

Management’s Discussion and Analysis for the first quarter of 2024 ended March 31, 2024, for Thai Airways International Public Company Limited and Its Subsidiaries

1. Executive summary

The first quarter of 2024, global economy growth was similar to the previous year, as service sector activities expanded and manufacturing activities started to rebound from a prolonged contraction last year. It is expected that the central banks in major economies such as the United States of America, Europe, and the United Kingdom will gradually activate interest rate reduction policies as inflation continues to decrease. Furthermore, in March 2024, the Bank of Japan announced the end of its negative interest rate policy and Yield Curve Control measures (YCC), also indicated gradual interest rate growth. Though, global economic expansion continued to encounter several risks from the recent interest rate hikes, global supply chain and trade issues arising from the situation in the Red Sea and Panama Canal, declining global liquidity, and economic polarization due to the continue geopolitical conflicts. Accordingly, the International Monetary Fund ("IMF") updated its global GDP growth forecast from 3.1% in January 2024 to 3.2%.

For the world aviation industry, The International Air Transport Association “(IATA)” reported that Revenue Passenger Kilometers (RPK) in February 2024 were higher than pre-crisis levels in February 2019 by 5.7%, indicating a full recovery both domestic and international traffic. Cabin factor were also close to pre-crisis levels. For the first quarter of 2024, RPK expanded by 16.9% compared to the same period last year, with international passenger traffic growing by 21.5%. Revenue Freight Ton-Kilometers (RFTK) increased by 13.2% compared to the same period last year. For the Asia-Pacific region, the Association of Asia Pacific Airlines “(AAPA)” reported an increase of 47.1% in international passengers compared to the same period last year. Available Seat Kilometers (ASK) increased by 47.5% while RPK increased by 46.9% resulting in a slightly decreased in Cabin Factor from the same period last year at 81.5% to 81.2%. Meanwhile, Available Dead Load Kilometer (ADTK) increased by 20.8% and RFTK increased by 16.0%. Freight load factor decreased from the same period last year at 61.7% to 59.3%

Thai economy in the first quarter of 2024, experienced a continuous recovery trend from main drivers which are exports and private sector investments. The inflation rate remained negative due to energy subsidy measures, resulting in lower diesel prices and electricity costs compared to the same period last year. It is expected that the Monetary Policy Committee (MPC) will ease monetary policy by reducing interest rates within this year. The interest rate reduction is expected to help alleviate high debt burdens, especially for vulnerable businesses and households that may be affected by rising interest rates. Additionally, the IMF has revised down its growth estimate for the Thai economy to 2.7% from the previously forecasted 4.4% in January 2024.

In the tourism sector, during the first quarter of 2024, there were a total of 9.4 million foreign tourists traveling to Thailand, an increase of 43.5% compared to the same period of the previous year. This accounted for 86.8% of the pre-crisis period in 2019. Tourists from the Asia-Pacific region accounted for 67.6%, with the top 5 being China, Malaysia, Russia, South Korea, and India. Additionally, approximately 32.3 million passengers traveled to/from Thailand through the main 6 airports, around 19.9 million passengers traveling internationally, marking a 42.5% increase compared to the same period of the previous year. Meanwhile, there were approximately 12.4 million passengers traveling within the country, showing a slight decrease of 0.4 % compared to the same period last year.

The first quarter of 2024, Thai Airways International Public Company Limited “(THAI)” continued to implement a rehabilitation plan, the key operations undertaken during this quarter included:

- Improvement of its fleet efficiency and route expansion: by taking delivery of three Airbus A350-900 aircraft, increasing more flight frequencies to Hong Kong, Singapore, Taipei, Kathmandu, Manila, Phuket, Sydney, Tokyo (Narita), and resuming services to Perth, Australia, and Colombo, the capital of Sri Lanka, starting from March 31, 2024.
- Exploitation on non-core assets: by selling two Airbus A340-600 and one Boeing 747-400 aircraft.
- Restructuring of business operation in aviation business of THAI group: completed the restructuring of its aviation business group by receiving the transfer of the final four Airbus A320-200 aircraft from Thai Smile in January 2024 and added domestic services to Chiang Rai, Khon Kaen, Ubon Ratchathani, Krabi, Hat Yai, and Narathiwat. (Narathiwat flights would suspend from March 31, 2024 onwards).

Furthermore, THAI was recently ranked in the following five categories of the 17th Annual Readers’ Choice Awards - 2024 by DestinAsian:

- The third in Best Airlines
- The third in Best Airlines: Premium Classes
- The third in Best Airlines: Economy Class
- The third in Best Frequent-Flier Programs
- The fifth in Best In-Flight Entertainment

The Readers' Choice Awards 2024, organized by DestinAsian, a leading travel magazine in the Asia Pacific region established in 2001 and distributed in Singapore, Hong Kong, Malaysia, Thailand, the Philippines, and other countries worldwide. The awards, held annually, recognize excellence in various categories within the tourism industry based on reader satisfaction, considering service, travel experience, safety, and value for money. Categories include top travel destinations, airlines, airports, hotels, airline frequent-flier programs, and cruise companies. THAI commit to continue improving the quality of its services and products to enhance passenger satisfaction.

As of March 31, 2024, THAI and its subsidiaries operated a total of 73 aircraft, with an average aircraft utilization of 12.8 hours. ASK increased by 10.1%, RPK increased by 10.1% with 83.5% average cabin factor, similar to the previous year, higher than industry average. The total number of passengers carried was 3.88 million, a 10.2% increase from last year. ADTK increased by 12.5% and RFTK increased by 24.9% compared to last year. Freight load factor was 53.1%, higher than last year's average of 47.9%.

Operating results before finance cost, excluding one-time items, for THAI and its subsidiaries for the first quarter of 2024, Total revenue was THB 45,955 million, THB 4,448 million (10.7%) higher than last year. Mainly due to an increase in passenger revenue of THB 3,539 million (10.1%) from implementing the 2023–2024 winter schedule. THAI had the routes network servicing to 59 destinations in 24 countries all over the world whereas 8 destinations were domestic (excluding Bangkok). Also, THAI increased flight frequency to China, including Beijing, Shanghai, Guangzhou, Chengdu, and Kunming and on popular routes such as Osaka, Hong Kong, Singapore, and Taipei. THAI also introduced a new direct flight to Istanbul, Republic of Türkiye, since December 1, 2023. Furthermore, THAI and its subsidiaries have increased revenue from other businesses by THB 642 million (32.8%) due to the increase in both the number of flights and passengers on customer airlines. Other income increased by THB 868 million. Total expenses amounted to THB 34,880 million, THB 6,407 million (22.5%) higher than the same period last year, partially from increasing in production/traffic, number of flights, routes, number of passenger, Baht depreciation, higher ground handling rates and raw material price. As a result, THAI and subsidiaries reported operating profit before financial costs excluding one-time items of THB 11,075 million, THB 1,959 million (15.0%) lower than last year.

THAI and its subsidiaries recognize financial costs, which was the recognition of financial costs according to Financial Reporting Standards No. 9: TFRS 9 amounted of THB 4,608 million, higher than last year by THB 1,059 million (29.8%) and one-time transactions mainly from losses from foreign currency exchange, impairment loss of aircraft, right-of-use assets and rotatable aircraft's spare parts while gain on debt restructuring, outdated passenger ticket revenue adjustment and share of profits from investments in associated companies. In the first quarter of 2024, there were net one-time transaction loss totaling THB 4,036 million, whereas the previous year were gain THB 2,987 million. As a result, THAI and its subsidiaries recorded a net profit of THB 2,423 million, which is THB 10,100 million lower than the previous year. Profit attributable to the parent was THB 2,410 million. Profit per share was 1.10 Baht, 4.63 Baht (80.8%) lower than last year. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft rental fees calculated from actual aircraft use (Power by the Hour) was a profit of THB 14,000 million, similar to the previous year.

2. Summary of Operating Results for THAI and its subsidiaries

The consolidated financial statements for the first quarter of 2024 consists of THAI's financial statement and 5 subsidiary companies which are 1) THAI-Amadeus Southeast Asia Co.,Ltd., 2) Wingspan Services Co., Ltd., 3) Thai Smile Airways Co., Ltd., "(ThaiSmile)" 4) THAI Flight Training Co., Ltd., and 5) Tour Eurng Luang Co., Ltd.

Financial Performance: THAI and its subsidiaries

	Jan – Mar			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	45,955	41,507	+4,448	+10.7
- Passenger and excess baggage revenue	38,517	34,978	+3,539	+10.1
- Freight and mail revenue	3,762	4,363	-601	-13.8
- Revenue from other businesses	2,602	1,960	+642	+32.8
- Other income	1,074	206	+868	+421.4
Total operating expenses	34,880	28,473	+6,407	+22.5
- Fuel and oil	12,926	12,052	+874	+7.3
- Non-fuel operating expenses	21,954	16,421	+5,533	+33.7
Operating Profit before finance cost exclude one-time items	11,075	13,034	-1,959	-15.0
Finance cost	4,608	3,549	+1,059	+29.8
Operating Profit exclude one-time items	6,467	9,485	-3,018	-31.8
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Gain from debt restructuring	493	2,640	-2,147	-81.3
Share of gain of associates using the equity method	36	24	+12	+50.0
Impairment loss in accordance with TFRS 9 (reversal)	53	(25)	+78	+312.0
Mutual Separation Plan (MSP)	(11)	(65)	+54	+83.1
Gains (Loss) on sale of asset	(33)	363	-396	-109.1
Impairment loss on aircraft, right-of-use assets and rotatable aircraft's spare parts	(3,338)	(65)	-3,273	-5,035.4
Gain (Loss) on foreign currency exchange	(5,372)	115	-5,487	-4,771.3
Profit before tax	2,431	12,472	-10,041	-80.5
Net Profit	2,423	12,523	-10,100	-80.7
Profit attribute to owners of the parent	2,410	12,514	-10,104	-80.7
Net Profit per share (THB)	1.10	5.73	-4.63	-80.8

		Jan - Mar			
		2024	2023	Variance	
				MTHB	%
Significant operating data					
EBITDA – Lease Payment	(MTHB)	14,000	14,054	-54	-0.4
Number of passengers	(Million)	3.88	3.52	+0.36	+10.2
Available Seat-Kilometers	(Million)	14,646	13,298	+1,348	+10.1
Revenue Passenger-Kilometers	(Million)	12,227	11,110	+1,117	+10.1
Cabin Factor	(%)	83.5	83.5	-	-
Passenger Yield	(THB/RPK)	3.14	3.14	-	-
Available Dead Load Ton-Kilometers	(Million)	784	697	+87	+12.5
Revenue Freight Ton-Kilometers	(Million)	417	334	+83	+24.9
Freight Load Factor	(%)	53.1	47.9		+5.2
Freight carried	(Ton)	95,679	77,430	+18,249	+23.6
Freight Yield	(THB/RFTK)	8.86	12.84	-3.98	-31.0
Number of aircraft (As of Mar 31)	(Aircraft)	74	86	-12	-14.0
Flight hours	(Hours)	73,167	66,919	+6,248	+9.3
Aircraft utilization	(Hours/Aircraft/Day)	12.8	12.3	+0.5	+4.1
Average foreign currency exchange rate					
1 USD : THB		35.6601	33.9122	+1.7479	+5.2
1 EUR : THB		38.7080	36.3882	+2.3198	+6.4
100 JPY : THB		24.0491	25.6590	-1.6099	-6.3
Average jet fuel price	(USD/BBL)	111.85	116.93	-5.08	-4.3

Note: EBITDA-Aircraft Lease Payment = Total Revenue (exclude gain on foreign exchange, gain from debt restructuring and gain from sale of investment) - Expenses (Excluded Power by the Hour, finance cost, tax, depreciation and amortization, impairment loss on aircraft, right-of-use assets and rotatable aircraft's spare parts, impairment loss in accordance with TFRS 9 and loss on foreign currency exchange) after cash paid for lease liabilities included Power by the Hour.

Summary of THAI and its subsidiaries

Revenues

The first quarter of 2024, total revenue (excluding one-time items) was THB 45,955 million, an increase of THB 4,448 million (10.7%). Details as follows:

- **Passenger and excess baggage revenue**

Passenger and excess baggage revenue amounted to THB 38,517 million, THB 3,539 million (10.1%) higher from

- Passenger traffic (RPK) increased by 10.1% or approximate THB 3,500 million and passenger production (ASK) increased by 10.1% from expanding both flight frequency and destinations in line with continually increasing traffic demand, including more flights to China and other popular routes, such as Osaka, Hong Kong, Singapore, and Taipei. Moreover, THAI launched a new direct flight to Istanbul, Republic of Türkiye. Average cabin factor was 83.5% similar to the same period last year.

- Average passenger yield (including fuel and insurance surcharges) was 3.14 THB, similar to the same period last year.

- **Freight and mail revenue**

Freight and mail revenue amounted to THB 3,762 million, a decrease of THB 601 million (13.8%) resulting from decreasing average freight yield (included fuel and insurance surcharges) which was THB 8.86 million, decreased by 3.98 THB (31.0%) or approximate THB 1,600 million while freight load factor was 53.1% higher than 47.9% of last year. Revenue Freight Ton-Kilometers (RFTK) increased by 24.9% or approximate THB 1,000 million.

- **Revenue from other businesses**

Revenue from other businesses consisted of revenues from business units which were Ground services, Catering, Cargo handling services, and other supporting activities totaled THB 2,602 million, THB 642 million (32.8%) higher than last year mainly due to the increase in passenger number of customer airlines.

- **Other income**

Other income totaled THB 1,074 million, THB 868 million higher than last year mainly from more interest income from an increasing in cash and cash equivalents.

Expenses

Total expenses (excluding one-time items) amounted to THB 34,880 million, an increase of THB 6,407 million (22.5%). Mainly from increasing production/traffic and Baht depreciation against US Dollars and Euro. Details of the expenses as follows:

- **Fuel and oil expenses**, amount of THB 12,926 million or represented 37.1% of total expenses, an increase of THB 874 million (7.3%) from more flights resulting higher fuel consumption and the depreciation of Thai Baht against the US dollars compared to the previous year resulting in higher fuel expenses. Even though average fuel price dropped 4.3% from last year.

- **Non-fuel operating expenses** totaled THB 21,954 million, an increase of THB 5,533 million (33.7%). Details of the expenses as follows:

Unit: Million Baht	Jan - Mar			
	2024	2023	Variance	
			MTHB	%
Expenses (exclude one-time items)				
Employee benefit expenses	2,496	2,208	+288	+13.0
Flight service expenses	4,112	3,198	+914	+28.6
Crew expenses	1,118	989	+129	+13.0
Aircraft maintenance and overhaul costs	5,263	2,625	+2,638	+100.5
Depreciation and amortization expenses	2,966	2,538	+428	+16.9
Lease of aircraft and spare parts	232	668	-436	-65.3
Inventories and supplies	1,882	1,358	+524	+38.6
Selling and advertising expenses	1,985	1,520	+465	+30.6
Other expenses	1,900	1,317	+583	+44.3
Non-fuel Operating Expenses	21,954	16,421	+5,533	+33.7

Summary of expenses that have changed significantly are as follows:

- Variable cost totaled THB 14,592 million, THB 4,234 million (40.9%) higher than the previous year. Detail as follows:

- Flight service expenses amounted to THB 4,112 million, an increase of THB 914 million (28.6%) mainly from increased number of flights and routes, higher ground service rates, as well as the depreciation of the Thai Baht.

- Crew expenses amounted to THB 1,118 million, an increase of THB 129 million (13.0%) mainly due to increased production.

- Inventories and supplies amounted to THB 1,882 million, an increase of THB 524 million (38.6%) mainly from increased number of passengers, raw materials price and the depreciation of the Thai Baht.

- Aircraft maintenance and overhaul cost amounted to THB 5,263 million, an increase of THB 2,638 million (100.5%) mainly due to an increase of engine maintenance and Life Limit Parts (“LLP”), which reach the end of their service life, and the estimated maintenance cost of eight Airbus A350-900 aircraft, which gradually received after the first quarter of last year.

- Selling and advertising expenses amounted to THB 1,985 million, an increase of THB 465 million (30.6%) mainly from reservation expense according to rising number of bookings and the depreciation of the Thai Baht.

- Lease of aircraft and spare parts amounted to THB 232 million, a decrease of THB 436 million (65.3%) from lease agreements for aircraft calculated based on actual aircraft usage (Power by the Hour) mostly reach the end of the contract term.

- Fixed cost comprised of Employee benefits expenses, depreciation, and amortization expenses, and other expenses totaled THB 7,362 million, THB 1,299 million (21.4%) higher than last year. Details as follows:

- Employee benefits expenses (excluded compensation reserves for employees participating in Mutual Separation Program and the termination compensation) were THB 2,496 million, increased by THB 288 million (13.0%) from adjustment salary of pilot and cabin crew who impacted by COVID-19 following the higher traffic production, increasing number of employees and outsource, align with increased number of flights and adjusting employee salary base.

- Depreciation and amortization amounted to THB 2,966 million, increased by THB 428 million (16.9%), since there were 8 commissioned Airbus A350-900 aircraft and reintroducing Airbus A330-300 aircraft into service.

- Other expenses amounted to THB 1,900 million, increased by THB 583 million (44.3%) due to the increased in outsourcing services and facilities expenses from higher production.

- **Finance cost** increased by THB 1,059 million (29.8%) from realised interest expenses from operating lease agreement following the adoption of TFRS 16, regarding aircraft transferred from ThaiSmile, increasing in operating lease aircraft, and also recognizing financial costs under Financial Reporting Standard No. 9 (TFRS 9) for creditors subjected to the Official Receiver orders.

Outdated passenger ticket revenue adjustment amounted to THB 4,136 million from recognizing outdated passenger ticket revenue, comprising tickets issued from March 2019 to December 2022, where the company extended the validity due to the COVID-19 pandemic situation. The recognition of this revenue adjustment is due to tickets that were not refunded within the expiration date.

Gain on debt restructuring amounted to THB 493 million, comprising of gain on de-recognition of financial liabilities measured at amortized cost, onerous contracts termination, de-recognition of financial liabilities measured at amortized cost while there was a loss from debt adjustment from the orders of the Official Receiver. (Also see Note to the financial statements No. 4.2)

Loss from sales of assets amounted to THB 33 million, mainly due to

- Sold two Airbus A340-600 aircraft with net loss amounted to THB 6 million.
- Sold one Boeing 747-400 aircraft with net loss amounted to THB 27 million.

Mutual Separation Plan (“MSP”) THAI paid the compensation for employees granted approval to extend the retirement term of MSP B C and D program amounted to THB 11 million.

Impairment loss on aircraft, right-of-use assets and rotatable aircraft’s spare parts amounted to THB 3,338 million from the impairment of 12 aircraft which in the process of negotiating and signing contract, with bidding price lower than booked value.

The result of the measurement of financial instruments from the adoption of TFRS No.9 (reversal) amounted to THB 53 million due to trade receivables’ debt repayment.

Loss on foreign currency exchange was THB 5,372 million consisted of THB 6,249 million unrealized FX loss resulting from the revaluation of foreign currency loans for operating lease aircraft, assets, and liabilities, especially the depreciation of Thai Baht against the Euro and US Dollars as of March 31, 2024 compared to December 31, 2023 and realized FX gain of THB 877 million.

Share of profits of associates amounted to THB 36 million, THB 12 million higher than the previous year. Details as follows:

- Don Mueang International Airport Hotel Ltd.'s profit of THB 8 million, increased by THB 2 million from last year.

- Suvarnabhumi Airport Hotel Ltd.'s profit of THB 11 million, increased by THB 3 million from last year.

- Phuket Air Catering Ltd.'s profit of THB 17 million, increased by THB 7 million from last year.

EBITDA after cash paid for lease payment include Power by the Hour for the first quarter of 2024 amounted to THB 14,000 million, similar to the previous year.

3. Financial Position and Liquidity

Capital Expenditures

Unit: Million Baht	Jan - Mar	
	2024	2023
Aircraft and aircraft spare parts	812	2,474
Non-Aircraft	90	404
Total	902	2,878

In the first quarter of 2024, capital expenditures were THB 902 million, a decrease of THB 1,976 million from last year. Details as follows:

- Aircraft-related investment amounted to THB 812 million, THB 1,662 million lower than last year which consisted of spare engine and rotatable spare parts while last year was Trent XWB spare engines for Airbus A350-900 aircraft.

- Other fixed assets of THB 90 million mainly due to investment in tools and equipment for maintenance services.

Liquidity

As of March 31, 2024, THAI and its subsidiaries had cash and cash equivalent amount of THB 52,735 million or represented 20.5% of total assets, decreased from December 31, 2023, by THB 204 million (0.4%). Summary of cash from and used in each activity are as follows:

Unit : Million Baht	Jan – Mar	
	2024	2023
Net cash from operating activities	15,959	13,031
Net cash used in investing activities	(12,719)	(1,943)
Net cash used in financing activities	(4,653)	(2,397)
Effect of exchange rate changes on cash and cash equivalents	1,209	(310)
Effect of changes in credit loss on cash and cash equivalents	-	(6)
Increase (Decrease) in cash and cash equivalents	(204)	8,375

In the first quarter of 2024, THAI and subsidiaries had net cash flows provided by operating activities amount to THB 15,959 million, THB 2,928 million higher than the same period last year. Net cash used in investing activities amounted to THB 12,719 million, THB 10,776 million higher than last year from pre-delivery payment for aircraft procuring, the investments in bill of exchange with the right to be redeemed and fixed deposits. Also, procurement of engines and rotatable spare parts. Net cash used in financing activities amounted to THB 4,653 million, THB 2,256 million higher than last year mainly due to liabilities repayment under the lease agreement. As a result, cash and cash equivalents as of March 31, 2024 amounted to THB 52,735 million, a decrease of THB 204 million from cash and cash equivalents as of December 31, 2023, which amounted to THB 52,939 million.

Fleet

As of March 31, 2024, THAI and its subsidiaries had total 73 active aircraft with 1 long-termed parking aircraft and 23 decommission aircraft which the Business Rehabilitation Plan Administrators approved to sell and currently preparing the contract and inspection.

Assets of THAI and its subsidiaries

As of March 31, 2024, total assets totaled THB 257,110 million, an increase of THB 18,119 million (7.6%) from December 31, 2023. Details as follows:

	Consolidated					
	Mar 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	52,735	20.5	52,939	22.2	-204	-0.4
Non-current assets held for sale	2,924	1.2	2,103	0.9	+821	+39.0
Other current assets	46,139	17.9	39,034	16.3	+7,105	+18.2
Current Assets	101,798	39.6	94,076	39.4	+7,722	+8.2
Property, plant and equipment-net	39,892	15.5	44,579	18.6	-4,687	-10.5
Right-of-use Assets	71,577	27.8	65,048	27.2	+6,529	+10.0
Other non-current assets	43,843	17.1	35,288	14.8	+8,555	+24.2
Total Assets	257,110	100.0	238,991	100.0	+18,119	+7.6

Current assets were THB 101,798 million, represented 39.6% of total assets, increased by THB 7,722 million (8.2%) from as of December 31, 2023. The significant items consisted of

- Other current assets were THB 46,139 million, increased by THB 7,105 million (18.2%) due to other current financial assets increased by THB 5,799 million (40.9%) from investments in bill of exchange with the right to be redeemed and fixed deposits. Also, trade and other current receivables increased by THB 1,400 million (7.3%), mainly from higher prepaid expenses and deposits. (Also see Notes to the financial statements no. 5.2, 6.1, 7, 8, 24.5)

- Non-current assets held for sale were THB 2,924 million, increased by THB 821 million (39.0%), mainly from transferring 6 Airbus A380-800, net book value of THB 1,328 million from property, plant and equipment. And also transferring spare engines and other assets from other non-current assets, total net book value of THB 26 million and THB 77 million respectively. However, THAI disposed of 2 Airbus A340-600 aircraft and 1 Boeing 747-400 aircraft, net book value of THB 413 million. (Also see Notes to the financial statements no. 9)

- Cash and cash equivalent were THB 52,735 million, decreased by THB 204 million (0.4%). In addition, THAI and its subsidiaries have bill of exchange, time deposit and debenture with maturity more than 3 months but less than 1 year of THB 19,990 million. (Also see Notes to the financial statements no. 6.1)

Property, Plant and Equipment-net amounted to THB 39,892 million or 15.5% of total assets, decreased from December 31, 2023 by THB 4,687 million (10.5%), mainly due to the reclassification of 6 Airbus A380-800 to non-current assets held for sale, net book value of THB 1,328 million and recorded an impairment loss of 6 Airbus A380-800 aircraft amounted to THB 3,793 million. However, THAI and its subsidiaries reversed an impairment loss of engine spare parts amounted THB 652 million and acquiring spare engine and rotatable spare parts. (Also see Note to the financial statements No.11)

Right-of-use assets amounted to THB 71,577 million or 27.8% of total assets which consists of assets under finance lease agreements and obligations under the aircraft operating lease agreement and other fixed asset under operating leases increased from December 31, 2023, amounting to THB 6,529 million (10.0%), resulting from receiving 3 Airbus A350-900 aircraft. However, THAI had recorded depreciation for the period. (Also see Note to the financial statements No.12)

Other non-current assets amounted to THB 43,843 million or 17.1% of total assets, increased from December 31, 2023 by THB 8,555 million (24.2%) from the an increase in pre-delivery payment for aircraft procuring. (Also see Note to the financial statements 10.1, 10.2, 13, 14, 18, 24.5)

Return on Asset of the first quarter of 2024 was 0.98% while last year was 6.16%, Due to a decrease in net profit in the first quarter of 2024 by THB 10,100 million compared to the same period of the previous year, resulting from losses due to foreign exchange rate amounting to THB 5,372 million, and losses from Impairment loss of aircraft, right-of-use assets and rotatable aircraft's spare parts amounted to THB 3,338 million.

Liabilities of THAI and its subsidiaries

Total liabilities as of March 31, 2024 were THB 297,829 million, an increase of THB 15,696 million (5.6%) from December 31, 2023. Details as follows:

	Consolidated					
	Mar 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	67,775	22.8	67,009	23.8	+766	+1.1
Current portion of long-term liabilities	9,069	3.0	7,187	2.5	+1,882	+26.2
Long-term liabilities	166,657	56.0	157,231	55.7	+9,426	+6.0
Other non-current liabilities	54,328	18.2	50,706	18.0	+3,622	+7.1
Total Liability	297,829	100.0	282,133	100.0	+15,696	+5.6

Long-term liabilities (including the current portion of long-term liabilities) represented 59.0% of total liabilities, amounted to THB 175,726 million increased by THB 11,308 million (6.9%) resulting from increase in lease liabilities amounted to THB 10,090 million, from 3 additional Airbus A350-900 aircraft. (Also see Note to the financial statements No.5.2, 6.3, 15.1, 15.2, 16)

Current liabilities which accounted for 22.8% of the total liabilities mostly amounted to THB 67,775 million, an increase of THB 766 million (1.1%) from December 31, 2023, due to an increase in trade and trade payable amounted to THB 2,562 million. However, the unearned revenue decreased THB 1,619 million from outdated passenger ticket revenue adjustment. (Also see Note to the financial statements No.5.2, 17)

Other non-current liabilities accounted for 18.2% of total liabilities, amounted to THB 54,328 million, increased by THB 3,622 million (7.1%). Mainly from an increase of THB 3,868 million in other non-current provisions consist of long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. The Company has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before handover to lessors at the end of the lease. The Company shall estimate expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which were calculated along with usage time proportion. (Also see Note to the financial statements No.5.2, 17, 18, 19, 20)

Shareholders' Equity of Thai Airways International PCL., and its subsidiaries

As of March 31, 2024, the shareholders' equity of THAI and its subsidiaries amounted to THB -40,719 million, an improvement of THB 2,423 million compared to December 31, 2023.

Contingent Liabilities

As of March 31, 2024, THAI and its subsidiaries had contingent liabilities arising from obligations that are not presented in the financial statements from the guaranteed letter issued by local and foreign banks. These obligations consisted of operating lease aircraft and assets procurement contract which were pending delivery. (Also see Notes to the financial statements No. 25).

Financial Performance Summary, Thai Airways Public Company Limited (THAI)

During the first quarter of 2024, THAI had total revenue (excluding the one-time items) of THB 45,894 million, THB 6,943 million (17.8%) higher than last year, resulting from an increase in revenue passenger revenue amounted to THB 6,563 million (20.5%) from increasing production and traffic. This quarter, THAI increased flight frequencies to China and other top favorite routes, especially Osaka, Hong Kong, Singapore, and Taipei. Moreover, THAI launched a new direct flight route to Istanbul, Republic of Türkiye on December 1, 2023. Furthermore THAI operated the regional and domestic routes replacing the operation of ThaiSmile. Moreover, other revenues from other activities was increased by THB 82 million, (3.4%) due to an increase in the number of customer airlines. Other revenue increased THB 899 million. Total expenses (excluding the one-time items) amounted to THB 34,778 million, THB 8,402 million (31.9%) higher than last year resulting from increasing in production/traffic, number of flights, routes, number of passenger, Baht depreciation, higher ground handling rates and raw material price. As the results, THAI reported the operating profit before finance cost and one-time items THB 11,116 million, THB 1,459 million (11.6%) lower than last year.

THAI recognize financial costs, which was the recognition of financial costs according to Financial Reporting Standards No. 9: TFRS 9 in the amount of THB 4,607 million, THB 1,257 million (37.5%) higher than last year and a one-time transaction mainly caused by losses from foreign currency exchange, impairment loss of aircraft, right-of-use assets and rotatable aircraft's spare parts, gain on debt restructuring and outdated passenger ticket revenue adjustment. This year one-time transaction loss amounted to THB 4,002 million while last year was gain amounted to THB 2,598 million

The first quarter of 2024, THAI had a net profit of THB 2,507 million, THB 9,372 million lower than the previous year. Profit per share was 1.15 baht, 4.29 baht (78.9%) lower than last year. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft rental fees calculated from actual aircraft use (Power by the Hour) was a profit of THB 14,040 million, THB 625 million higher than last year.

Financial Performance: THAI

	Jan - Mar			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	45,894	38,951	+6,943	+17.8
- Passenger and excess baggage revenue	38,517	31,954	+6,563	+20.5
- Freight and mail revenue	3,762	4,363	-601	-13.8
- Revenue from other businesses	2,524	2,442	+82	+3.4
- Other income	1,091	192	+899	+468.2
Total operating expenses	34,778	26,376	+8,402	+31.9
- Fuel and oil	12,926	11,060	+1,866	+16.9
- Non-fuel operating expenses	21,852	15,316	+6,536	+42.7
Operating Profit before finance cost exclude one-time items	11,116	12,575	-1,459	-11.6
Finance cost	4,607	3,350	+1,257	+37.5
Operating Profit exclude one-time items	6,509	9,225	-2,716	-29.4
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Gain from debt restructuring	493	2,640	-2,147	-81.3
Impairment loss in accordance with TFRS 9 (reversal)	130	(406)	+536	+132.0
Mutual Separation Plan (MSP)	(11)	(65)	+54	+83.1
Gain (Loss) from sale of asset	(33)	363	-396	-109.1
Impairment loss on aircraft, right-of-use assets and rotatable aircraft's spare parts	(3,338)	(65)	-3,273	-5,035.4
Gain (Loss) on foreign currency exchange	(5,379)	131	-5,510	-4,206.1
Profit before tax	2,507	11,823	-9,316	-78.8
Net Profit	2,507	11,879	-9,372	-78.9
Net Profit per share (THB)	1.15	5.44	-4.29	-78.9
Significant operating data				
EBITDA – Lease Payment (MTHB)	14,040	13,415	+625	+4.7
Number of passengers (Million)	3.88	2.19	+1.69	+77.1
Available Seat-Kilometers (Million)	14,646	12,051	+2,595	+21.5
Revenue Passenger-Kilometers (Million)	12,227	10,117	+2,110	+20.9
Cabin Factor (%)	83.5	83.9	-0.4	-0.4
Passenger Yield (THB/RPK)	3.14	3.15	-0.01	-0.3
Available Dead Load Ton-Kilometers (Million)	784	697	+87	+12.5
Revenue Freight Ton-Kilometers (Million)	417	334	+83	+24.9
Freight Load Factor (%)	53.1	47.9	+5.2	+5.2
Freight carried (Ton)	95,679	74,516	+21,163	+28.4
Freight Yield (THB/RFTK)	8.86	12.84	-3.98	-31.0
Number of aircraft (As of Mar 31) (Aircraft)	74	66	+8	+12.1
Flight hours (Hours)	73,167	51,671	+21,496	+41.6
Aircraft utilization (Hours/Aircraft/Day)	12.8	14.1	-1.3	-9.2
Average foreign currency exchange rate				
1 USD : THB	35.6601	33.9122	+1.7479	+5.2
1 EUR : THB	38.7080	36.3882	+2.3198	+6.4
100 JPY : THB	24.0491	25.6590	-1.6099	-6.3
Average jet fuel price (USD/BBL)	111.85	116.93	-5.08	-4.3

Note: EBITDA- Aircraft Lease Payment = Total Revenue (exclude gain on foreign exchange, gain from debt restructuring and gain from sale of investment) - Expenses (Excluded Power by the Hour, finance cost, tax, depreciation and amortization, impairment loss on aircraft, right-of-use assets and rotatable aircraft's spare parts, impairment loss in accordance with TFRS 9 and loss on foreign currency exchange) after cash paid for lease liabilities included Power by the Hour.

Assets of Thai Airways International PCL.

As of March 31, 2024, total assets totaled THB 255,965 million, an increase of THB 18,537 million (7.8%) from December 31, 2023. Details as follows:

	Separate Financial Statement					
	Mar 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	52,190	20.4	52,359	22.0	-169	-0.3
Non-current assets held for sale	2,924	1.1	2,103	0.9	+821	+39.0
Other current assets	45,831	17.9	38,377	16.2	+7,454	+19.4
Current Assets	100,945	39.4	92,839	39.1	+8,106	+8.7
Property, plant and equipment-net	39,840	15.6	44,556	18.8	-4,716	-10.6
Right-of-use Assets	71,564	28.0	65,042	27.4	+6,522	+10.0
Other non-current assets	43,616	17.0	34,991	14.7	+8,625	+24.6
Total Assets	255,965	100.0	237,428	100.0	+18,537	+7.8

Current assets were THB 100,945 million represented 39.4% of total assets, which increased by THB 8,106 million (8.7%) mainly due to other current financial assets increased by THB 5,749 million mainly due to investments in bill of exchange, also trade and other current receivables by THB 1,766 million from prepaid expenses and deposit. (Also see Note to the financial statements No. 5.2, 6.1, 7, 8, 24.5)

Property, Plant and Equipment-net amounted to THB 39,840 million or 15.6% of total assets, decreased from December 31, 2023 by THB 4,716 million (10.6%), mainly due to the reclassification of 6 Airbus A380-800 to non-current assets held for sale, net book value of THB 1,328 million and recorded an impairment loss of 6 Airbus A380-800 aircraft amounted to THB 3,793 million and reversed an impairment loss of engine spare parts amounted THB 652 million and acquiring spare engine and rotatable spare parts. (Also see Note to the financial statements No.11)

Right-of-use assets amounted to THB 71,564 million or 28.0% of total assets which consists of assets under finance lease agreements and obligations under the aircraft operating lease agreement and other fixed asset under operating leases increased from December 31, 2023, amounting to THB 6,522 million (10.0%), resulting from receiving 3 Airbus A350-900 aircraft. However, THAI had recorded depreciation for the period. (Also see Note to the financial statements No.12)

Other non-current assets amounted to THB 43,616 million or 17.0% of total assets, increased from December 31, 2023 by THB 8,625 million (24.6%) from the an increase in pre-delivery payment for aircraft procuring. (Also see Note to the financial statements 10.1, 10.2, 13, 14, 18, 24.5)

Liabilities of Thai Airways International PCL.

Total liabilities as of March 31, 2024 were THB 296,810 million an increase of THB 16,030 million (5.7%) from December 31, 2023. These comprised of:

	Separate Financial Statement					
	Mar 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	66,811	22.5	65,709	23.4	+1,102	+1.7
Current portion of long-term liabilities	9,061	3.1	7,180	2.6	+1,881	+26.2
Long-term liabilities	166,652	56.1	157,231	56.0	+9,421	+6.0
Other non-current liabilities	54,286	18.3	50,660	18.0	+3,626	+7.2
Total Liabilities	296,810	100.0	280,780	100.0	+16,030	+5.7

Current liabilities which accounted for 22.5% of the total liabilities amounted to THB 66,811 million, an increase of THB 1,102 million (1.7%) from December 31, 2023, due to an increase in trade and trade payable amounted to THB 2,870 million. However, deferred revenue decreased THB 1,590 million. (Also see Note to the financial statements No. 5.2, 17)

Long-term liabilities (including the current portion of long-term liabilities) were THB 175,713 million represented 59.2% of total liabilities, which increased by THB 11,302 million (6.9%) resulting from increase in lease liabilities amounted to THB 10,084 million, from leasing 3 Airbus A350-900 aircraft. (Also see Note to the financial statements No.5.2, 6.3, 15.1, 15.2, 16)

Shareholders' Equity of THAI

As of March 31, 2024, THAI had shareholders' equity of THB -40,845 million, an improvement of THB 2,507 million compared to December 31, 2023.

4. Outlook

The year 2024 is considered an election year for several major countries around the world, including the US, Russia, India, the European Parliament, and the United Kingdom. These may affect changes and uncertainties in international economic and political policies, which may affect changes in geopolitical tensions across various territories. However, IMF recently updated its global GDP growth forecast from 3.1% in January 2024 to 3.2%.

In the aviation industry, IATA predicts continuous growth. The estimated passenger revenue per unit is expected to increase by 1.8%, and RPK is projected to increase by 9.8% compared to the year 2023. The RPK growth rate is expected to be double-digits in all regions except North America, indicating the potential recovery of the aviation business amidst political uncertainties and economic volatility.

In the second quarter of 2024, THAI will emphasize fleet and route network optimization by taking the delivery of 3 Airbus A350-900 and 1 Boeing 787-9 aircraft into the fleet and resume flights to Milan, Italy, and Oslo, Norway, and introducing new route to Kochi, India, starting from April 2, 2024. Moreover, there is a plan to retrofit the cabin seats of Airbus A320-200 aircraft with new Royal Silk reclining seats by 2024. Furthermore, THAI also plans to install a wireless IFE system to provide in-flight entertainment services. In addition, THAI entered into an agreement with the Boeing Company and GE Aerospace in acquiring mid-range and long range wide-body, 787 Dreamliner aircraft consisting of a firm order of 45 aircraft and GENx engines, with option order up to 80 Dreamliners to be incorporated into the THAI fleet, with deliveries starting from 2027 to 2033 to replace aircraft with expiring leases and gradually expanding the fleet to sustain continuous growth, accommodating the increasing passenger volumes resulting from the aviation industry's recovery. This has enabled the company to enhance its capability to generate revenue and support the growing passenger volumes stemming from the aviation industry's recovery, thereby increasing revenue-generating efficiency for the company.

In addition, THAI has partnered with Airports of Thailand Public Company Limited ("AOT") to enhance cooperation in establishing Thailand as a world-class aviation hub. This collaboration was formalized through the "Connecting the Unconnected" workshop, aimed at elevating the passenger travel experience across all dimensions. The focus lies on developing the route network, infrastructure, facilities, and utilization of information technology systems. This includes promoting the use of technology to facilitate check-in processes, such as mobile check-in via both the THAI mobile application, developed by THAI Airways, and the "Sawasdee" applications, developed by AOT. The initiative also encourages self-service check-in options (Self-Service Check-In or Check-In KIOSK) and biometric check-in. The efforts are underway to optimize flight connection efficiency for Thai passengers and Star Alliance. Furthermore, discussions were held on the potential to strengthen aircraft maintenance capabilities at both Don Mueang and Suvarnabhumi airports, aligning with the Thai government's vision of "IGNITE THAILAND." The government aims to establish Thailand as an aviation hub by developing key infrastructure that leverages the country's geographical strengths and environmental conditions to drive the global economy.

Furthermore, THAI introduced the new version of "Thai Airways" mobile application with various platforms that facilitate travel services. Passengers will be able to manage flights and access to Royal Orchid Plus (ROP) services more conveniently with this new version.

THAI expects to be able to complete the capital restructuring by 2024, according to the proposed revision of the plan, which the Central Bankruptcy Court issued an order approving the proposal for the Plan amendment of the Company Equity on October 20, 2022. Aiming to restore positive equity in 2024, and THAI's securities will be able to resume trading on the stock market which will create confidence among creditors, existing shareholders, and investors for supporting THAI and becoming a part of THAI to grow strongly and sustainably, generating consistent profit.

5. Financial Ratios

		Jan - Mar			
		Consolidated		The Company	
		2024	2023	2024	2023
Liquidity Ratio					
Current Ratio	(times)	2.42	2.21	2.45	2.38
Profitability Ratio					
Operating Profit (Loss) Margin	%	14.07	22.85	14.18	23.68
Net Profit (Loss) Margin	%	5.27	30.17	5.46	30.50
Return on Equity	%	n/a	n/a	n/a	n/a
Efficiency Ratio					
Return on Total Assets	%	0.98	6.16	1.02	5.86
Financial Policy Ratio					
Interest Bearing Debt to Equity	(times)	n/a	n/a	n/a	n/a
Total Debt to Equity	(times)	n/a	n/a	n/a	n/a
Interest Coverage Ratio	(times)	3.94	4.47	3.94	4.55
Net Debt to EBITDA	(times)	13.52	14.12	13.46	14.23
Debt Service Coverage Ratio	(times)	1.99	2.50	2.00	2.48

GLOSSARY

Current Ratio	= Current Assets (Exclude Non-Current Assets held for sale / Current Liabilities (Exclude Unearned Transportation Revenues)
Operating Profit (loss) Margin	= Operating Profit (loss) / Total Revenue (Exclude one-time items)
Net Profit (Loss) Margin	= Net Profit (Loss) / Total Revenue (Exclude one-time items)
Return on Equity	= Net Profit (Loss) / Average Shareholders' Equity
Return on Total Assets	= Net Profit (Loss) / Average total assets
Interest Bearing Debt to Equity	= (Short-term Loan + Long-term Loan including current portion of Long-term Loan within 1 year) / Shareholders' Equity
Total debt to equity ratio	= Total liabilities / Shareholders' Equity
Interest Coverage ratio	= EBITDA / Interest
Net Debt to EBITDA	= (Total liabilities – Cash and cash equivalents) / EBITDA
Debt Service Coverage Ratio	= EBITDAR / (Long-term Loan repayment and Lease liabilities + Interest payment + Lease of aircraft and spare part)

6. Related transactions

6.1 Significant related party transactions carried between the company and major shareholders and entities that may have conflicts of interest for the period ended March 31, 2024 are detailed as follow:

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Ministry of Finance (MOF)	MOF is the major shareholder of THAI with 44.69% shares.	1. International loans take through the MOF consist of:				- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - Also see Notes No.1 and 2
		- Outstanding loans under the rehabilitation plan	12,808.08	12,583.54	11,721.78	
		- Deferred interests	224.54	861.76	135.90	
		2. THAI leased the lands from the Treasury Department.	1.80	7.80	8.63	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		3. THAI sold tickets to MOF.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	3.49	1.43	0.00	
		- Account receivable	0.00	0.00	0.00	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Government Savings Bank (GSB)	GSB is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a committed revolving credit line with GSB credit limit up to THB 3.5 billion, the credit line was used.</p> <p>- Outstanding loans - Interest expenses - Accrued interests</p> <p>2. THAI sold tickets, rented out space, and other services to GSB.</p> <p>- Total revenue</p>	<p>3,500.00 29.64 29.64</p> <p>0.15</p>	<p>3,500.00 119.22 119.22</p> <p>0.36</p>	<p>3,500.00 119.22 119.22</p> <p>0.63</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note: - The interest rate for the year 2022-24 were the effective interest rate according to the original contract. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
Export-Import Bank of Thailand (EXIM)	EXIM is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a long-term loan agreement with EXIM:</p> <p>- Outstanding loans - Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>- - -</p>	<p>- - -</p>	<p>605.90 37.45</p>	<p>- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1 and 3</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
		<p>2. THAI entered into a committed revolving credit line with EXIM credit limit up to THB 1.5 billion, the credit line was used.</p> <p>- Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>1,513.88 5.70</p>	<p>1,508.18 22.63</p>	<p>1,485.55 22.18</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1</p>
Islamic Bank of Thailand (IBANK)	IBANK is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a long-term loan agreement with IBANK:</p> <p>- Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>1,616.25 36.94</p>	<p>1,579.31 139.89</p>	<p>1,273.73 78.36</p>	<p>- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1 and 3</p>
Krung Thai Bank Public Company Limited (KTB)	MOF controlled via the Bank of Thailand and Financial Institutions Development Fund, which is the major shareholder of KTB.	<p>1. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.0 billion, the credit line was used.</p> <p>- Outstanding loans - Interest expenses - Accrued interests</p>	<p>2,260.73 19.11 19.11</p>	<p>2,260.73 76.86 76.86</p>	<p>2,260.73 76.86 76.86</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note: - The interest rate for the year 2022-24 were the effective interest rate according to the original contract.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
		<p>2. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.5 billion, the credit line was used.</p> <p>- Outstanding loans</p> <p>- Interest expenses</p> <p>- Accrued interests</p>	<p>3,500.00</p> <p>9.92</p> <p>9.92</p>	<p>3,500.00</p> <p>39.90</p> <p>39.90</p>	<p>3,500.00</p> <p>39.90</p> <p>39.90</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note:</p> <p>- The interest rate for the year 2022-24 were the effective interest rate according to the original contract.</p>
		<p>3. THAI sold debentures to KTB.</p> <p>- Debenture value</p> <p>- Interest in accordance with the business rehabilitation plan</p>	<p>832.00</p> <p>3.07</p>	<p>832.00</p> <p>12.48</p>	<p>832.00</p> <p>12.48</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1</p>
		<p>4. THAI provided office space rental, ATM space, utilities, and leased line to KTB.</p> <p>- Total revenue</p> <p>- Account receivable</p>	<p>0.00</p> <p>0.00</p>	<p>2.58</p> <p>0.21</p>	<p>2.72</p> <p>0.16</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
		<p>5. THAI paid service fees to KTB for cash delivery and debentures distribution fee.</p> <p>- Total expenses</p> <p>- Account payable</p>	<p>0.00</p> <p>0.13</p>	<p>0.00</p> <p>0.13</p>	<p>0.00</p> <p>0.13</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Thailand Post Company Limited	Thailand Post and THAI have a common major shareholder, namely MOF.	1. THAI bought postal services, both domestic and international, and postal tools from Thailand Post. - Total expenses	0.06	0.38	0.27	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Tourism Authority of Thailand (TAT)	TAT is controlled by the MOF, a major shareholder of THAI.	1. THAI paid for advertising and sales promotion to TAT. - Total expenses - Account payable 2. THAI sold tickets and provided office space rental to TAT. - Total revenue - Account receivable	0.58 0.55 0.00 1.11	1.32 0.55 4.57 0.87	0.00 0.52 16.17 5.23	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.
MCOT Public Company Limited (MCOT)	MCOT and THAI have a common major shareholder, namely MOF.	1. THAI paid for advertising to MCOT. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	0.00 0.00 0.88 0.14	0.00 0.00 0.86 0.16	0.00 0.87 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
PTT Public Company Limited (PTT)	PTT and THAI have a common major shareholder, namely MOF.	1. THAI bought fuel and lubricant for its vehicles from PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Notes No.1
		- Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	0.00 0.13 1.28 0.21	0.00 0.13 1.26 0.23	0.00 0.17 1.17 0.33	
		2. THAI sold tickets and provided AC dielectric tester service to PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	7.09	28.07	16.33	
Airports of Thailand Public Company Limited (AOT)	AOT and THAI have a common major shareholder, namely MOF.	1. AOT provided space rental at several airports for THAI's offices, aircraft/ vehicle parking, cargo loading/ unloading, stores for ground service equipment, containers, and other services.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total expenses - Account payable	2,406.80 1,049.79	6,676.54 889.86	3,865.62 890.11	
		2. THAI sold tickets to AOT and received 2% of passenger service charge collected for AOT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue - Account receivable	15.46 94.21	49.20 78.08	18.52 33.70	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
CAT Telecom Public Company Limited (CAT)	CAT and THAI have a common major shareholder, namely MOF.	<p>1. THAI sold debentures to CAT.</p> <ul style="list-style-type: none"> - Debenture value 933.00 - Interest in accordance with the business rehabilitation plan 3.45 <p>2. THAI rents communication channels from CAT.</p> <ul style="list-style-type: none"> - Total expenses 0.00 - Account payable 2.51 				<p>- The pricing, terms, interest rates and Commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
TOT Public Company Limited (TOT)	TOT and THAI have a common major shareholder, namely MOF.	<p>1. THAI sold debentures to TOT</p> <ul style="list-style-type: none"> - Debenture value 415.00 - Interest in accordance with the business rehabilitation plan 1.53 <p>2. THAI rents optical fibers from TOT</p> <ul style="list-style-type: none"> - Total expenses 0.00 - Account payable 0.00 				<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Civil Aviation Training Center (CATC)	CATC is controlled by the MOF, a major shareholder of THAI.	1. CATC provided aviation training for THAI's pilots. - Account payable - Account payable under the rehabilitation plan - Deferred interests	 0.00 9.52 0.72	 0.00 9.35 0.88	 10.00 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai-Amadeus Southeast Asia Company Limited (Subsidiary Company)	THAI is the major shareholder of Thai-Amadeus Southeast Asia, with 55% shares. THAI's executive officers: - Mr. Chai Eamsiri is a Director of Thai-Amadeus Southeast Asia; - Mr. Korakot Chatasingha is a Director of Thai-Amadeus Southeast Asia; - Mr. Tras Prommobol is a Director of Thai-Amadeus Southeast Asia.	1. THAI sold tickets and provided office space and computer rental to Thai-Amadeus Southeast Asia Co., Ltd. - Total revenue - Account receivable	 0.92 0.25	 3.53 0.30	 6.20 1.04	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Wingspan Services Company Limited (WSC) (Subsidiary Company)	THAI is the major shareholder of WSC, with 49% shares and controlling authority.	1. WSC outsourced its staff to THAI. - Total expenses - Account payable	329.30 345.54	1,062.82 306.78	376.97 166.36	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	THAI's executive officers: - Mrs. Chuntarica Jotikasthira is a Director of WSC.	2. THAI provided office space and equipment rental to WSC. - Total revenue - Account receivable	1.00 2.69	3.42 2.24	3.56 1.37	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai Flight Training Company Limited (TFTA) (Subsidiary Company)	THAI is the major shareholder of TFTA, with 49% shares and controlling authority	1. THAI provided aviation training equipment, office space and equipment rental to TFTA. - Total revenue - Account receivable	13.96 0.77	34.75 0.77	22.14 4.23	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	THAI's executive officers: - Lt.JG. Supoj Charoensuk is a Director of TFTA; - Mrs. Onanong Junhaman is a Director of TFTA.	2 TFTA provided flight attendant training to THAI - Total expenses - Account payable	0.00 0.45	0.00 0.00	0.00 0.00	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Tour Eurng Luang Company Limited (Subsidiary Company)	THAI holds 49 % shares in Tour Eurng Luang Co., Ltd via WSC and with controlling authority.	1. THAI paid commission fees from the sale of Eurng Luang services to Tour Eurng Luang. - Total expenses - Account payable	0.61 0.47	2.16 0.18	2.05 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		2. THAI sold Eurng Luang tours to Tour Eurng Luang. - Total revenue - Account receivable	2.43 0.62	10.67 5.37	12.31 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai Smile Airways Company Limited (Subsidiary Company)	THAI wholly owns Thai Smile Airways. THAI's executive officers: - Mr. Chai Eamsiri is a Director of Thai Smile Airways; - Mr. Korakot Chatasingha is a Director of Thai Smile Airways; - Mrs. Chuntarica Jotikasthira is a Director of Thai Smile Airways; - Mrs. Cherdchome Therdsteerasukdi is a	1. THAI bought Block Space and other services from Thai Smile Airways. - Total expenses - Account payable 2. THAI provided aircraft rental, ground services, parking space, aircraft insurance premium, boarding passes, pilot training and catering to Thai Smile Airways.	61.57 0.04	3,943.73 130.91	2,995.72 490.16	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
	Director of Thai Smile Airways.	- Total revenue - Account receivable	125.57 10,276.30	3,911.55 10,353.67	3,346.78 10,885.92	
Don Mueang International Airport Hotel Company Limited (Associated Company)	THAI holds 40% shares in Don Mueang International Airport Hotel. THAI's executive officers: - Mrs. Cherdchome Therdsteerasukdi is a Director of Don Mueang International Airport Hotel.	1. THAI bought hotel rooms for its passengers from Donmueang International Airport Hotel. - Total expenses	0.00	0.00	0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Phuket Air Catering Company Limited (PACCO) (Associated Company)	THAI holds 30% shares in PACCO. THAI's executive officers:	1. THAI bought catering services from PACCO. - Total expenses - Account payable	77.48 11.93	148.48 0.00	38.93 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Notes No.1

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
	- Mrs. Varangkana Luerojvong is a Director of PACCO; - Mr. Tras Prommobol is a Director of PACCO.	- Account payable under the rehabilitation plan - Deferred interests	17.57 2.87	17.23 3.21	15.95 1.19	
Suvarnabhumi Airport Hotel Company Limited (Associated Company)	THAI holds 30% shares in Suvarnabhumi Airport Hotel. THAI's executive officer: - Mrs. Varangkana Luerojvong is a Director of Suvarnabhumi Airport Hotel; - Mr. Cherdphan Chotikhun is a Director of Suvarnabhumi Airport Hotel.	1. THAI bought hotel rooms for its passengers from Suvarnabhumi Airport Hotel. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	0.32 0.00 1.86 0.30	0.32 0.00 1.82 0.34	0.00 2.16 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Notes No.1

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the first three months period ended March 31 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Aeronautical Radio of Thailand Limited (AEROTHAI) (Joint-Venture Company)	AEROTHAI and THAI have a common major shareholder, namely MOF. THAI holds 0.55% shares in AEROTHAI. THAI's executive officers: - Lt.JG. Supoj Charoensuk is a Director of AEROTHAI.	1. THAI bought navigation services and rented communication equipment from AEROTHAI				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total expenses	713.56	713.56	438.31	
		- Account payable	0.00	0.00	107.31	
		- Account payable under the rehabilitation plan	96.62	94.89	-	
		- Deferred interests	7.22	8.95	-	

Notes:

1. After the Central Bankruptcy Court has issued an order approving the rehabilitation plan and the request for an amendment to the plan following the resolution of the meeting of creditors on May 19, 2021. THAI has made improvements in debt to a financial liability that has been measured at amortized cost using the effective interest method and considered a pre-adjusted financial liability. In addition, whether there has been a significant difference after the adjustment for financial liabilities that differ materially, the new financial liabilities have been recognized at fair value using the discounted cash flow method which used the market interest rate. The difference between the carrying amount of the adjusted financial liability and the present value of the recalculated financial liability where THAI recognizes gains on debt restructuring in the statements of income and other comprehensive income and the interest expense is recognized at the market rate. If such financial liabilities do not have a significant difference THAI would adjust its cash flows under new conditions by using the effective interest rate under the original contract resulting difference is recognized as gain on debt restructuring in the statements of income and other comprehensive income and the interest expense is recognized at the effective interest rate according to the original contract

- The interest rate for the year 2022-24 were the rate according to the court's order approving the business rehabilitation plan (June 15, 2021)

2. Debts from foreign financial institutions through major shareholders is a facility that the Ministry of Finance "(MOF)" which has entered into a facility agreement with a foreign financial institution and the MOF has extended the facility period to THAI. Later, on October 20, 2022, the Central Bankruptcy Court approved the amended plan for Group 4 creditors and debt from major shareholders who are not financial institutions by changing the repayment method to receive debt repayment by converting debt to equity accordance with the amended business rehabilitation plan. Therefore, THAI adjusts the amount of debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method using the market interest rate.

3. On October 20, 2022, the Central Bankruptcy Court ordered to approve the plan amendment of THAI's rehabilitation plan for Group 6 Creditors, unsecured financial institution creditors, by changing their payment methods to convert debt to equity accordance with the amendment of business rehabilitation plan. For this reason, as of March 31, 2024, THAI adjusted the debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method using the market interest rate.

6.2 Necessity and reasonableness of related party transactions

For the above related transactions, THAI aims to create maximum benefits. This is the normal course of business, or provide/receive services from related companies determined from the normal price of the business as THAI has given to individuals or other unrelated businesses This is in accordance with the appropriateness of the conditions and the use of reference market prices which brings benefits to the whole company and related companies without the purpose of transferring benefits between each other or have any special transactions so that all shareholders and stakeholders are treated fairly and equally in accordance with the Company's good corporate governance policy.

6.3 Connected Transaction Approval Procedures

Performing the aforementioned related transactions is aligned with THAI's normal business operations and has been approved in accordance with THAI's procedures, which have stringent measures, including directors and executives with vested interests in such matters not being involved in the transaction's approval.

6.4 Future related party transaction policy

The Audit Committee and THAI will jointly ensure that the aforementioned related transactions that may occur in the future are reasonable and have a fair rate of return as well as being properly approved in accordance with the relevant procedures and regulations, and will disclose the type and value of THAI's related party transactions with individuals who may have conflicts of interest under the announcements and regulations of the Securities and Exchange Commission (SEC), the Capital Market Supervisory Board (CMSB) under the SEC, and the Stock Exchange of Thailand (SET).