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency and interest rate swap match the terms of aircraft lease agreements with floating rate in foreign currency. The Group negotiated the terms of the derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable that is denominated in the foreign currency with floating interest rates.

Hedge ineffectiveness can arise from differences in the timing of cash flows of the hedged item and hedging instrument.

Details of derivatives, by maturity, held as hedging instruments as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements							
	Maturity							
	Less than 1 year		1 to 5 years		> 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Interest rate swaps								
Notional amount (Thousand Baht)	79,542	181,429	399,448	366,917	79,334	191,406	558,324	739,752
Average fixed rate (%)	2.95	3.18	3.12	3.17	2.38	2.75	2.99	3.15
Cross currency and interest rate swaps								
Notional amount (Thousand Baht)	326,947	408,149	1,387,786	1,713,998	595,442	1,224,331	2,310,175	3,346,478
Average fixed rate (%)	2.94	2.85	2.96	2.86	3.21	3.13	3.02	2.96
Average exchange rate (US dollar/Baht)	34.38	34.13	34.38	33.76	34.33	33.71	34.37	33.79

	Separate financial statements							
	Maturity							
	Less than 1 year		1 to 5 years		> 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Interest rate swaps								
Notional amount (Thousand Baht)	49,542	48,929	204,448	201,917	79,334	131,406	333,324	382,252
Average fixed rate (%)	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38
Cross currency and interest rate swaps								
Notional amount (Thousand Baht)	326,947	408,149	1,387,786	1,713,998	595,442	1,224,331	2,310,175	3,346,478
Average fixed rate (%)	2.94	2.85	2.96	2.86	3.21	3.13	3.02	2.96
Average exchange rate (US dollar/Baht)	34.38	34.13	34.38	33.76	34.33	33.71	34.37	33.79

The impact of hedged items on the statement of financial position as at 31 December 2021 and 2020 is, as follows:

Unit : Million Baht

	Consolidated financial statements			
	Change in fair value used for measuring ineffectiveness		Cash flow hedge reserve Continuing hedges	
	2021	2020	2021	2020
Fuel price swap agreements	-	(27)	-	-
Liabilities under aircraft lease agreements	385	28	(113)	(508)
Long-term loans	18	(20)	(7)	(15)

Unit : Million Baht

	Separate financial statements			
	Change in fair value used for measuring ineffectiveness		Cash flow hedge reserve Continuing hedges	
	2021	2020	2021	2020
Fuel price swap agreements	-	(27)	-	-
Liabilities under aircraft lease agreements	385	11	(113)	(508)

The impact of the hedging instruments on the statement of financial position as at 31 December 2021 and 2020 and the effect of the cash flow hedge in the statement of comprehensive income for the year ended 31 December 2021 and 2020 are, as follows:

Consolidated financial statements												Unit : Million Baht
	Notional amounts		Carrying amount		Changes in fair value used for measuring ineffectiveness		Effectiveness recognised in equity		Ineffectiveness recognised in equity		Line item in profit or loss	Line item in profit or loss
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020		
Fuel price swap agreements	-	-	-	-	-	(27)	-	(30)	-	-	30	Cost of sales and services
Cross currency and interest rate swap agreements	2,310	3,346	(105)	(490)	385	28	385	28	-	(293)	(5)	Loss on exchange and finance cost
Interest rate swap agreements	558	740	(15)	(33)	18	(20)	18	(20)	-	(11)	(8)	Finance cost
Total	2,868	4,086	(120)	(523)	403	(19)	403	(22)	-	(304)	17	

Unit : Million Baht

Separate financial statements														
	Notional amounts		Carrying amount		Changes in fair value used for measuring ineffectiveness		Effectiveness recognised in equity		Ineffectiveness recognised in equity		Line item in profit or loss	Amount of cash flow hedge reserve reclassified to profit or loss		Line item in profit or loss
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020		2021	2020	
Fuel price swap agreements	-	-	-	-	-	(27)	-	(30)	-	3	Loss on derivatives	-	30	Cost of sales and services Loss on exchange and finance cost Finance cost
Gross currency and interest rate swap agreements	2,310	3,346	(105)	(490)	385	28	385	28	-	-		(293)	(5)	
Interest rate swap agreements	333	382	(8)	(18)	10	(17)	10	(17)	-	-		(5)	(1)	
Total	2,643	3,728	(113)	(508)	395	(16)	395	(19)	-	3		(298)	24	

Impacts of interest rate benchmark reform

The Group has exposure in relation to the replacement or reform of the benchmark InterBank Offered Rates (“IBORs”) of its financial instruments since there is uncertainty over the timing and the methods of transition in some jurisdictions in which the Group operates. The Group anticipates that IBOR reform will impact its risk management and hedge accounting. The Group applies temporary exceptions which enable entities to continue applying hedge accounting during the period of uncertainty. Specifically, the temporary exceptions state that for the purpose of determining whether a forecast transaction is highly probable for cash flow hedges, it is assumed that the benchmark interest rate on which the hedged cash flows are based is unchanged as a result of IBOR reform.

The management committee monitors and manages the Group’s transition to alternative benchmark rates. The committee evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

As at 31 December 2021, the Group has interest rate swaps, and cross currency and interest rate swaps that carry interest at floating rates based on LIBOR and mature between 2026 and 2029 (Separate financial statements: between 2027 and 2029) with nominal amounts of USD 77 million, and Baht 225 million (Separate financial statements: USD 77 million).

39.2 Financial risk management objectives and policies

The Group’s financial instruments principally comprise cash and cash equivalents, trade and other receivables, reimbursable maintenance expenses, loans to, long-term loans, and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans to, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group’s maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type. The calculation reflects reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off in accordance with the Group's policy.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are four types of market risk comprising foreign currency risk, interest rate risk, fuel price risk and return on investment risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- interest rate swap agreements to mitigate the risk of rising interest rates;
- cross currency and interest rate swap agreements to mitigate the risk of rising interest rates and foreign currency rates;
- fuel price swap agreements to mitigate the risk of rising fuel price; and
- equity swap agreement to mitigate the risk of rising return on investment risk.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its aircraft lease agreements that are denominated in foreign currencies.

The Group manages its foreign currency risk by entering into cross currency and interest rate swap agreements to translate notional principal amounts by reference to fixed exchange rate.

As at 31 December 2021 and 2020, the Group hedged its liabilities under aircraft lease agreements in foreign currencies. This foreign currency risk is hedged by using cross currency and interest rate swap agreements.

As at 31 December 2021 and 2020, the Group's balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
BDT	2	120	-	-	0.39	0.35
CNY	3	4	-	-	5.25	4.62
SGD	2	2	-	-	24.74	22.66
USD	88	149	228	286	33.42	30.04

Foreign currencies	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
BDT	2	120	-	-	0.39	0.35
CNY	3	3	-	-	5.25	4.62
SGD	2	2	-	-	24.74	22.66
USD	88	145	224	282	33.42	30.04

Foreign currency sensitivity

The Group determines that there is no significant exposure risk from change in foreign currency.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its long-term loans to, lease liabilities and long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by entering into interest rate swap agreements and cross currency and interest rate swap agreements, in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Unit : Million Baht

	Consolidated financial statements						
	2021						
	Fixed interest rates				Non-		
	Within	1-5	Over	Floating	interest	Total	Effective
	1 year	years	5 years	interest rate	bearing		interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	180	-	-	1,898	48	2,126	Note 7
Trade and other receivables	-	-	-	-	373	373	-
Restricted bank deposits	6	-	-	2	-	8	Note 10
Investments in equity instruments	-	-	-	-	25,949	25,949	-
Other non-current financial assets	-	-	-	8	-	8	Note 40
Financial liabilities							
Short-term loans from							
financial institutions	732	-	-	185	-	917	Note 18
Trade and other payables	-	-	-	-	967	967	-
Long-term loans	-	-	-	20,157	-	20,157	Note 20
Long-term loan from related party	1,000	-	-	-	-	1,000	Note 6
Lease liabilities	3,183	1,894	42	240	-	5,359	3.29 - 4.10
Other non-current financial liabilities	-	-	-	128	-	128	Note 40

Unit : Million Baht

	Consolidated financial statements						
	2020						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	100	-	-	2,035	46	2,181	Note 7
Trade and other receivables	-	-	-	-	401	401	-
Restricted bank deposits	3	-	-	1	-	4	Note 10
Investments in equity instruments	-	-	-	-	23,421	23,421	-
Financial liabilities							
Short-term loans from financial institution	920	-	-	185	-	1,105	Note 18
Trade and other payables	-	-	-	-	1,119	1,119	-
Other current financial liabilities	-	-	-	-	1,089	1,089	Note 40
Long-term loans	-	1,867	-	1,096	-	2,963	Note 20
Long-term loan from related party	-	1,000	-	-	-	1,000	Note 6
Lease liabilities	4,240	2,240	119	-	-	6,599	3.29 - 4.10
Long-term lease liabilities from related party	48	-	9,622	-	-	9,670	12.64
Other non-current financial liabilities	-	-	-	522	-	522	Note 40

Unit : Million Baht

	Separate financial statements 2021						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	1,414	45	1,459	Note 7
Trade and other receivables	-	-	-	-	175	175	-
Restricted bank deposits	6	-	-	2	-	8	Note 10
Investments in equity instruments	-	-	-	-	21,234	21,234	-
Long-term loan to related party	-	-	-	211	-	211	Note 6
Other non-current financial assets	-	-	-	8	-	8	Note 40
Financial liabilities							
Short-term loans from financial institutions	720	-	-	-	-	720	Note 18
Trade and other payables	-	-	-	-	743	743	-
Long-term loans	-	-	-	18,753	-	18,753	Note 20
Long-term loan from related party	1,000	-	-	-	-	1,000	Note 6
Lease liabilities	3,093	1,508	42	240	-	4,883	3.30 - 3.97
Long-term lease liabilities from related party	-	-	-	-	-	-	Note 21
Other non-current financial liabilities	-	-	-	121	-	121	Note 40

Unit : Million Baht

	Separate financial statements						
	2020						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Within 1 year	1-5 years	Over 5 years					
Financial assets							
Cash and cash equivalents	-	-	-	1,652	42	1,694	Note 7
Trade and other receivables	-	-	-	-	144	144	
Investments in equity instruments	-	-	-	-	19,177	19,177	-
Long-term loan to related party	-	-	-	105	-	105	Note 6
Financial liabilities							
Short-term loans from financial institutions	670	-	-	-	-	670	Note 18
Trade and other payables	-	-	-	-	934	934	-
Other current financial liabilities	-	-	-	1,089	-	1,089	Note 40
Long-term loans	-	-	-	1,778	-	1,778	Note 20
Long-term loan from related party	-	1,000	-	-	-	1,000	Note 6
Lease liabilities	4,120	1,818	45	-	-	5,983	3.30 – 3.97
Long-term lease liabilities from related party	48	-	9,622	-	-	9,670	12.64
Other non-current financial liabilities	-	-	-	507	-	507	Note 40

Interest rate sensitivity

The Group determines that there is no significant exposure risk from change in floating interest rate.

Fuel Price Risk

Fuel price fluctuation depends on supply and demand of global economic situation and political uncertainty worldwide. Fuel price has direct impact on the Company's operating results as fuel plays a vital factor in airline industry.

As at 31 December 2021 and 2020, the Company has not obligation from fuel price hedging.

Liquidity risk

Approximately 67% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 34%) (Separate financial statements: 69% 2020: 32%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

Unit : Thousand Baht

	Consolidated financial statements As at 31 December 2021			
	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	917,141	-	-	917,141
Trade and other payables	967,362	-	-	967,362
Lease liabilities*	3,479,862	2,168,747	54,052	5,702,661
Long-term loans*	15,486,940	3,060,923	2,357,700	20,905,563
Long-term loans from related party	1,012,500	-	-	1,012,500
Total non-derivatives	21,863,805	5,229,670	2,411,752	29,505,227
Derivatives				
Derivative liabilities: net settled	11,705	40,507	12,801	65,013
Total derivatives	11,705	40,507	12,801	65,013

Unit : Thousand Baht

	Consolidated financial statements As at 31 December 2020			
	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	1,108,224	-	-	1,108,224
Trade and other payables	1,117,816	-	-	1,117,816
Lease liabilities*	4,598,634	2,343,673	133,557	7,075,864
Lease liabilities from related party	679,454	4,794,246	18,959,590	24,433,290
Long-term loans*	706,278	1,515,076	1,138,249	3,359,603
Long-term loans from related party	-	1,018,493	-	1,018,493
Total non-derivatives	8,210,406	9,671,488	20,231,396	38,113,290
Derivatives				
Derivative liabilities: net settled	47,596	192,527	127,990	368,113
Total derivatives	47,596	192,527	127,990	368,113

Unit : Thousand Baht

	Separate financial statements As at 31 December 2021			
	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	720,120	-	-	720,120
Trade and other payables	743,171	-	-	743,171
Lease liabilities*	3,374,148	1,754,466	54,052	5,182,666
Long-term loans*	15,199,739	1,992,522	2,189,945	19,382,206
Long-term loans from related party	1,012,500	-	-	1,012,500
Total non-derivatives	21,049,678	3,746,988	2,243,997	27,040,663
Derivatives				
Derivative liabilities: net settled	7,697	32,180	12,801	52,678
Total derivatives	7,697	32,180	12,801	52,678

Unit : Thousand Baht

	Separate financial statements As at 31 December 2020			
	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	671,505	-	-	671,505
Trade and other payables	932,564	-	-	932,564
Lease liabilities	4,457,561	1,879,542	58,793	6,395,896
Lease liabilities from related party	679,454	4,794,246	18,959,590	24,433,290
Long-term loans	171,280	857,329	1,067,500	2,096,109
Long-term loans from related party	-	1,018,493	-	1,018,493
Total non-derivatives	6,912,364	8,549,610	20,085,883	35,547,857
Derivatives				
Derivative liabilities: net settled	42,207	180,761	127,420	350,388
Total derivatives	42,207	180,761	127,420	350,388

* The Group was unable to maintain the financial ratios and debt service coverage ratios according to the agreements, the Group, therefore, classified lease liabilities amounting to Baht 2,364 million (2020: Baht 2,500 million) (Separate financial statements: 2,364 million (2020: Baht 2,500 million)) as current portion of lease liabilities and long-term loans amounting to Baht 15,002 million (2020: Baht 537 million) (Separate financial statements: Baht 14,950 million) (2020: Nil)) as current portion of long-term loans which were presented under current liabilities in the statement of financial position as described in the Note 15.1 and 20, respectively, to the consolidated financial statements.

39.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- d) The fair value of fixed rate long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- e) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- f) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

40. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value, including compliance with any financial conditions in aircraft lease agreements and loan agreements. As at 31 December 2021, the Group's debt-to-equity ratio was 2.72:1 (2020: 1.58:1) and the Company's was 2.48:1 (2020: 1.36:1).

41. Events after the reporting period

On 24 February 2022, the Company's Board of Directors' Meeting No. 1/2022 approved the resolution to omit the dividend payment for the year 2021 since the Company incurred net operating losses.

42. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 24 February 2022.

Details of the directors of the subsidiaries

List of the directors	Subsidiaries													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Mr. Prasert Prasarttong-Osoth				X										
2. Mrs. Vanli Prasarttong-Osoth				/				X						
3. Ms. Somruthai Prasarttong-Osoth		/	/						X			/		
4. Mr. Pradit Theekakul		/	/	/						X	X	X		X
5. Mr. Puttipong Prasarttong-Osoth	X	X	X	/	X	X	X							
6. Mr. Anawat Leelawatwatana		/	/	/	/	/	/	/	/	/	/	/	/	/
7. Mr. Pracha Laochamroen		/	/		/	/	/			/	/			/
8. Gen. Komkrich Sriyaphan			/											
9. Mr. Linus Knobel		//			//	//	//			//	//			
10. Ms. Poonsuk Teerawanichphol		/	/		/	/	/	/	/	/	/		/	/
11. Ms. Aninya Nateprapai		/											X	
12. AM Dechit Chareonwong													/	
13. Ms. Tresarun Sitakalin													X	
14. Mr. Nijjapat Piyapant	/												/	
15. Mrs. Chanthip Thongkanya	/													
16. Mr. Stewart James Sinclair			//					//	//					
17. Mr. Barry Nasberg			/											

Note: / = Director // = Managing Director X = Chairman

Chairman	Subsidiaries													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Bangkok Airways Ground Services Co. Ltd.														
2. Bangkok Airways Holding Co., Ltd.														
3. Bangkok Air Catering Samui Co., Ltd.														
10. Gourmet Primo Co., Ltd.														
13. Bangkok Air Aviation Training Center Co., Ltd.														
1. Bangkok Airways Ground Services Co. Ltd.														
2. Bangkok Airways Holding Co., Ltd.														
3. Bangkok Air Catering Samui Co., Ltd.														
10. Gourmet Primo Co., Ltd.														
13. Bangkok Air Aviation Training Center Co., Ltd.														
3. Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd.														
6. BAC Gourmet House Co., Ltd.														
9. BFS Cargo DMK Co., Ltd.														
12. More Than Free Co., Ltd.														

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